

19<sup>th</sup> Annual General Meeting

# FY2016 Performance Review



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# FY2016 Performance Round-up



## A RESILIENT MULTI-BUSINESS GROUP

### Creditable performance amidst challenging business environment

- Turnover at S\$7.9 billion, down 17%
- Profit from Operations at S\$909.0 million, up 44%
- Net Profit at S\$394.9 million, down 28%
- EPS at 19.9 cents
- ROE at 6.2%

## UTILITIES

NET PROFIT S\$348m

- Utilities net profit declined 50% due to exceptional items. Excluding exceptional items, net profit grew by 4%.
- China delivered record net profit of S\$158.3 million
- India performance adversely affected by losses at SGPL (which has yet to secure long-term PPAs). The renewable energy business continued to perform well.
- Singapore remained a key contributor despite the intense competition in the power market, supported by its diversified utilities operations

## MARINE

NET PROFIT S\$48m\*

- Marine business profitable in 2016. Notable project deliveries during the year improved cash flow and strengthened balance sheet.
- However, outlook for the oil & gas industry remains challenging, and a more robust recovery may take longer

## URBAN DEVELOPMENT

NET PROFIT S\$33m

- Net profit comparable to 2015. Better performance expected in 2017

## FY2016 Dividend

- Proposing a final dividend of 4.0 cents per share
- If approved, this will bring FY2016 total dividend to **8.0 cents per share**, together with the interim dividend of 4.0 cents paid in August 2016
- 40% dividend payout ratio (FY2015: 38%) despite challenging market conditions
- Final dividend to be paid on May 16, 2017

**8.0**  
cents per share

**40%**  
Payout Ratio

**2.5%**  
Dividend Yield\*



Sembcorp Green Infra's wind power assets in Madhya Pradesh, India



## Focused Execution of Pipeline

~3,000 MW and 40,000 m<sup>3</sup>/day completed and commissioned in 2016 to February 2017

### Thermal Energy: 2,640MW

- SGPL, India (1,320MW)
- Chongqing Songzao, China (1,320MW)



### Renewable / Energy-from-Waste: 350MW

- Wilton 11, UK (49MW)
- Parner & Rajgarh, India (17MW)
- Rojwas, India (60MW)
- Vagarai, India (26MW)
- A&H, India (80MW)
  - 62MW completed
- LSBH Huanghua, China (150MW)
  - 136MW completed



### Water: 40,000 m<sup>3</sup>/day

- Lianyungang, China (20,000 m<sup>3</sup>/day)
- Qidong, China (10,000 m<sup>3</sup>/day)
- Jingmen, China (10,000 m<sup>3</sup>/day)



