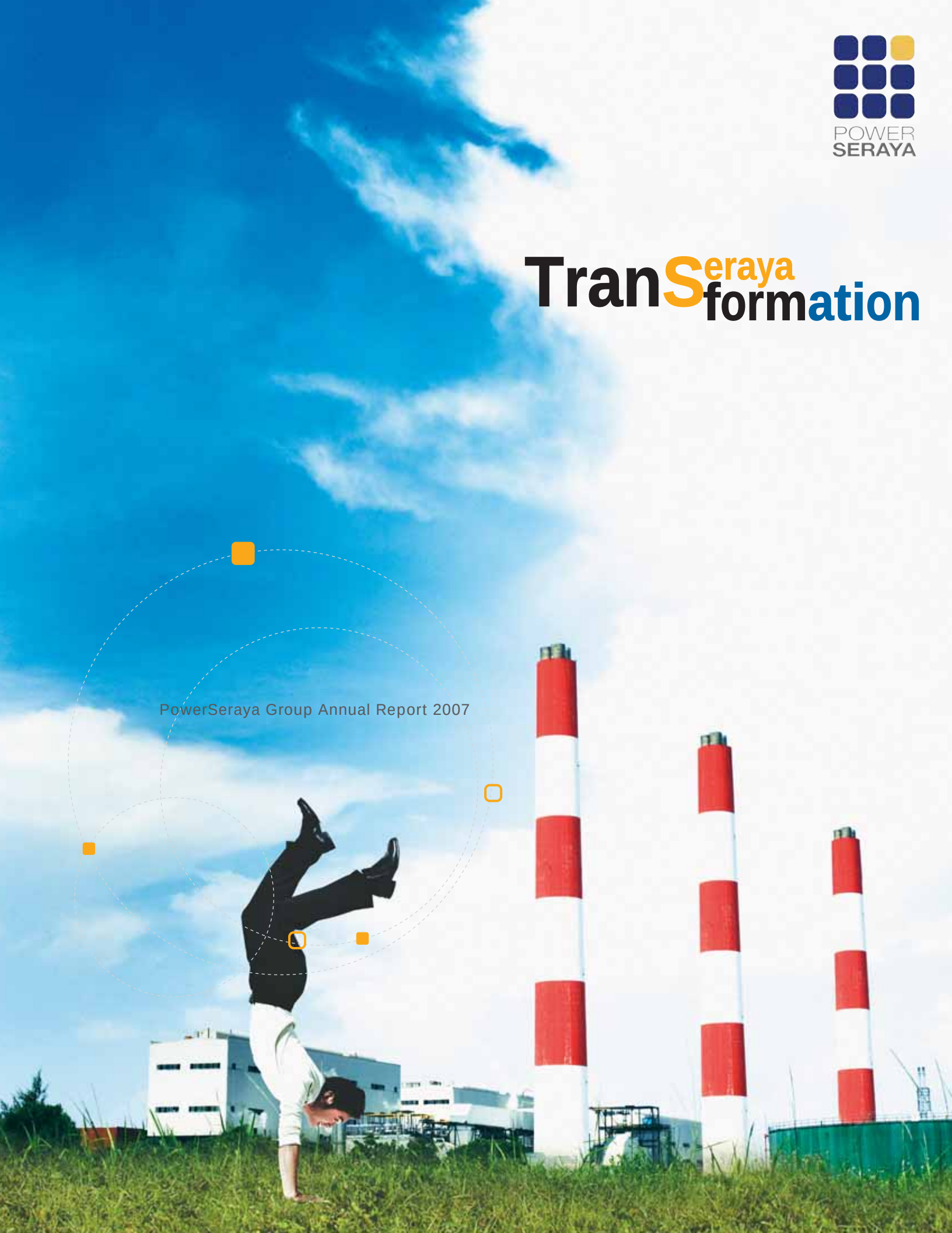
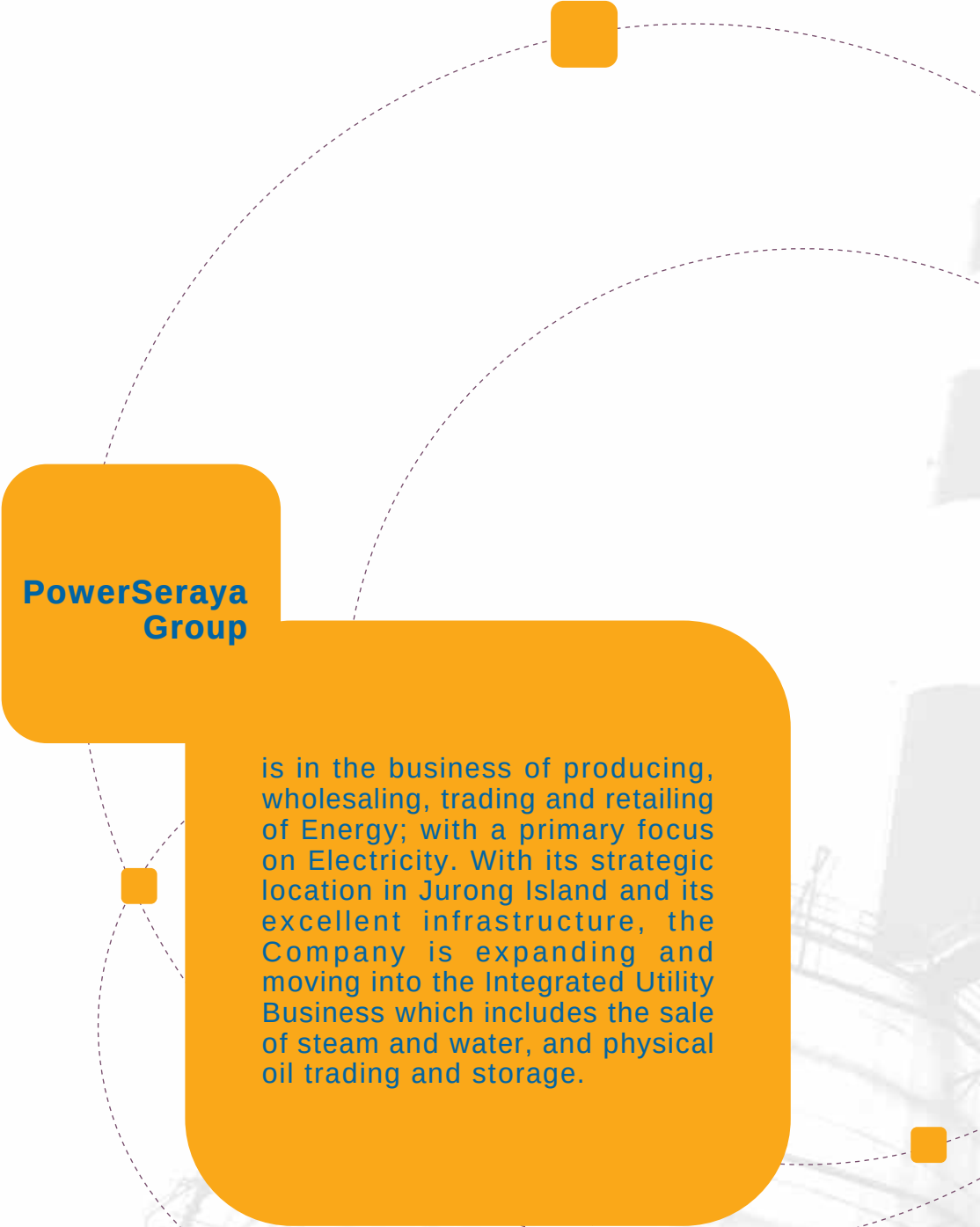


