

COMPANY OVERVIEW

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Business Description

Sembcorp Industries is a Singapore-listed company with assets totalling more than S\$10 billion. The Group is primarily involved in the following businesses:

- Utilities
- Marine
- Industrial Parks

The **Utilities** business provides energy and water to industrial and municipal customers in Singapore, China, India, Indonesia, the Philippines, Vietnam, Oman, the UAE, South Africa, the UK, the Caribbean, Chile and Panama. Key activities in the energy sector include power generation and retail, process steam production and supply, as well as natural gas import, supply and retail. In the water sector, the business offers wastewater treatment, as well as the production and supply of reclaimed, desalinated and potable water as well as water for industrial use. Together with energy and water, the business also offers on-site logistics as part of a bundled offer to industrial customers, as well as solid waste management in Singapore, Australia and India.

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

The **Industrial Parks** business owns, develops, markets and manages integrated townships and industrial parks in Vietnam, China and Indonesia. The business offers an integrated approach to township development designed to provide world-class industrial, commercial and residential space and a sustainable urban environment.

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 energy, water, marine and industrial parks businesses, which offer strong fundamentals. Coupled with our solid 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 itself as a leading energy and water player. We have a strong track record in supplying power, steam and natural gas to industrial customers and to the grid and are a trusted provider of total water and wastewater solutions to both industries and households. Leveraging on our expertise in energy and water, we have established a niche as a global leader for the provision of bundled energy, water and on-site logistics to customers in energy-intensive industrial sites and as a developer, owner and operator of large-scale combined power and water plants. 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 capabilities in energy and water to seize growth opportunities in these fast-growing sectors, harnessing technology and innovation to further enhance our competitive advantage.

On the energy front, we apply technologies for greater efficiency and lower emissions, such as 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 serving both industrial customers as well as households. Our niche expertise in industrial water solutions includes applying energy-efficient and environmentally-friendly technologies for the treatment of complex high concentration wastewater from multiple sources, as well as the production of industrial water through desalination and water reclamation. We also provide essential municipal water services to over five million people worldwide, including the provision of potable water, desalinated water and reclaimed water, as well as sewage treatment.

Meanwhile, our Marine business' proprietary technologies and designs for rigs, drillships 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 global market. Similarly, our Industrial Parks business' integrated approach to designing self-sufficient sites featuring world-class industrial, commercial and residential space with an emphasis on sustainable urban development demonstrates capabilities which offer us a competitive advantage. This includes the business' credibility and track record in the development of raw land, including land resettlement and infrastructure development, and its ability to extract further value by undertaking the selective development of commercial and residential real estate at choice sites within its land bank.

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 continue to 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. To support the world's continued development amidst rising 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 our brand. Through understanding the needs of our customers and leveraging on group strength and sector expertise to deliver solutions that enable them to do business better and enhance their quality of life, the performance of Sembcorp's businesses reinforces the strength of our brand.