



SMRT CORPORATION LTD
(Incorporated in the Republic of Singapore)
(Company Registration No: 200001855H)

**JOINT VENTURE BETWEEN SMRT SERVICES PTE. LTD. AND CYCLECT ELECTRICAL
ENGINEERING PTE. LTD.**

The Board of Directors (the "Directors") of SMRT Corporation Ltd (the "Company") wishes to announce that its wholly-owned subsidiary, SMRT Services Pte. Ltd. ("SMRT Services") has entered into a Joint Venture Shareholders' Agreement (the "JVA") with Cyclect Electrical Engineering Pte. Ltd. ("Cyclect") on 21 September 2016.

Pursuant to the JVA, SMRT Services together with Cyclect will incorporate a joint venture company to be known as SMRT-Cyclect Power Pte. Ltd. ("SMRT-Cyclect Power"), which will be focused on electrical systems for land transportation relating to (a) rail systems (which includes both the Mass Rapid Transit system and the Light Rail Transit system); (b) infrastructure for electric power systems or networks for electric cars and buses, electric autonomous vehicles and electric personal mobility devices; and (c) system design and high voltage electrical infrastructure for ports. The core business of SMRT-Cyclect Power shall be carried out in ASEAN, Australia, New Zealand, and subject to separate agreement between SMRT Services and Cyclect as to their inclusion, potentially Africa, China and India.

Cyclect provides electrical, mechanical and automation solutions for building, infrastructure, industrial plants, marine and offshore, logistics and transport segments. Established in 1943, the Cyclect Group has offices in 9 countries and a staff strength of more than 600 offering engineering, procurement, construction, project management and maintenance services. Notable projects include the Formula 1 Singapore Grand Prix, Universal Studios, Exxon Mobil, Energizer, Pfizer, Marina Bay Sands and Singapore Sports Hub amongst others.

SMRT-Cyclect Power will be incorporated with an issued and paid-up share capital of S\$100 comprising 100 ordinary shares ("Shares"), with SMRT Services holding 60 Shares and Cyclect holding 40 Shares. SMRT Services and Cyclect will also each further subscribe for 599,940 and 399,960 new Shares respectively in SMRT-Cyclect Power after its incorporation. Upon completion of the subscription of Shares, the share capital of SMRT-Cyclect Power will be S\$1,000,000 comprising of 1,000,000 Shares which will be held in the following numbers and proportion:

<u>Name of Joint Venture Parties</u>	<u>%</u>	<u>Shareholding</u>	
		<u>Number of Shares</u>	<u>Issued and Paid-Up Share Capital (S\$)</u>
SMRT Services	60	600,000	600,000
Cyclect	40	400,000	400,000

In total, SMRT Services will subscribe for 600,000 Shares at a cash consideration of S\$600,000. The consideration for the subscription of Shares in SMRT-Cyclect Power by SMRT Services was arrived at after taking into account the strategic value of the investment and will be paid in cash upon the completion of the subscription of the Shares.

The subscription of the Shares by SMRT Services will be funded internally and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company for the current financial year ending 31 March 2017.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

Submitted by Jacquelin Tay Gek Poh, Company Secretary, on 21 September 2016 to the SGX-ST