



Sembcorp Industries Ltd
CO REGN NO 199802418D
30 Hill Street #05-04
Singapore 179360
Tel (65) 6723 3113
Fax (65) 6822 3254
www.sembcorp.com

GASOIL SUPPLY AND STORAGE AGREEMENT WITH HIN LEONG TRADING

Singapore, April 22, 2020 – Sembcorp Industries Ltd (“SCI” or the “Company”) refers to the various news reports in respect of Hin Leong Trading (Pte) Ltd. (“HLT”) and the application made by HLT to the High Court of Singapore under Section 211B of the Companies Act, Chapter 50 of Singapore (the “Moratorium”).

As part of its energy business, Sembcorp Cogen Pte. Ltd. (“Sembcorp Cogen”), a wholly-owned subsidiary of SCI, holds an electricity generation licence from the Energy Market Authority of Singapore (“EMA”). The licence requires Sembcorp Cogen to have enough gasoil reserves to last at least 60 days of operations. At least 30 days of the operational reserves must be located at Sembcorp Cogen’s generating premises or on a site approved by the EMA.

To fulfil the requirements set out in the licence, Sembcorp Cogen entered into a gasoil supply and storage agreement in 2009 (the “GSS Agreement”) with HLT. Pursuant to the GSS Agreement, Sembcorp Cogen purchased the required gasoil reserves from HLT. HLT also provides storage and management services for the gasoil reserves on behalf of Sembcorp Cogen. The carrying book value of the gasoil reserves stored with HLT as at December 31, 2019 is S\$94 million.

Given the recent news reports relating to HLT and the Moratorium, Sembcorp Cogen has taken steps to protect its interests over the gasoil reserves and had terminated the GSS Agreement. The Company has also notified EMA of the situation.

The Company will make an appropriate announcement in the event of any material developments. In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company. In the event of any doubt, they should consult their stockbrokers, bankers, solicitors, accountants or other professional advisors.