Transeraya formation



PowerSeraya Group Annual Report 2007



PowerSeraya Group

is in the business of producing, wholesaling, trading and retailing of Energy; with a primary focus on Electricity. With its strategic location in Jurong Island and its excellent infrastructure, the Company is expanding and moving into the Integrated Utility Business which includes the sale of steam and water, and physical oil trading and storage.

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PowerSeraya Financial Figures

\$2.6
billion

Revenue (S\$mil)

\$2,624

▲ 25%

Earnings Per Share (S\$)

\$0.19

▲ 29%

Net Profit After Tax (S\$mil)

\$168

▲ 30%

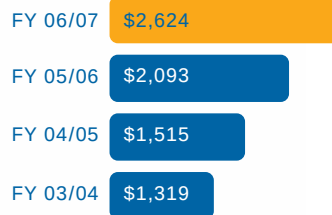
Economic Value Added (S\$mil)

\$88

▲ 79%

Revenue (S\$mil)

▲ **25%**

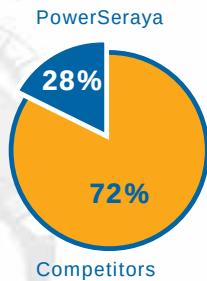


Net Profit After Tax (S\$mil)

▲ **30%**

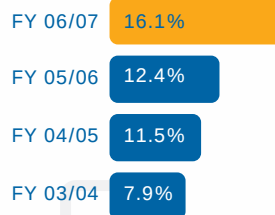


Market Share Generation



Return On Equity (%)

▲ **30%**

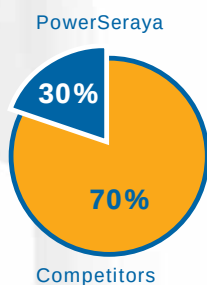


Economic Value Added (S\$mil)

▲ **79%**



Market Share Retail Contestable Switched Load



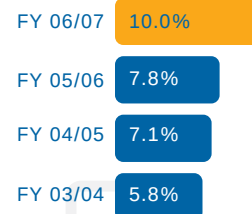
Earnings Per Share (S\$)

▲ **29%**



Return On Assets (%)

▲ **28%**





Building Confidence

...as we transform our business and chart the paths to become the Leading Integrated Multi-fuel Energy Company in Singapore.



Chairman's message

Our Track Record

The PowerSeraya Group has had a successful year and consistently delivered on its operational and financial targets as it continues to evolve and transform itself into Singapore's Leading Integrated Multi-Fuel Energy Company. The Group's strategy yielded outstanding results despite facing intensified competition both on the Generation and Retail fronts, characterised by rising fuel oil prices.

