



## **DIVESTMENT OF XINMIN MUNICIPAL WATER ASSET IN CHINA**

**Shanghai, April 1, 2019** – Sembcorp Industries (the Group) announces that its 90.9%-owned joint venture Sembcorp Xinmin Water Co (SXWC) has signed a conditional agreement to transfer its wholly-owned municipal water plant to a local government agency, the Housing & Urban-Rural Development Bureau of Xinmin, for a total consideration of RMB 98.8 million (approximately S\$19.9 million). This amount takes into account the book value of the asset at SXWC level and settlement of receivables.

The divestment is in line with the Group's capital recycling efforts and portfolio rebalancing strategy. The transaction is expected to be completed by mid-2020, subject to the satisfaction of certain conditions precedent, including approval by relevant authorities in China.

None of the directors or controlling shareholders of the Group have any interest, direct or indirect, in the divestment. This transaction is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp for the financial year ending December 31, 2019.