



## **SEMBCORP COMPLETES EQUITY INJECTION OF 77.83% STAKE IN VELLOCET CLEAN ENERGY**

**Singapore, August 31, 2018** - Further to its announcement on July 2, 2018, Sembcorp Industries (Sembcorp) is pleased to announce that its equity injection of A\$5 million (approximately S\$5 million<sup>1</sup>) in Vellocet Clean Energy (VCE) is now complete and that it has taken on shares amounting to 77.83% of the enlarged share capital of VCE. With this, the Group has an effective interest of 77.83% ownership in VCE through Sembcorp Energy Australia. VCE offers clean energy solutions to corporations in Australia and specialises in developing behind-the-meter embedded generation and microgrids for large energy consumers as well as mid-size front-of-meter power supply and generation.

The investment establishes an important beachhead in Australia for Sembcorp to grow in the country's power market, particularly in the direct supply of renewable energy to companies at a time when the potential retirement of older coal-fired facilities is creating a significant opportunity for the growth of cleaner energy solutions. This deal is also part of Sembcorp's strategy to support a low-carbon future as the company repositions itself to capitalise on growth opportunities from the global energy transition.

Tan Cheng Guan, Head, Renewables & Environment, Sembcorp Industries said: "Sembcorp is committed to growing our renewables energy business as it is a key facet of our sustainability ethos, and we target to grow our total renewables generation capacity to around 4,000 megawatts by 2022. We believe that VCE's capabilities in direct supply of renewable energy, coupled with Sembcorp's strength and expertise in integrated energy solutions, will position us for accelerated growth going forward."

This equity injection is not expected to 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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<sup>1</sup> Based on the exchange rate of August 29, 2018