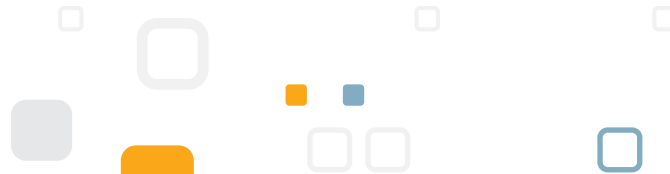
Revenue grew 25% from the previous year and the Group revenue now stands at S\$2.6 billion. Retail and Trading continued to be key growth areas while the Company maintained its market position in Generation.

Net Profit After tax (NPAT) was S\$168 million, up by 30% from last year's earnings of S\$130 million. This result delivered a Return On Equity of 16%, an increase of 30%, and an Economic Value Added of S\$88 million, up by 79 %.

The strong performance was attributed to an efficient capital structure, better plant utilisation, higher selling prices and contract values, the use of low-cost feedstock, continued growth in Retail and a prudent Trading strategy. Over the last four years, NPAT grew at a compound annual rate of 24%. Today, the PowerSeraya Group has evolved into a highly competitive Energy Company that has diversified its interests and is in an even stronger position to offer a broadened portfolio of energy-related products and services to the Singapore economy.

Repowering Our Future

I am pleased to announce the Group's latest plans for a major investment in a natural gas-fired, Co-Generation Combined Cycle Plant. Costing between S\$700 million to S\$800 million, this new plant is designed for increased thermal efficiency and will deliver greater environmental stewardship by decreasing overall carbon dioxide emissions by around 10%. The new 800MW Co-Generation plant will replace three oil-fired units of 250MW each. This contract, to be fulfilled by the Siemens-Samsung Consortium, is set for completion in 2009/2010 and will supply steam to the Petrochemical Corporation of Singapore/ Shell developments on Jurong Island.





Chairman's message



Multi-Fuel Stance

Over the last few years, PowerSeraya has taken a multi-fuel approach to better manage its fuel risks. This stance drives us to continuously look for different types of fuels to lower operational costs, and enables us to operate more competitively within the Energy Market.

In 2006, there was an announcement on the worldwide curtailment of Orimulsion® by PDVSA/ Bitum, an arm of the Government of Venezuela. To date, PDVSA/ Bitum has kept to its contractual obligations to PowerSeraya and has provided fuel alternatives which can be used at our multi-fuel capability steam plant.

New Gas Market

PowerSeraya will assume the role of a shipper when the new Gas Market opens in 2008. We will work closely with the Energy Market Authority, PowerGas and our gas supplier to evaluate and implement the processes and procedures in accordance with the Gas Act and the new Gas Network Code. To minimise disruption to the use of natural gas in the Combined Cycle plants, the ability to manage different gas sources for both short-term and long-term gas requirements remains paramount.

Looking to the future, it is imperative that PowerSeraya continues to diversify the sources of fuel it uses. With the current squeeze on available natural gas, we need to explore alternative forms, Liquefied Natural Gas being a prime example.

Extending Our Reach

With the expiry of the joint venture with Oiltanking Singapore Pte Ltd, works were underway to set up a physical oil trading arm under subsidiary Seraya Energy and Investment Pte Ltd. The procurement, storage and management of fuel have been an integral part of our core business of power generation since the 1980s. As such, the expansion into physical oil trading through the setting up of PetroSeraya Pte Ltd on 2 April 2007 was a natural progression. PetroSeraya will manage the Group's operational fuel requirements and carry out physical oil trading within strict parameters that were established for managing business risks. The diversification of our earnings base is a key focus, and physical oil trading allows the Group to maximise the use of current storage and fuel handling assets.

Environmental Focus

As an ISO 14001-certified company, PowerSeraya recognises the need to strike the right balance in its business operations to minimise its impact on the environment. Efforts towards achieving this balance include investments in emissions control equipment and the new Co-Generation facility that runs on natural gas.

Under the Kyoto Protocol, to which Singapore acceded in April 2006, Singapore as a non-Annex 1 country will be able to participate in Clean Development Mechanism projects. PowerSeraya is keen to explore opportunities in the trading of carbon credits.

Key Challenges Ahead

In view of the strong Singapore economic forecast, the market environment for year 2007 will be different. With the entrance of new market players, retail competition is likely to step up. Vesting contract levels will be significantly reduced in 2007 while retail contracts will play a bigger role to hedge pool price risk as well as to protect sales revenue.

The challenges ahead lie in solidifying the Group's unique proposition by increasing its product and service offerings on Jurong Island; maintaining Trading positions with the positive start in the new physical oil trading company; growing Retail through improved customer relations and strategic partnerships, and preparing for the opening up of the Gas Market.

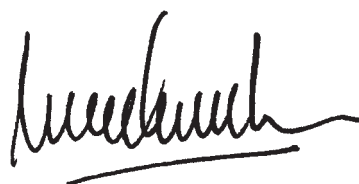
I extend my deepest appreciation to our Board of Directors for the wealth of experience they bring to the table. My thanks goes to Mr Leon Codron, whose term ended on March 2007. I am pleased to have Mr Lam Chuan Leong and Mr Tan Ek Kia join us in the last

quarter of the Financial Year in review. Having them on board will broaden our pool of expertise as we move into new complementary businesses. My sincere thanks goes to the Senior Management team for implementing and operating our chosen business model, particularly in a year of intense internal restructuring and challenges.

