



## **INCORPORATION OF JOINT VENTURE COMPANIES TO DEVELOP AMARAVATI CAPITAL CITY IN INDIA**

**Singapore, March 16, 2018** – Amaravati Development Partners (ADP) has been incorporated in India. The initial capitalisation will be Rs. 1,000,000 (Indian rupees one million). ADP is the project company undertaking the development of the 684-hectare Amaravati Capital City start-up area in the newly constituted state of Andhra Pradesh in India. The shareholders of ADP comprise Singapore Amaravati Investment Holdings (SAIH) with the controlling stake of 58%, with Amaravati Development Corporation (ADC), an agency of the State Government of Andhra Pradesh, holding the remaining 42% stake.

Sembcorp Industries' 29% effective stake in ADP is held through wholly-owned and new subsidiary Sembcorp Development India with paid-up equity contribution of S\$435,000, which in turn holds 50% stake in SAIH, with paid-up equity contribution of S\$400,000. SAIH is an equal joint venture with Ascendas-Singbridge Andhra Investment Holdings.

Sembcorp Development India has also signed a limited liability partnership (LLP) agreement with Ascendas-Singbridge Andhra Investment Holdings to form Amaravati Management Services. The partnership, with equal shareholding, will provide services to ADP relating to the development of the start-up area, including management, development, marketing operations and asset management activities. The LLP will have an initial capital of Rs. 1,000,000.

The activities of ADP will be formalised when a shareholders' agreement between SAIH and ADC, as well as a concession and development agreement between ADP and the State Government of Andhra Pradesh are signed at a later date.

The above incorporations are not expected to have material impact on the earnings per share and net asset value per share of Sembcorp Industries for the financial year ending December 31, 2018.