

PRESS RELEASE

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SEMBCORP ENTERS INTO NON-BINDING AGREEMENT TO INCREASE STAKE IN SEMBCORP ENERGY INDIA LIMITED TO 100%

SINGAPORE, December 04, 2019 – Sembcorp Industries (Sembcorp) announces that its wholly-owned subsidiary Sembcorp Utilities has entered into a non-binding term sheet with its local Indian partner, Gayatri Energy Ventures Pte Ltd (GEVPL), a wholly owned subsidiary of Gayatri Projects Limited (GPL), to acquire the remaining 5.95% stake in Sembcorp Energy India Limited (SEIL). Following the completion of the proposed acquisition, Sembcorp will become the sole owner of SEIL.

The purchase price for the shares is approximately INR 4,070 million (approximately S\$77 million¹) in cash, and is based on discounted cash flows and relevant transaction multiples. There is also potential future earn-outs for GEVPL on the achievement of certain milestones by SEIL. The acquisition will be funded through a mix of internal funds and borrowings.

Sembcorp's India energy arm, SEIL, is a leading independent power producer in the country focused on growing a clean energy portfolio. At present, SEIL has a well-balanced and diversified portfolio of thermal and renewable energy assets of more than 4,300 MW. Since the beginning of the year, SEIL has commissioned 357 MW for the Solar Energy Corporation of India (SECI) 2 and SECI 3 wind power projects in India, bringing total commissioned capacity for SECI wind power projects to 607 MW out of 800 MW. This is the largest operational generating capacity among SECI wind auctions, reflecting the strength of SEIL's capabilities.

The proposed acquisition will allow Sembcorp to have the flexibility as sole owner to evaluate and pursue a full range of growth opportunities in the renewables segment, while at the same time seeking the right equity window to list its India business or to pursue other capital recycling options.

The proposed acquisition is expected to be completed by end of the year, subject to the satisfaction of certain conditions precedent, including shareholders' approval of GPL.

¹ Based on the exchange rate of December 04, 2019

Negotiations on the definitive agreements are currently ongoing and Sembcorp will make an appropriate announcement when there are material developments on this matter.

This acquisition is not expected to 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.

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, marine and urban development group, operating across multiple markets worldwide.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, we provide solutions across the energy and utilities value chain, with a focus on the Gas & Power, Renewables & Environment, and Merchant & Retail sectors. We have a balanced energy portfolio of over 12,500MW, including thermal power plants, renewable wind and solar power assets. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

Sembcorp Industries has total assets of over S\$24 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index,

several MSCI and FTSE indices including the FTSE4Good Index, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.

ABOUT SEMBCORP'S ENERGY BUSINESS IN INDIA

India is a key market for the Sembcorp Group's energy business. Sembcorp Energy India Limited, is a leading independent power producer in the country. Formerly known as Thermal Powertech Corporation India Limited, Sembcorp Energy India Limited owns 100% of Sembcorp Green Infra Limited, and represents a balanced portfolio of thermal and renewable energy assets totalling 4.37 gigawatts' capacity.