This year, it is with much sadness that we witnessed the passing of a great union leader and friend of PowerSeraya, Mr A. Nithiah Nandan, who played a key role in the strong tripartite relationship we have forged with the Union of Power and Gas Employees (UPAGE) over the years. We will continue to work closely with the UPAGE Executive Committee to enhance the well-being of PowerSeraya's staff.

To our business partners, vendors, and most of all to our dedicated employees, I extend my heartfelt appreciation of the efforts that have gone into making our business an ongoing success.

It is my pleasure to present the PowerSeraya Group's Annual Report and audited accounts for the year ended 31 March 2007.



Tan Yam Pin
Chairman



Managing director's message

An Outstanding Performance

The PowerSeraya Group continues to pursue its Vision to become the Leading Integrated Multi-fuel Energy Company and consistently met its targets in FY06/07. Year on year, the Group continues to yield excellent results and maintain its sound track record.

Earnings per share increased by over 29% from 15 cents per share to 19 cents per share, and Return On Equity by 30% to 16%. The Net Profit After Tax (NPAT) was a robust S\$168 million, up from S\$130 million for the previous year, representing a 30% growth.

As a whole, the Company has been focussed on delivering value and growing the quality of its earnings. These efforts resulted in an increase in Economic Value Added of 79% over the last financial year and a compound annual growth rate of 60% over the last three years. This is simply an outstanding track record which speaks highly of the Company and everyone who works for it.

We have pursued growth in the non-regulated businesses such as Trading and Oil Storage. The contribution from these non-regulated businesses will reduce our exposure to the core Generation business. We aim to step up our efforts in these areas and target to have about 30% of our total contribution to be derived from these non-regulated businesses. This portion is expected to enlarge over the next few years as we transform ourselves into an Integrated Energy Company with more diverse revenue sources.

Our efforts to alter PowerSeraya's legacy, that of having the oldest plants amongst the three Temasek-owned gencos, into economic and relevant assets have borne fruit. Today, we are a S\$2.6 billion turnover Energy Company with a Return On Equity of 16%; one that is well within the international performance benchmarks typical of utility companies with similar capacity and make-up. And we look forward to even more value this year- by increasing our range of offerings, creating value for our customers and making further improvements in our cost structures.

The year in review witnessed the Group making significant headway into maximising shareholder value, diversifying into non-regulated businesses and positioning for future growth.



Preserving Market Position

In light of our limited generation capabilities, the lack of economical plants and other external factors such as escalating fuel oil prices and a downward pressure on pool price, we adopted a strategy to defend our market position as well as maximise margins to attain our financial targets.

The Group's Gross margin increase was largely attributed to an increase in revenue brought about by higher vesting contracts and spot prices due to rising market benchmarks for commodities, whilst our fuel costs were kept low through a prudent hedging regime. Lower portfolio cost was achieved through the use of Orimulsion® and subsequently Heavy Fuel Oil in the reconfigured steam units as the base load.

Realigning The Business

The PowerSeraya Group sought to refocus the business in preparation for the fierce competition in the regulated Energy Market that is expected with the entrance of new market players and the imminent roll-back of the vesting level, which would further reduce the overall contracted position of PowerSeraya.

Over the last three years, the Company has built a sustainable track record and reputation with electricity retail and generation of electricity at its core.

In January 2007, the Company underwent a major internal restructuring to realign its business to move from two into four operational divisions: Utilities, Energy Markets, Oil Trading and Retail. This move will broaden the scope of the Group as it diversifies its business into the non-regulated sectors, supplies bundled utility services to the Petrochemical Hub of Jurong Island, expands its expertise in commodity markets, develops oil and gas trading capabilities and supplies retail utility services to end-user customers.

By leveraging on its excellent location on Jurong Island, and the strategic and operational synergies with PowerSeraya's balanced portfolio of Generation, Energy and Physical Oil Trading and Retail, we are able to create a strong value proposition that is unique in Singapore and Asia.

Broadening Product Offerings

This business realignment allows PowerSeraya to take on a more multi-faceted role in the Petrochemical Hub of Jurong Island through the supply of complementary utility services such as steam and water through our core business of power generation. Our latest investment into a new Co-Generation plant costing in the region of S\$700 million to S\$800 million, underpins this development; allowing us to on-sell steam to companies on Jurong Island. The 800MW Combined Cycle Power Plant to be built by the Siemens-Samsung Consortium is set to spring board PowerSeraya's growth into a full-fledged Integrated Multi-fuel Energy Company.

In tandem with this development, the opening of a new 10,000 m³/day Desalination plant will place the Company in an even stronger position to bundle our utilities offering to include water. Due to be completed by the second quarter of the new financial year, this plant, built by US-based engineering consultant CH2M Hill, together with Graham Tek, a leader in desalination technology, will take us into the water business and bring us another step closer to self sufficiency.

Diversification into Physical Oil Trading

The Company's efforts to deliver on its strategy to Stabilise, Diversify and Grow gained momentum at the close of FY06/07. In the third quarter of the year, the Group ended its 10-year joint venture with Oiltanking Singapore Pte Ltd. Following that, on 2 April 2007, a new subsidiary, PetroSeraya Pte Ltd was formed under the Group's investment arm Seraya Energy and Investment Pte Ltd. This move into Physical Oil Trading further signaled the Company's progression to diversify its earnings by entering into non-regulated business areas.