# A Strong Foundation

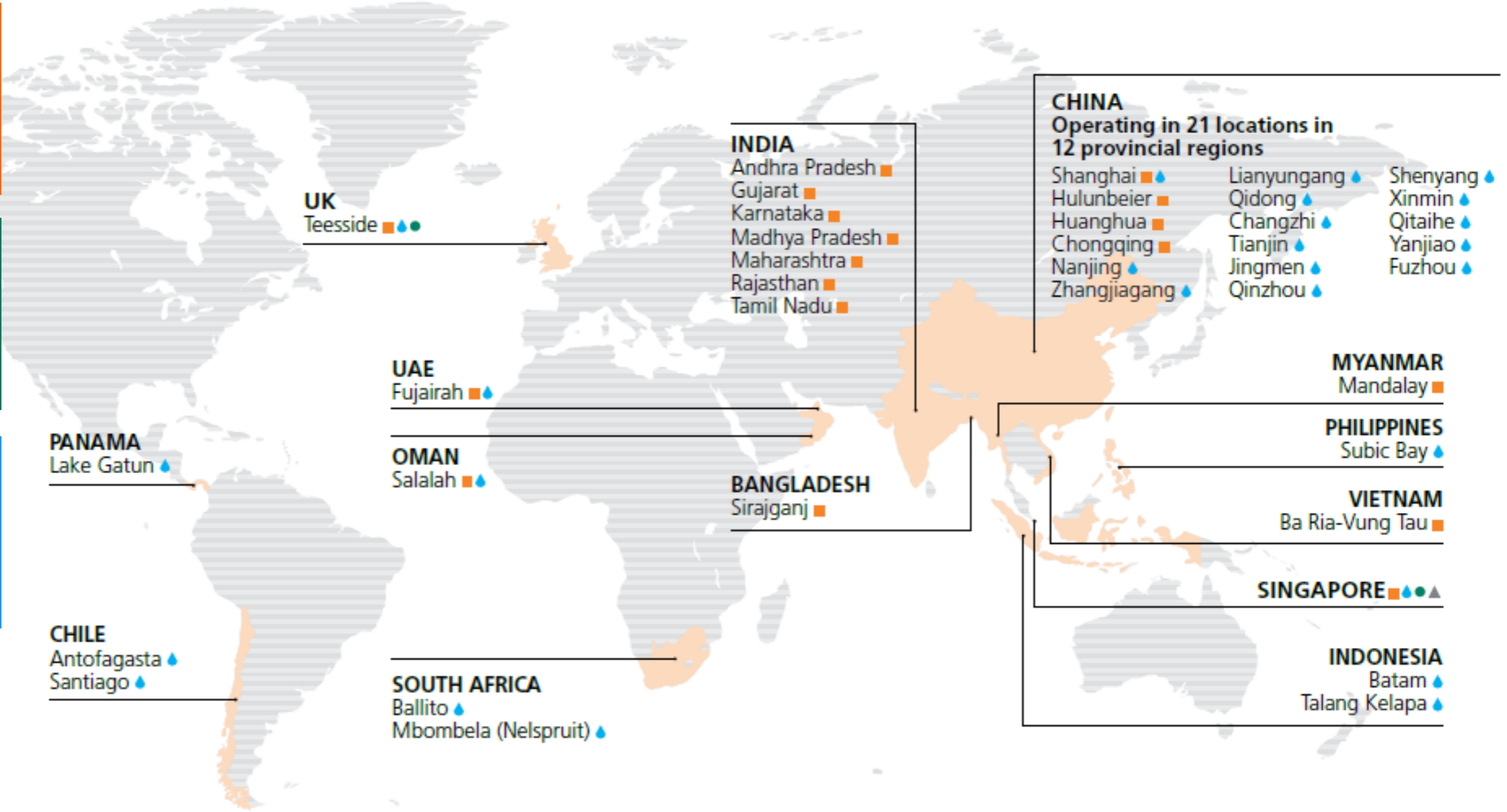
Operating in 70 locations in 14 countries globally



