

# Company Overview

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## Business Description

Sembcorp Industries is a Singapore-listed company with assets totalling more than S\$9 billion. The Group is primarily involved in the following businesses:

- Utilities
- Marine
- Environment
- Industrial Parks

The Utilities business provides energy and water to industrial and municipal customers in Singapore, the UK, China, Vietnam, the UAE and Oman. Key activities in the energy sector include power and steam generation, and the sale of electricity as well as natural gas. In the water sector, the business offers wastewater treatment, as well as the production and supply of reclaimed, desalinated and potable water and water for industrial use. Together with energy and water, the business also offers on-site logistics and services as part of a bundled offer to industrial customers.

The Marine business provides integrated solutions in ship repair, shipbuilding, ship conversion, rig building, topsides fabrication and offshore engineering through its global network of shipyards spanning Singapore, China, Indonesia, Brazil, India, the Middle East and the USA.

The Environment business provides integrated environmental management solutions to industries, municipalities and government agencies in Singapore, Australia and India. Its activities include waste collection, recycling and waste-to-resource as well as medical waste treatment.

The Industrial Parks business owns, develops, markets and manages integrated townships and industrial parks in Vietnam, China and Indonesia. It offers an integrated approach in the development of complete industrial, commercial and residential developments, providing fully self-sufficient townships for tenants from multinational companies and leading local enterprises to work and live in.

## Objective & Strategies

Sembcorp's aim is to provide shareholder value by focusing on businesses that deliver recurring earnings and have the ability to sustain growth over the long term. The Group pursues five strategic directions:

### Focus on key businesses

Sembcorp maintains a focus on our key businesses, chief of which are the Utilities and Marine businesses, which offer strong fundamentals. Coupled with our

strong operational and management capabilities and a disciplined approach towards investment, we believe that focusing on our key businesses will enable us to continue delivering long-term value to our shareholders.

### Build upon business models

Sembcorp has developed and will continue to build on strong business models in each of our businesses.

Our Utilities business has established a niche as a global leader for the provision of energy, water and on-site logistics and services. We aim to replicate our success in key markets around the globe through establishing and growing beachheads in target markets and entering into strategic partnerships with our international customers and suppliers. We also invest selectively in power and water projects with long-term offtake agreements. Meanwhile, our Marine business has built up a global brand name with a comprehensive range of capabilities encompassing various segments of the value chain in the global marine and offshore industry. Its orderbook provides earnings visibility while long-term strategic alliances with international ship operators provide a steady and growing baseload in ship repair. Our Industrial Parks unit takes an integrated approach to the development of townships and industrial parks. Its early involvement in the development of industrial, residential and commercial areas also provides potential opportunities for the provision of utilities and other services.

### Leverage capabilities for growth

Sembcorp believes that only businesses with clear competitive edge and leading market positions can deliver sustainable growth. To this end, we continue to leverage the differentiating capabilities and processes we have built up in each of our businesses.

We seek to leverage and strengthen our unique operational and technological capabilities in energy and water to seize growth opportunities in these fast-growing sectors. On the energy front, Sembcorp applies technology for greater efficiency and lower emissions in our power, steam and desalination operations. This includes combined cycle gas turbine, cogeneration and combined power-and-desalination technologies. On the water front, we have developed

distinctive capabilities as operators of reliable and efficient facilities offering essential utilities for industrial clusters, including the provision of industrial water, water reclamation and the treatment of complex high concentration wastewater from multiple sources. We continue to build on these capabilities to provide total water solutions using energy-efficient and environmentally-friendly technologies.

Meanwhile, our Marine business' proprietary technologies and designs for rigs and vessels allow it to serve its customers with technologically-advanced solutions. Its trusted brand name and reputation for quality and on-time delivery also strengthen its position as one of the leading players in the market. Similarly, our Industrial Parks business' concept of integrated industrial townships and our Environment business' solutions for advanced waste treatment and resource recovery demonstrate capabilities which provide us a unique competitive advantage.

### Develop new income streams

Sembcorp is committed to developing our core businesses to generate new income streams. We seek to expand in tandem with demand through strategic partnerships with our customers, providing essential solutions to meet their needs. We also look to new markets where there is a demand for our services. To provide a platform for future growth, we continually identify and develop a pipeline of greenfield and brownfield investments. Applying a disciplined approach, we aim to build leading positions in growth markets through selective acquisitions and partnerships. In the face of global urbanisation and population growth, we also actively invest in green business lines which will give us an edge in an increasingly resource-scarce world.

### Build on strong brand name

At Sembcorp, we aim to capitalise on the strength and reliability associated with the Sembcorp brand. Through understanding the needs of our customers and leveraging on group strength and sector expertise to deliver innovative and effective solutions that enable them to do business better, the performance of Sembcorp's businesses reinforces the strength of our brand.