

PRESS RELEASE

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SEMBCORP INDUSTRIES TO ACQUIRE 658MW OF OPERATIONAL WIND AND SOLAR ASSETS IN CHINA

- The Group is well-positioned for significant growth in the world's largest renewable energy market

Singapore, November 12, 2021 – Sembcorp Industries (Sembcorp) announces that it has, through its wholly-owned subsidiary Sembcorp Energy (Shanghai) Holding Co. Ltd, signed a sale and purchase agreement to acquire a 98% interest in a portfolio of operational wind and solar photovoltaic (PV) assets from CGN Capital Partners Infrastructure Fund III and its affiliates for a consideration (net of external debt financing) of approximately RMB 3.3 billion (approximately S\$700 million). CGN Capital Partners Infrastructure Fund III is an unlisted private equity infrastructure fund focused on renewable energy infrastructure assets in China.

The portfolio of wind and solar assets with a total gross installed capacity of 658MW will provide Sembcorp with a scalable renewable platform to drive further growth in China. Located in energy demand centres Hebei, Henan and Shandong provinces, the assets are contracted and are eligible for fixed feed-in tariffs under the China renewable energy policy. For more information on the portfolio, please see the Appendix.

Wong Kim Yin, Group President & CEO, Sembcorp Industries said: "The acquisition of this renewables growth platform in China is an important step towards our target to have 10GW of gross installed renewables capacity by 2025. We are focused on the execution of our growth strategy across our markets to achieve our brown to green transformation."

Alex Tan, CEO China, Sembcorp Industries added: “China is the world’s largest renewables market, and a priority growth market for Sembcorp. With this acquisition, our renewables portfolio in China will double in gross capacity from 725MW to 1,400MW of wind and solar assets. This scalable platform will boost our growth in China and support the building of our operational and technical capabilities.”

The consideration for the transaction was determined on a willing-buyer willing-seller basis, considering the operational quality, financials and cashflow generation of the assets via customary valuation techniques. The final consideration would be adjusted based on the audited financials at completion of the transaction. Sembcorp’s investment will be funded through a mix of internal cash resources and external borrowings. Completion of the acquisition is expected in the first half of 2022, and is subject to conditions precedent including regulatory approvals.

This acquisition is in the ordinary course of business of Sembcorp Industries and 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, 2021.

Appendix

List of Project Assets in the Portfolio

No.	Project name	Approved installed capacity (MW)	Type of renewable energy	Ownership	Commercial operation date
Hebei Province - 250MW					
1.	Gu Cheng Can Lan (故城灿烂)	150	Wind	100%	2020
2.	Wu Qiang Yong Ri (武强永日)	100	Wind	100%	2019
Henan Province - 167.5MW					
3.	Xi Hua Ju Zhi (西华聚智)	50	Wind	100%	2019
4.	Lu Yi Feng Shang (鹿邑风尚)	50	Wind	100%	2020
5.	Lu Yi Feng Sheng (鹿邑风盛)	17.5	Wind	100%	2020
6.	Tai Kang Chen Feng (太康宸风)	50	Wind	100%	2020
Shandong Province - 240MW					
7.	Bo Hai Wan (渤海湾)	50	Solar PV	75.5%	2016
8.	An Qiu Hui Li (安丘惠利)	80	Solar PV	50%	2017
9.	An Qiu Hui Yong (安丘惠永)	60	Solar PV	50%	2017
10.	Tian En Bin Hai (天恩滨海)	50	Solar PV	100%	2016

- End -

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ABOUT SEMBCORP INDUSTRIES
(Company registration: 199802418D)

Sembcorp Industries (Sembcorp) is a leading energy and urban solutions provider, driven by its purpose to do good and play its part in building a sustainable future.

Headquartered in Singapore, Sembcorp leverages its sector expertise and global track record to deliver innovative solutions that support the energy transition and sustainable development. By focusing on growing its renewables and integrated urban solutions businesses, it aims to transform its portfolio towards a greener future and be a leading provider of sustainable solutions.

Sembcorp has a balanced energy portfolio of over 13GW, with more than 3.5GW of renewable energy capacity comprising solar, wind and energy storage globally. The company also has a proven track record of transforming raw land into sustainable urban developments, with a project portfolio spanning over 12,000 hectares across Asia.

Sembcorp is listed on the main board of the Singapore Exchange. It is a component stock of the Straits Times Index and sustainability indices including the FTSE4Good Index and the iEdge SG ESG indices. For more information, please visit www.sembcorp.com

ABOUT SEMBCORP IN CHINA

Sembcorp has invested in the China market for over 20 years, providing renewable energy and high-efficiency power generation facilities, innovative water and wastewater treatment solutions, as well as sustainable urban developments. A leader in the industrial water and wastewater treatment business in China, Sembcorp has 18 power and water assets across 11 provincial regions. It has a total operational capacity of 725MW of wind power assets across Hebei and Inner Mongolia.