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SEMBCORP MARINE LTD

(Incorporated in the Republic of Singapore)

Company Registration No.: 196300098Z

ANNOUNCEMENT

**RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE AND
SCI DISTRIBUTION**

**ISSUE AND LISTING OF RIGHTS SHARES AND
SETTLEMENT OF SCI DISTRIBUTION**

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Offer Information Statement (as defined below).

The Directors refer to the Company's announcements on 8 June 2020, 22 July 2020, 5 August 2020, 11 August 2020, 14 August 2020 and 7 September 2020 in relation to, among others, the Rights Issue and the offer information statement dated 14 August 2020 issued by the Company in relation to the Rights Issue (the "**Offer Information Statement**").

1. ISSUE AND LISTING OF RIGHTS SHARES

The Company wishes to announce that 10,462,690,870 Rights Shares are expected to be allotted and issued on 11 September 2020 pursuant to the Rights Issue.

Based on the foregoing, the net proceeds raised by the Company from the Rights Issue are approximately S\$2.1 billion. Of the net proceeds, an amount of S\$1.5 billion (representing the consideration for 7,500,000,000 Rights Shares subscribed for by SCI pursuant to the SCI Undertaking Agreement) has been allocated and will be utilised to repay (by way of set off) the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility in accordance with the stated use and the percentage allocated as disclosed in the Offer Information Statement. Following the foregoing utilisation, the amount of unutilised net proceeds would be approximately S\$0.6 billion.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

Following the allotment and issue of the 10,462,690,870 Rights Shares, the number of issued Shares (including 416,840 treasury shares) will increase from 2,092,955,014 Shares as at the date of this announcement to 12,555,645,884 Shares.

The Rights Shares are expected to be listed and quoted on the Main Board of the SGX-ST on 11 September 2020, and trading of such Rights Shares is expected to commence with effect from 9.00 a.m. on 11 September 2020.

2. SETTLEMENT OF THE SCI DISTRIBUTION

The Rights Issue and the SCI Distribution are inter-conditional.

In this regard, the allotment and issue of the Rights Shares is expected to take place on the same day as the settlement date of the SCI Distribution and the date of crediting of the Shares to the Securities Accounts of SCI Shareholders pursuant to the SCI Distribution (which crediting is expected to take place before 9.00 a.m. on 11 September 2020).

On completion of the SCI Distribution, SCI will have distributed all or substantially all of its holdings of Shares, and the Company will cease to be a subsidiary of SCI.

3. RESULTANT SHAREHOLDINGS IN THE COMPANY FOLLOWING THE RIGHTS ISSUE AND THE SCI DISTRIBUTION

The Company will announce the notifications from, among others, SCI and Temasek (of the changes in their interests in the Shares following the Rights Issue and the SCI Distribution) upon receipt of such notifications in due course. Shareholders may refer to such notifications for further information on the resultant shareholdings in the Company of SCI and Temasek following the Rights Issue and the SCI Distribution.

4. TRADING OF ODD LOTS

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on the Main Board of the SGX-ST should note that they are able to trade odd lots of Shares in board lots of one Share on the SGX-ST's Unit Share Market. The SGX-ST's Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. The market for trading of such odd lots may be illiquid.

In this regard, DBS Vickers, OCBC Securities, Phillip Securities and UOB Kay Hian (collectively, the "**Brokerages**") will be offering concessionary brokerage rates for the trading in odd lots of Shares ("**Concessionary Brokerage Rate**") for a period of one calendar month from the date of commencement of trading of the Rights Shares ("**Concession Period**").

The brokerage fee payable by those who trade on the SGX-ST's Unit Share Market during the Concession Period through the Brokerages are as follows:

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	DBS Vickers	OCBC Securities	Phillip Securities	UOB Kay Hian
Minimum brokerage fee, provided the number of Shares traded in aggregate does not exceed 99 Shares in a single day	S\$5.00 per contract (via a broker).	S\$15.00 per contract (via a broker).	S\$5.00 per contract (via POEMS). S\$10.00 per contract (via a broker).	S\$5.00 per contract (via a broker).

For trades of 100 Shares or more in aggregate in a single day, the usual brokerage fee applies. After the Concession Period, Shareholders who hold odd lots of Shares can continue to trade in odd lots on the SGX-ST's Unit Share Market and the Concessionary Brokerage Rate will no longer be applicable to any trades of the Shares in odd lots undertaken via the Brokerages.

Shareholders should note that notwithstanding the Concessionary Brokerage Rate for trades executed on the SGX-ST's Unit Share Market during the Concession Period, they will be required to continue to bear clearing fees and other regular trading fees imposed by the SGX-ST (including any goods and services tax relating to such fees), which shall be based on customary rates imposed from time to time.

BY ORDER OF THE BOARD

Tan Yah Sze
Company Secretary

10 September 2020

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement, the Offer Information Statement, the provisional allotment letters and/or the application forms for Rights Shares and Excess Rights Shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.