



SEMBCORP AND ASCENDAS-SINGBRIDGE FORMALISE AGREEMENTS TO DEVELOP AMARAVATI CAPITAL CITY IN INDIA

Vijayawada, India, 7 June 2018 – Asia’s leading sustainable urban development providers, Sembcorp Development India and Ascendas-Singbridge Andhra Investment Holdings, have, through their wholly-owned joint venture company, Singapore Amaravati Investment Holdings (SAIH), formalised their collaboration with the State Government of Andhra Pradesh (SGOAP) to jointly master develop Amaravati Capital City Start-up Area in India with Amaravati Development Corporation (ADC), an agency of the SGOAP.

Amaravati Development Partners (ADP) was incorporated earlier in India by SAIH (holding 58% share) and ADC (holding 42% share) for the joint development of the 684-hectare Start-up Area. The Shareholders Agreement for the establishment of ADP, which sets out the rights and obligations of SAIH and ADC as shareholders with regards to the development of the Start-up Area, has been finalised and endorsed.

ADP has signed today a Concession and Development Agreement with the SGOAP relating to development rights, licences and required authorisations/concessions for the said Start-up Area and to undertake catalytic developments. The agreement sets out certain conditions precedent required to be satisfied to enable ADP to proceed with the development, including among others, the provision by SGOAP to ADP of access to contiguous land parcels that are free from all encumbrances and the grant to ADP, by way of a General Power of Attorney, of rights to marketable land titles to facilitate the sale of developed plots of land to end users. ADP and SGOAP have agreed on a schedule of 12 months for the conditions precedent to be satisfied, which may be extended as set out in the agreement.

The signings took place on the sidelines of the Amaravati Partners Joint Implementation Steering Committee meeting chaired by Minister-in-charge of Trade Relations at Singapore’s Ministry of Trade and Industry, Mr S Iswaran; and Chief Minister of Andhra Pradesh, Mr N. Chandrababu Naidu.

Amaravati is the new capital city that the SGOAP has planned to develop for the newly-constituted state of Andhra Pradesh. The aspiration is to create a vibrant, diverse and modern city for the people of Andhra Pradesh, and a compelling destination for global investments and talent.

The Start-up Area lies within the 20-square kilometre Seed Development Area of Amaravati City, along the River Krishna waterfront. The Start-up Area is to be developed in phases over 15 to 20 years and is expected to create the first centres of activity attracting settlers and investment into Amaravati City.

A greenfield development, the project includes infrastructure development to prepare the site for a mix of business, commercial and residential activities, as well as catalytic development in the Start-up Area. In addition, the SGOAP will work with the master developers on industry positioning and investment promotion to bring economic activity to the city.

The above developments will not have a material impact on the earnings per share and net asset value per share of Sembcorp Industries for the financial year ending December 31, 2018.

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