



DIVESTMENT OF SUBSIDIARY IN AUSTRALIA

Singapore, September 6, 2019 – Sembcorp Industries (the Group) announces that the Group has divested its entire stake in Sembcorp Energy Australia Pty Ltd (SEA), formerly known as Vellocet Clean Energy Pty Ltd (VCE), in Australia.

The Group has sold its 81.3% stake to Achievement (S) Pte Ltd, the existing shareholder of the company for a nominal sum of A\$10 (approximately S\$9.40). The consideration was arrived at based on the adjusted net liabilities of SEA. As a result of this divestment, the Group will be writing off SEA's net carrying value of S\$3.0 million.

With this, SEA will revert to its former name, Vellocet Clean Energy Pty Ltd (VCE), and cease to be part of the Sembcorp Group.

The transaction will not have a material impact on the earnings per share and net asset value per share of the Group for the financial year ending December 31, 2019.