**~11,000MW**  
power capacity

Including  
**>2,000MW**  
renewable power capacity

**8.8 million**  
m<sup>3</sup>/day  
water capacity

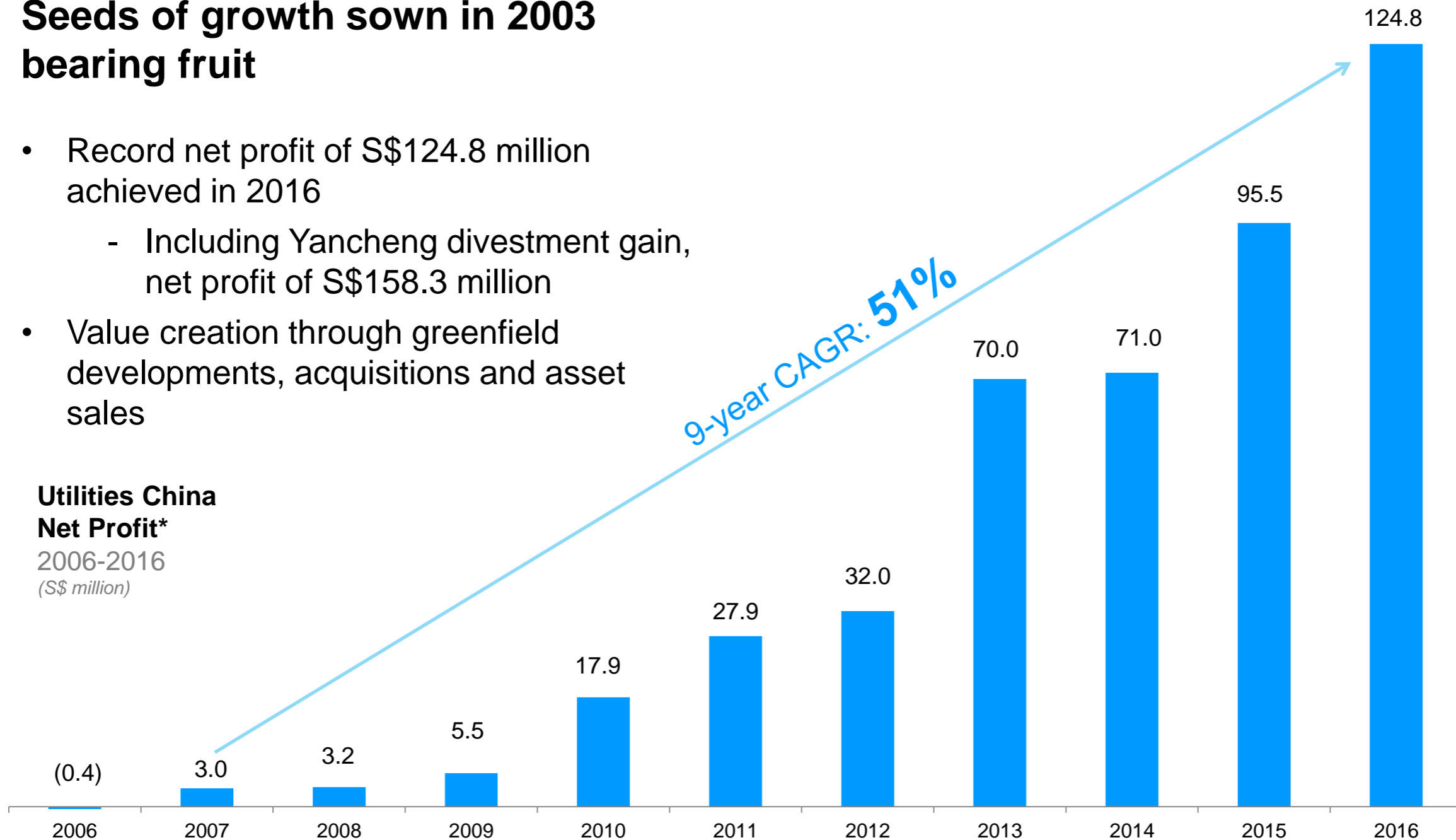


■ Energy    ● Water    ● On-site Logistics    ▲ Solid Waste Management

## Successful Growth of a Business

### Seeds of growth sown in 2003 bearing fruit

- Record net profit of S\$124.8 million achieved in 2016
  - Including Yancheng divestment gain, net profit of S\$158.3 million
- Value creation through greenfield developments, acquisitions and asset sales



\*Before exceptional items

CAGR: compounded annual growth rate



# China

## Seeds of growth sown in 2003 bearing fruit



ENERGY

2003

First investment -- a 691MW cogeneration power plant in Shanghai Chemical Industrial Park

2012

Acquired renewable wind power assets. Total renewable power capacity\* has grown from 248MW to 745MW today

2015

Entered JV to acquire and develop 1,620MW mine mouth coal-fired power project in Chongqing. 1,320MW greenfield portion of the project achieved full commercial operations in Jan 2017

WATER

2003

First investment – industrial wastewater treatment plant in Nanjing Chemical Industrial Park. Today, present in 9 chemical industrial parks across China.

2010

Acquired 6 municipal water operations. Unlocked value through the sale of 2 of these assets in 2015-16

2013

Development of the 1.3 million m<sup>3</sup>/day Changzhi Total Water Management Plant, our largest and most comprehensive water facility in China. The plant is expected to commence operations in 2017



