

PRESS RELEASE

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SEMBCORP ANNOUNCES STRATEGIC PLAN TO LEAD IN LOW-CARBON INDUSTRIAL PARK DEVELOPMENT**- Focus on growing landbank and recurring income**

Singapore, August 6, 2024 – Sembcorp Industries (Sembcorp) today shared its strategic plan for the Urban business, to establish itself as a leading low-carbon industrial park player in Asia. The urban business is a stable business segment with growth potential, having successfully developed 21 industrial parks, spanning over 14,000 hectares in key markets including Vietnam, Indonesia and China.

Positioned for Growth in Two of Southeast Asia’s Fastest Growing Economies

Vietnam and Indonesia offer compelling growth opportunities with their strong GDP growth prospects and growing manufacturing industry. The countries also have increasing domestic consumption driven by urbanisation and a rising middle class. Industrial park growth in Vietnam and Indonesia remains strong, driven by strong foreign direct investment, supply chain diversification as well as favourable government policies.

To capitalise on these opportunities, the Urban business targets to:

- Accelerate land development, expanding its land bank from 14,000 hectares¹ to 18,000 hectares by 2028.
- Grow recurring income by increasing its industrial properties to 1.5 million square metres (sqm) by 2028 from 0.1 million sqm¹, to support manufacturing demand, growing domestic consumption and e-commerce.
- Achieve net profit CAGR (2022-2028) of more than 15% and 2028 ROE of 10%.

¹ As at June 30, 2024

Leveraging Competitive Strengths

Since 1994, the Urban business' industrial parks have attracted more than 1,000 customers and drawn over US\$50 billion in investments, which have generated over 370,000 jobs. The Urban business' ability to attract foreign direct investment and create jobs positions it strongly for securing new projects in both existing and new markets. The Urban business will continue to grow its presence in Vietnam and Indonesia, explore new markets and optimise its operations in China to improve returns.

Capital allocation – Strategic Investments and Partnerships

To support these initiatives, Sembcorp will invest approximately S\$700 million, representing 5% of its total investments for 2024-2028 investments, in its Integrated Urban Solutions segment. The investment will be funded through a mixture of operating cash flow, project financing, internal funding and capital recycling. The company is also exploring partnerships to develop and grow an asset management platform, offering optionality for further expansion.

Commitment to Low-carbon Solutions

As sustainability becomes a critical criterion for global companies, the Urban business is uniquely positioned to meet the rising demand for sustainable and low-carbon facilities, leveraging Sembcorp's expertise in renewable energy and decarbonisation solutions. The Urban business' ability to provide green and smart infrastructure is a key differentiation, ensuring it remains the preferred choice for companies seeking sustainable solutions. In Indonesia, the company has recently signed MOUs to develop low-carbon industrial parks in Batam, catering to advanced manufacturing and data centres industries.

With clear targets set for 2028, the Urban business will leverage its extensive experience and group expertise to be the leading developer of low-carbon industrial parks in Asia.

Click [here](#) for the presentation on Sembcorp Development's 2024 – 2028 strategy.

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**ABOUT SEMBCORP INDUSTRIES
(Company registration: 199802418D)**

Sembcorp Industries (Sembcorp) is a leading energy and urban solutions provider, led by its purpose to drive energy transition.

Headquartered in Singapore, Sembcorp delivers sustainable solutions to support energy transition and urban development by leveraging its sector expertise and global track record.

Sembcorp has a balanced energy portfolio of 21.2GW, including 14.4GW of gross renewable energy capacity, across 10 countries*.

Its urban development projects span over 14,000 hectares across Asia and have generated over 377,000 employment opportunities and attracted close to US\$50 billion of investment capital.

Sembcorp is listed on the main board of the Singapore Exchange. It is a constituent stock of FTSE Russell Index, MSCI Singapore Index, Straits Times Index as well as sustainability indices including FTSE4Good Index, iEdge SG ESG indices and several MSCI ESG indices.

For more information, please visit www.sembcorp.com.

* Total gross capacity assumes 100% ownership of assets, including projects secured and under construction, and an acquisition pending completion.