Market conditions have kept oil prices high as there had been reduced consumption leading to lesser bulk volume discounts to be enjoyed by our Utilities business. The direct sourcing of fuel oil through PetroSeraya will reduce core business costs as disintermediation removes the middleman.

Our entry into Physical Oil Trading will strengthen the Group's fuel security position by increasing volume throughput and allowing us to gain better purchasing power. This is one example of how the Group is harnessing its core regulated business as a platform to spur future growth in new non-regulated businesses.

The expansion into Physical Oil Trading is part of the value accretion strategy that extends the Company's reach up the fuel supply chain and improves business options for expansion into new revenue streams such as bunkering, water supply and cargo trading.

Investments of over S\$6 million went into upgrading existing infrastructure to operate as a commercial terminal. These are expected to be completed by the third quarter of 2007.

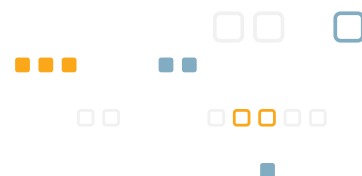
Delivering Value to Customers and Staff

Despite intense competition, Seraya Energy increased its market share to 30% of the contestable load retail market for the year in review. The higher yields for contracts renewed resulted in a growth in NPAT by over 25% to S\$6.98 million. Seraya Energy remained on the list of the top 50 fastest-growing companies for 2006 and was the only energy retailer on this prestigious list. Seraya Energy leveraged on its strengths, reputation and its staff to preserve its market rankings.

Recognising that electricity is a homogenous commodity, delivering superior value and outstanding customer care at all customer touch points are pre-eminent. In the year, a new Retail Billing System and Customer e-Portal *SEnergy* was launched to meet customers' increasing need for easy access to view electricity consumption patterns and value-add reports. Customers can now enjoy more automated payment options with the streamlining of payment systems. The year saw a move towards ensuring that accounts of key clients were managed by account servicing personnel who had in-depth knowledge of the client's industry to better support their energy needs.

Seraya Energy Contact Centre's excellent service standards were recognised at the 6th Annual Call Centre Awards and 3rd Regional Call Centre Awards, where it received seven accolades. This further demonstrated its success in filtering the Seraya Energy brand values through all customer touch points.

A strategic partnership to offer energy packages bundled with energy audit services to customers was formed with local energy services company G-Energy Global Pte Ltd. The strong alliance forged with American Express Corporate Cards (AMEX) in 2005 continued to bear fruit and netted the retail business 5% of its revenue for the year. AMEX will continue to actively promote Seraya Energy's electricity packages while offering customers convenient payment terms.