TODAY

**Over 3,000MW of power and 2.3 million m<sup>3</sup>/day of water capacity\* in 21 sites across 12 provinces**

## Planting the Seeds for Long-Term Growth

2011

First thermal power project investment –  
1,320MW TPCIL power plant

2014

Second thermal power project investment –  
1,320MW SGPL power plant

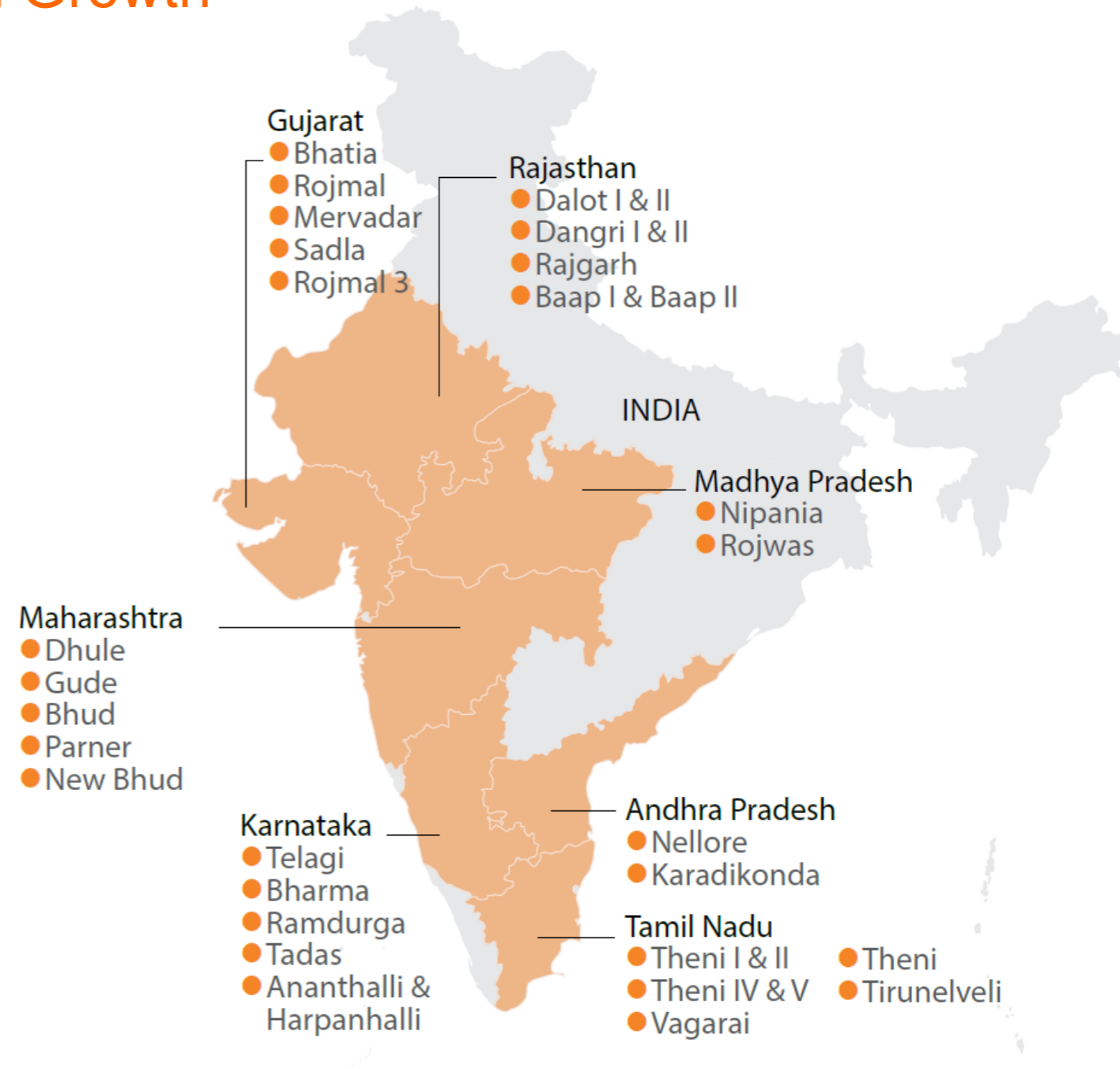
2015

Acquired and successfully integrated renewable  
energy business SGI. Total renewable power  
capacity\* has grown from 700MW to more than  
1,200MW today

Completion and commencement of operation of  
TPCIL. 86% of TPCIL's net capacity is contracted  
under long-term PPA's

2017

Completion and commencement of operation of  
SGPL -- first unit in November 2016 and second  
unit in February 2017



TODAY

**Over 3,800MW of power capacity\*, including more than 1,200MW of renewable power capacity\* across 7 states**

\*Gross installed capacity in operation and under development.  
MW: megawatts; PPA: power purchase agreement

