

COMPANY OVERVIEW

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Business Description

Sembcorp Industries is a Singapore-listed company with assets totalling more than S\$11 billion. The Group is primarily involved in the following businesses:

- Utilities
- Marine
- Integrated Urban Development

The **Utilities** business provides energy and water to industrial and municipal customers. It operates in 14 countries with an established presence in Asia and a strong growing presence in emerging markets around the world. 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 has a strong global reputation and 49 years' proven track record in providing integrated solutions in ship repair, shipbuilding, ship conversion, rig building and offshore engineering and construction, including topsides fabrication. Its global network of shipyards spans Singapore, Brazil, China, Indonesia, India and the USA.

The **Integrated Urban Development** (formerly known as Industrial Parks) business owns, develops, markets and manages integrated urban developments comprising industrial parks as well as business,

commercial and residential space in Vietnam, China and Indonesia. The business offers an integrated approach to delivering urban work and living environments that will attract local and international investments. With a track record of more than 20 years undertaking master planning, land preparation and infrastructure development, and transforming raw land into large scale urban developments, the business stands in good stead to capitalise on urbanisation trends in developing countries.

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 integrated urban development 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 energy, water and on-site logistics to customers in energy-intensive industrial sites. We also have a proven track record 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 Integrated Urban Development unit takes an integrated approach to the development of urban work and living environments. Its early involvement in the development of industrial, residential, business and commercial areas also provides potential opportunities for the provision of utilities and other urban solutions.

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 unique capabilities and processes we have built up in each of our businesses, harnessing technology and innovation to further enhance our competitive advantage.

Our businesses operate in synergy and build upon each business' established relationships and successes. With this integrated approach to business, we are able to tap on the strengths of our various businesses to enhance the Group's competitive position. We apply this strength in integration to our new acquisitions, successfully integrating them within the Group to reap the benefits of mergers and acquisitions and provide even more value for our customers and shareholders.

In our energy business, we apply technologies for greater efficiency and lower emissions, such as combined cycle gas turbine, cogeneration and combined power and desalination technologies. We have also developed distinctive capabilities as operators of reliable and efficient water 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 water through desalination and water reclamation. We also provide essential municipal water services to over five million people worldwide.

Meanwhile, our Marine business' proprietary technologies and designs for rigs, drillships and vessels allow us to serve our customers with technologically-advanced solutions. Our trusted brand name and reputation for quality and on-time delivery also strengthen our position as one of the leading players in the global market.

Our Integrated Urban Development business' integrated approach to designing self-sufficient urban developments, featuring world-class industrial, business, commercial and residential space, demonstrates capabilities which offer us a competitive advantage. This includes the business' credibility and track record in the development of raw land, including master planning, land preparation and infrastructure development, and the ability to extract further value by undertaking the selective development of commercial and residential real estate at choice sites.

With industrialisation and urbanisation, the world's demand for energy, water and other urban solutions continues to grow. As a provider of these essential solutions, Sembcorp is well-positioned with the right businesses and in the right places to benefit from these growth trends and seize opportunities in growing markets.

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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 sustainability and 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, we deliver solutions that enable them to do business better and enhance the quality of life.



Sembcorp's combined power and desalination plant in Fujairah, UAE