green reporting

Units Generated (MWh)
14,000,000

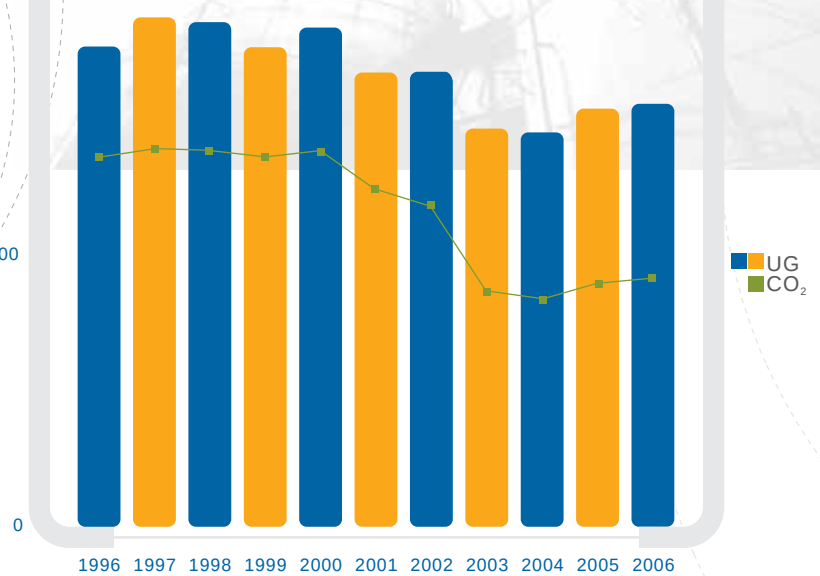
7,000,000

Improving Environmental Performance

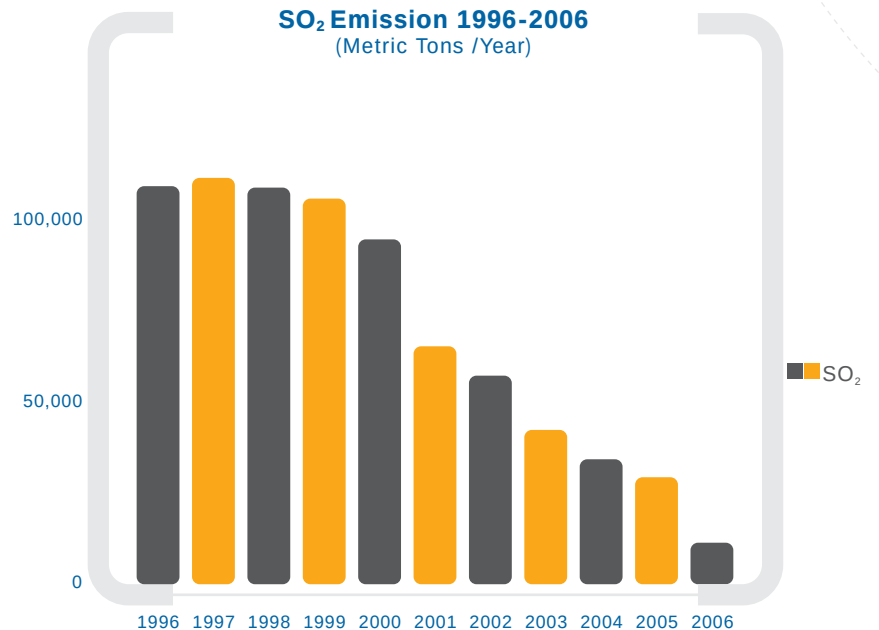
Recognising that our operations have a consequent result on the environment we operate in, we have taken deliberate steps to mitigate our impact. Investment in emissions control equipment and switch to natural gas have succeeded in lowering Carbon Dioxide (CO₂) emissions by over 30% and Sulphur Dioxide (SO₂) by more than 80% over the last 10 years. To accelerate efforts to improve our environmental performance, a dedicated environmental cross-functional team was put in place to draw up and execute a proactive environmental strategy that ties in with the Singapore Green Plan 2012.

Complementing our Environmental Management Programme are several in-house initiatives to further raise staff's awareness on climate change and promote environment-friendly user habits. On the community front, we have been working with Greenridge Secondary School to promote "Green awareness" programmes and platform the school's environmental outreach efforts. The Company was also a major sponsor of Earth Fest Singapore, bringing the concern of global warming to the public and pledging to give greater care to environmental matters in the future.

CO₂ Emission 1996-2006
(Metric Tons /Year)



SO₂ Emission 1996-2006
(Metric Tons /Year)



Seizing Opportunities in Regulation

While the Long Run Marginal Cost (LRMC) parameters for setting of the vesting price for 2007 and 2008 have been finalised by the Energy Market Authority (EMA), we will seek to engage EMA to draw up a prescribed methodology to be applied in the next LRMC determination with terms of reference agreed by all the generation companies. This is done with a view to provide greater clarity and certainty.

The Electricity Market has been liberalised since 2001 and PowerSeraya is competing well in this arena. The coming year will see the same for the Gas Market once a decision has been made on Full Retail Contestability. The Group needs to enhance its expertise in gas trading. We are gearing up to be ready to compete in the Gas Market when the time comes.

Reshaping Company, Culture and People

PowerSeraya's key differentiator over the past few years has been its people, who have been willing to adopt the right mindset, skills and knowledge in light of the continuing transformation of the Company. It is our people's ability to adapt and respond positively to changes, new systems and processes that gives us the competitive edge.

Last year, we invested around S\$1 million in professional certification, skills-based training and talent management programmes. Safety-training continues to be a high priority as we actively promoted safety-related best practices throughout the year and set a zero-accident record as a target for our employees. To demonstrate our commitment to providing a safe working environment for our employees and contractors, PowerSeraya embarked on the OHSAS 18001 Occupational Health and Safety Assessment Scheme to provide a framework to establish high safety standards and practices within the organisation. Certification is targetted for Quarter 3 of the new Financial Year.

Strong ties with the Union of Power and Gas Employees (UPAGE) were renewed at the first off-site retreat with UPAGE Executive Committee and PowerSeraya-UPAGE Branch officers. The new FY will witness the negotiation of the new PowerSeraya-UPAGE Collective Agreement 2007-2010 as we make strides to realise a more competitive business model. The demise of Mr A.Nithiah Nandan, Executive Secretary of UPAGE greatly saddened our hearts at PowerSeraya. While the memory of this remarkable leader will remain in our hearts, we will commemorate his passion for learning through the

annual Nithiah Nandan Book Prize which will be awarded from next year to our employees' children who have demonstrated outstanding leadership qualities in their field of talent.

The next few years will present even more challenges to the PowerSeraya Group, especially with the impending sale. I am confident that by building up the best team with the best systems, we will have a well co-ordinated Company to manage the best outcomes and deliver value to our customers and stakeholders in the most efficient and profitable manner.

Words of Appreciation

We have executed a definitive plan that will lay the foundations and pave the way to fulfil our Vision of becoming the Leading Integrated Multi-fuel Energy Company in Singapore. We have realigned and transformed the Company, with excellent results.

I would like to convey my heartfelt thanks to those who have made our continued success possible: our shareholder Temasek Holdings, Board of Directors, Senior Management team, our customers, business partners and especially UPAGE. To our PowerSeraya staff, I am immensely proud to lead such a dedicated team of professionals who are passionate about their work. You are the building blocks that make this a successful Company. You are all truly fantastic to work with.

The immense opportunities that lie ahead are highly challenging and the Management team looks forward to growing a strong Energy Company, irrespective of ownership, and we will keep delivering value by employing the best talents, systems, processes and plants so that we can be the market leader in Singapore and perhaps in future, the region.

I am optimistic that with your unceasing support and trust, PowerSeraya will maintain its course and achieve its targets for growth in the coming years.