## Singapore Continues to be Key Contributor

- Diversified utilities offering (centralised utilities, power, gas and solid waste management) provides resilience
- Energy-from-Waste facility (140 tph of steam) to commence operations in 3Q2017

## New Platforms for Growth

### Myanmar: 230MW gas-fired Myingyan Independent Power Plant

- Signed 20-year power purchase agreement with Electric Power Generation Enterprise<sup>1</sup>
- To commence operations in 2018

### Bangladesh: 427MW gas-fired Sirajganj Unit 4

- Signed 22.5-year power purchase agreement with the Bangladesh Power Development Board
- To commence operations in 2018



<sup>1</sup> Successor entity to Myanmar Electric Power Enterprise  
 MW: megawatts; tph: tonnes per hour



# Marine



**Sembcorp Marine Tuas Boulevard Yard, Singapore**



# A Next-Generation Fully Integrated Offshore & Marine Engineering Hub

Sembcorp Marine Tuas Boulevard Yard | Singapore

Phase 2 completed in January 2017



## DRYDOCKS

- 1 350m x 66m x (-8.5m)
- 2 360m x 89m x (-8.5m)
- 3 412m x 66m x (-11m)
- 4 350m x 66m x (-8.5m)
- 5 255m x 52m x (-8m)
- 6 255m x 110m x (-12m)
- 7 255m x 110m x (-12m)

## 8 AUTOMATED STEEL STRUCTURE FABRICATION WORKSHOP

Offers a streamlined and extensively automated production process. The central kitchen for steel fabrication for all three phases of the yard, greatly improving efficiency

## ■ Natural deep waters

■ Special reinforced load-out areas for offshore modules of up to 20,000 tonnes

■ Maximum draft from 9 metres to 21 metres. Quay length: 5,800 metres



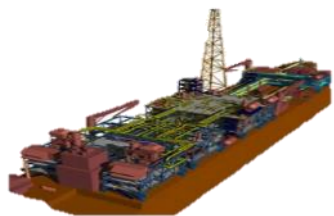
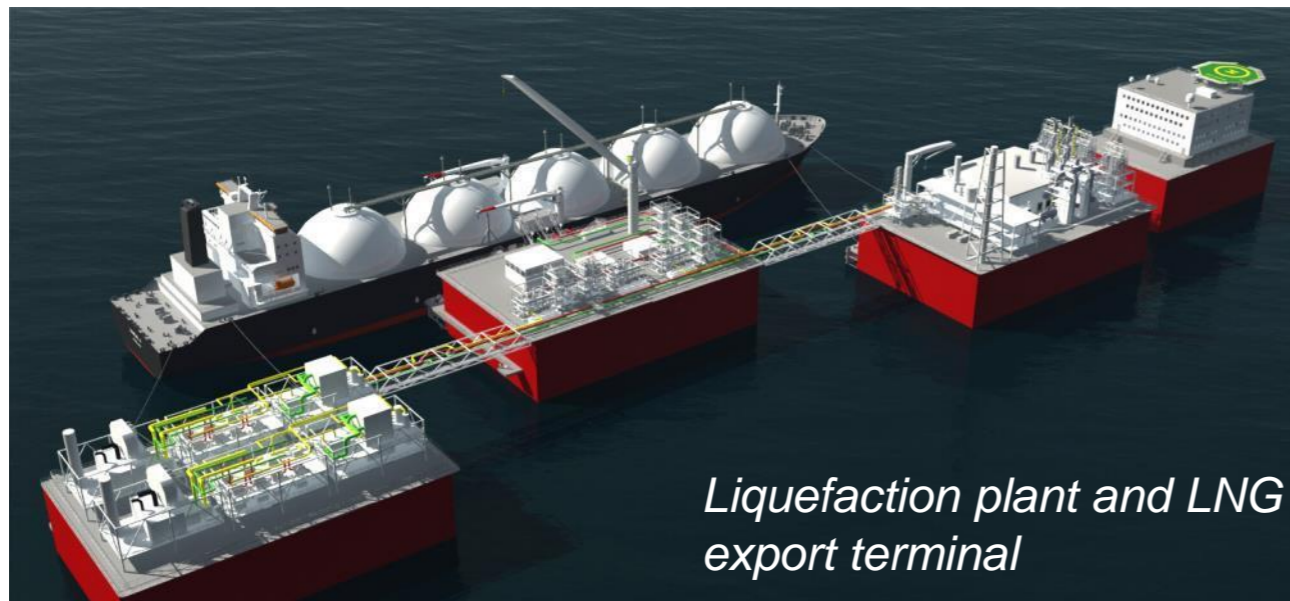
# Diversified Solutions to Capture New Opportunities

