

PRESS RELEASE

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SEMBCORP STARTS FULL COMMERCIAL OPERATION OF ITS 225-MEGAWATT MYANMAR POWER PLANT

Mandalay, October 10, 2018 – Sembcorp Industries (Sembcorp) is pleased to announce that its 225-megawatt gas-fired Sembcorp Myingyan Independent Power Plant (IPP) in Mandalay, Myanmar, has successfully commenced full commercial operation following its first phase operation in May this year.

The approximately US\$300 million power plant utilises advanced combined-cycle gas turbine technology that maximises power output while minimising emissions, in line with our sustainability commitment to reduce carbon emission intensity by close to 25% by 2022. With the successful completion, the facility will generate around 1,500 gigawatt hours of power for supply to Myanmar’s Electric Power Generation Enterprise (EPGE), helping to meet the power needs of around 5.3 million people. This will help to ease the country’s severe power deficit.

Neil McGregor, Sembcorp’s Group President & CEO said, “Sembcorp is honoured to invest in Myanmar’s future and to help support its economic development through the provision of critical infrastructure. As an established name in energy, urban and marine solutions in Asia and beyond, we have worked with our partners and brought to this project our proven expertise in gas and power, and our international track record in delivery. It is our hope Sembcorp Myingyan IPP will serve Myanmar for decades to come, providing power to support the country’s continued development, and thereby enhancing living standards there. This project shows what can be achieved when right thought and right action come together for the benefit of its people. Sembcorp is proud to have delivered this plant, and to have played a part in making a difference to lives there.”

Dennis Foo, Managing Director of Sembcorp Myingyan Power Company, said, “Our Sembcorp Myingyan IPP was completed with an uncompromising focus on health, safety, security and the environment. To date, the project has achieved over 8.7 million safe man-hours without any lost time injury, reflecting our commitment to support Myanmar’s development in a responsible and sustainable manner.”

The project's completion follows the signing of a long-term power purchase agreement as well as a build-operate-transfer agreement with Myanmar's Ministry of Electricity and Energy. Under these agreements, Sembcorp Myingyan Power Company will build and operate the power plant for 22 years, after which the facility will be transferred to the Myanmar government. Asian Development Bank, Asian Infrastructure Investment Bank, Clifford Capital, Development Bank of Singapore, DZ Bank, International Finance Corporation and Oversea-Chinese Banking Corporation supported Sembcorp in the funding of this project.

Sembcorp also aims to be a valued partner to the Myingyan community living in close proximity of the Sembcorp Myingyan plant, and has been actively engaging residents to understand their concerns and needs. Working closely with those in the community, Sembcorp aims to help improve their living standards and quality of life by assisting in flood relief work, generating training opportunities, refurbishing schools and repairing infrastructure. These efforts are in addition to the Sembcorp Myingyan IPP's role in supporting Myanmar as a whole, through the supply of essential power to support the country's continued development.

The completion of Sembcorp Myingyan IPP is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp Industries for the financial year ending December 31, 2018.

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading utilities, marine and urban development group, present across five continents.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, it provides solutions across the energy and utilities value chain, with a focus on the Gas & Power, Renewables & Environment, and Merchant & Retail sectors. It has a balanced energy portfolio of over 12,000 megawatts, including thermal power plants, renewable wind and solar power assets, as well as biomass and energy-from-waste facilities. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

Sembcorp Industries has total assets of over S\$22 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index, several MSCI and FTSE indices, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.