Neil Garry McGregor
Managing Director



oard of directors

1. Mr Neil Garry McGregor joined PowerSeraya Limited as its Managing Director on 1 February 2004. Originally from New Zealand, Mr McGregor holds a Bachelor of Civil Engineering (Hons) degree from the University of Auckland and an MBA in International Finance from the University of Otago. His experience is in both regulated and deregulated Energy Markets and until his appointment, he held a seat on the Singapore Stock Exchange trading international indexes and managing portfolio risk. Mr McGregor has held several senior international positions, including Directorships in the Electricity and Gas sector in Singapore, India, New Zealand and Germany.

2. Mr Tan Ek Kia joined the PowerSeraya Board in February 2007. With a career in the oil, gas and petrochemicals industry spanning 33 years, Mr Tan has held several key appointments in the Shell Group including the position of Chairman of the Shell Companies of North East Asia (Beijing-based), and Managing Director of Shell Malaysia Exploration and Production (Sarawak-based). In his role as Vice President for Ventures & Developments, Shell Chemicals (Singapore-based) from 2003 to 2006, he was responsible for steering the optimal performance

and stewardship of Shell's shareholder interest in the existing major petrochemical ventures and the development of significant projects in the Asia Pacific and Middle East regions. An Honours graduate from the Mechanical Engineering Faculty of Nottingham University, he currently holds several professional memberships including being a Fellow at the Institute of Engineers (Malaysia), a Member of the Institute of Mechanical Engineers, UK and a Chartered Engineer, UK.

3. Mr Koh Kim Wah joined the Board of Directors in October 2005. He has held several senior posts in the BP Group of Companies including President/Country Head, Singapore; Retail Director for BP Oil, Southeast Asia and Chairman/ CEO BP (Thailand). Before attending Harvard Business School AMP, he held a Chemical Engineering degree from the University of Canterbury. Mr. Koh is a Member of the Citizenship Committee of Inquiry, Ministry of Home Affairs and a Member, PUB Board Committee for Safety and Operations. He presently sits on the Board of Hiap Seng Engineering Limited and Smarttpapers International Pte Limited.



4. Mr Tan Yam Pin is the Chairman of the PowerSeraya Board of Directors, an appointment held since 1 April 2004 as well as Chairman of the subsidiary company, Seraya Energy Pte Ltd. A Chartered Accountant by profession, Mr Tan has been a Member of the Public Service Commission of Singapore since 1990. He holds an Economics (Hons) degree from the University of Singapore and an MBA from the University of British Columbia, Canada. Presently, he is also the Chairman of Singapore Food Industries Limited. His other appointments include Directorships in BlueScope Steel Limited in Australia, Keppel Land Limited, Singapore Post Limited, Great Eastern Holdings Limited and Cisco Security Pte Limited.

5. Mr Bob Tan Beng Hai has been on the Board since January 2001. He is a Fellow of the Institute of Chartered Accountants in England and Wales. In addition, he is Chairman of Jurong Engineering Ltd and the Institute of Technical Education. He is also Vice President of the Singapore National Employers Federation and Hon Deputy Treasurer of the Singapore Business Federation. Mr Tan also serves as Director on various boards, and is Co-Chair of the Tripartite Alliance for Fair Employment Practices.

6. Mr Peter Sim Swee Yam joined PowerSeraya Limited on 1 July 2005 as an independent director. An advocate and solicitor by profession, Mr Sim is also director of his law firm, Sim & Wong LLC. He graduated with a degree in law in 1980 from the National University of Singapore (then known as the University of Singapore). Mr Sim also holds directorships in several public listed companies, namely British & Malayan Trustees Ltd, Lum Chang Holdings Ltd and Pacific Healthcare Holdings Ltd. He is also a director of Gravitas Alliance International Pte Ltd and Infinity Capital Partners Pte Ltd.

7. Mr Lam Chuan Leong joined the PowerSeraya Board in January 2007. Currently Ambassador-At-Large at the Ministry of Foreign Affairs, Mr Lam is also the Chairman of the InfoComm Development Authority of Singapore and heads the Competition Commission of Singapore. In addition to being a Director of the Singapore Cooperation Enterprise, he brings to the PowerSeraya Board his vast experience in the Singapore Civil Service. Key appointments held by Mr Lam have included that of Permanent Secretary at the then Ministry of the Environment, Ministry of National Development, and Ministry of Trade and Industry. Mr Lam holds an MBA from the Harvard Business School and is also an Adjunct Professor of the Lee Kuan Yew School of Public Policy at the National University of Singapore.





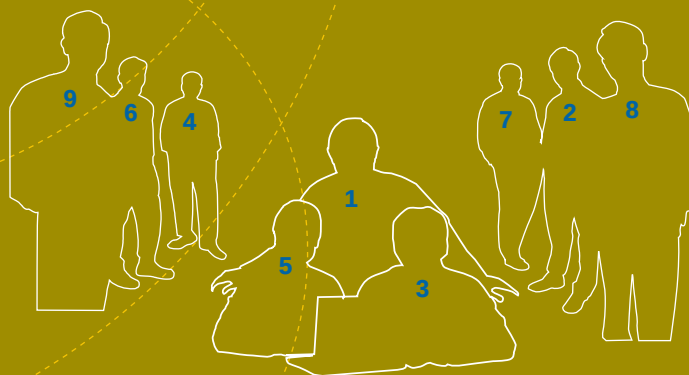
Senior management team





1. Mr Neil Garry McGregor
2. Mr Koh Chiap Khiong
3. Mr John Ng Peng Wah
4. Mr Chan Swee Huat
5. Mrs Retnam Pui Yim
6. Mr Low Boon Tong
7. Mr Dil Devaser
8. Mr Bernard Lee Chow Kee
9. Mr Quek Khai Hor