Strategic investments in technology and infrastructure to broaden and deepen design and engineering capabilities

## Gravifloat

Steel-based modularised and floatable structures fixed to the seabed in shallow waters. A compelling alternative to onshore LNG terminals and FLNG vessels

The Gravifloat design platform can be integrated with a variety of topsides



### Aragon

Process technology solutions for gas processing and FLNG markets



### LMG Marin

Advanced ship design & engineering



### SSP

Next-generation circular hull forms



# Urban Development



VSIP Binh Duong I, Vietnam



# Multiple Projects Provide Strong Base for Generating Profits



## VIETNAM Vietnam Singapore Industrial Parks (VSIPs)

Gross Project Size:  
6,660 ha across 7 projects

- A recognised brand name in integrated townships & industrial parks in Vietnam
- Marked milestone with 20<sup>th</sup> anniversary in 2016
- Exploring potential 1,500-hectare expansion in Binh Duong and Bac Ninh provinces

## CHINA Sino-Singapore Nanjing Eco Hi-tech Island

Gross Project Size: 1,500 ha

- Broke ground for the *Nanjing International Water Hub* project
- Sold 42.6-hectare commercial and residential (C&R) land plot in December for RMB 7.8 billion
- Sold out 21.5%-owned *Island Residences* condominium right after launch. Profit recognition in 2018
- Target to launch 100% *Riverside Grandeur* condominium in 2017. Profit recognition in 2018

## CHINA Singapore-Sichuan Hi-tech Innovation Park

Gross Project Size: 1,000 ha

- Attracting interest of property developers following improved infrastructure
- Attracted RMB4.7 billion in investment from technology companies in 2016

## INDONESIA Park by the Bay *Kendal Industrial Park*

Gross Project Size: 860 ha Phase 1

- Officially opened 2,700-hectare integrated township project
- Cost-competitive alternative to greater Jakarta as a manufacturing location
- 27 companies have indicated interest to set up operations



# Positioned in Key Growth Areas



**13 projects**

in Vietnam,  
China and  
Indonesia

**895 customers**  
comprising MNCs  
and leading local  
enterprises

**US\$23bn** in direct  
investments attracted  
to our integrated  
developments

**3,428 ha**  
remaining  
saleable land

**Enhancing  
value** through  
selective C&R  
developments

## Vietnam

7 projects strategically located in the southern, central and northern economic zones



## China

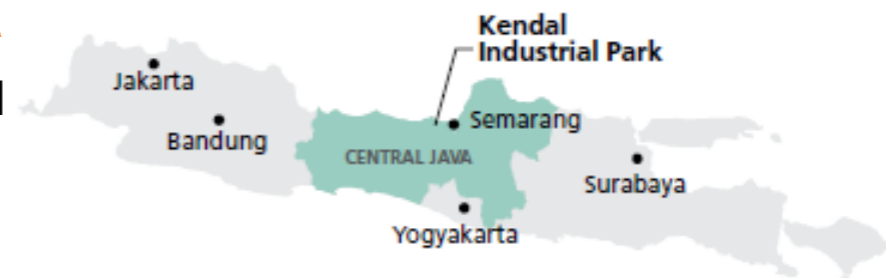
Key growth regions. Jiangsu's contribution to coastal success. Well placed to benefit from shift towards central-western China development



\*Sembcorp is a shareholder in China-Singapore Suzhou Industrial Park

## Java, Indonesia

Central Java expected to benefit from investment spillovers from Jakarta



\*Sembcorp also pioneered the developments of Batamindo Industrial Park and Bintan Industrial Estate. Marketing & management services provided by Sembcorp ceased in 2014.

# Conclusion

Sembcorp has robust capabilities, a solid track record and leading positions in key markets

With a strong foundation, Sembcorp will emerge stronger as a Group and continue to deliver long-term value to our shareholders

## Emerging Stronger





**sembcorp**

**Vital Partners. Essential Solutions.**