Managing Director
Chief Financial Officer - Corporate Finance
Senior Vice President - Retail & Regulation
Senior Vice President - Trading & Fuel Management
Vice President - Corporate Services
Vice President - Energy Markets
Vice President - Planning & Development
Vice President - Process & Innovation
Vice President - Utilities





Building Trust

... as we take positive steps to establish a sound track record and deliver value to our employees, shareholder and customers.





m ilestones

The new 10,000m³/day Desalination Plant will place PowerSeraya in the position to bundle its utilities offering to include water.



The implementation of the OHSAS 18001 Occupational Health and Safety Management Systems will provide a sound framework to establish high safety standards and practices within the Company.



Seraya Energy's outstanding and sustained growth won it third placing on Singapore's Fastest – Growing 50 Certification in 2006.

April 2006 to March 2007 Desalination Plant Progresses

Much progress was made in the installation of the new 10,000m³/day Desalination Plant, which is designed to produce 1000m³/day of domestic water and 9000m³/day of service water, mainly used for Boilers and Flue Gas Desulphurisation application. The project is targeted to be completed by Q2 of FY 2007/2008.

May 2006 Launch of OHSAS 18001 programme

In line with PowerSeraya's constant efforts to benchmark ourselves to international safety practices, the Company embarked on the OHSAS 18001 programme in May 2006. OHSAS 18001, is an international occupational health and safety management specification that helps set a framework for the management of health

and safety responsibilities for companies to operate in a more efficient and integrated manner. The Company is aiming to attain the OHSAS 18001 Certification by Q3 of the new Financial Year.

July 2006 Seraya Energy Ranked Singapore's 3rd Fastest Growing Company

Seraya Energy received the 'Fastest-Growing 50 Certification' award, which confers recognition for outstanding achievement for continuous and sustained corporate growth based on the company's three-year compound annual growth rate in turnover.

July 2006**PowerSeraya Receives Total Defence Award**

PowerSeraya was accorded the Meritorious Defence Partner Award for our support towards National Defence. Previously known as the SAF Awards for Employers and Total Defence Awards for Civil Resource Owners, this award recognises its efforts to help Singapore maintain a high level of operational readiness through various initiatives such as keep-fit programmes, recognition awards and incentives.

August 2006**A Successful 1st ISO Integrated Audit**

The PowerSeraya Group passed the first ISO 9001 QMS and ISO 14001 EMS External Integrated Audits, which took place from 16 to 18 August 2006. PowerSeraya and Seraya Energy have been recommended for re-certification in these two international standards.

September 2006**SEnergy Customer Portal Goes Live**

From 1 September 2006, Seraya Energy's customers gained access to their monthly electricity bills, consumption details and other useful energy information through *SEnergy*, a new customer e-portal which provides consumption information. Each customer is issued a unique user identification and password that gives them access to their electricity bills and reports when they logon. This initiative represents Seraya Energy's commitment to empower its customers and add value to their businesses.

PowerSeraya Attains a Gold for Health

PowerSeraya bagged a Gold with the Singapore HEALTH Award for promoting health in the workplace. The annual award gives national recognition to organisations with commendable workplace health promotion programmes that focus on the health of employees. PowerSeraya has laid out three pillars behind its Workplace Health

activities encompassing Healthy Body, Healthy Mind and Healthy Eating. Activities like the annual health screening, half-yearly Fruit Feast Fiesta, fortnightly badminton activities and the bi-monthly bowling activities were organised year-round to keep staff active and fit.

October 2006**Seraya Energy Tops in Call Centre Awards 2006**

Seraya Energy emerged a big winner at the 6th Annual Call Centre Awards and 3rd Regional Call Centre Awards on 27 October 2006. Having bagged seven accolades from the eight categories they were nominated for, the Seraya Energy team proved that they were truly amongst the best Call Centres in Singapore and the region.

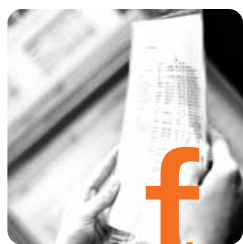
November 2006**Service Excellence: A Trademark of Seraya Energy**

Seraya Energy continued to raise customer service standards by coming out tops in the "Excellent Service Award" (EXSA) ceremony on 9 November 2006. This national award organised by SPRING Singapore recognises individuals who have delivered outstanding service. Nominees are judged based on their service performance, the number of customer compliments, the suggestions they contributed to improve their services and the programmes they attended to upgrade their service skills. All of Seraya Energy's nominated six dedicated customer service officers walked away with awards.

VP Quek Khai Hor receiving the Meritorious Defence Award for PowerSeraya's efforts to help its National Service Men maintain a high level of operational readiness.



2006 was a year marked by many accolades for Seraya Energy's award-winning Call Centre Team.



financial highlights

Operating Revenue

The Group's operating revenue grew by S\$530 million, a 25% increase over FY05/06 to S\$2.6 billion with growth in both its Generation and Retail businesses.

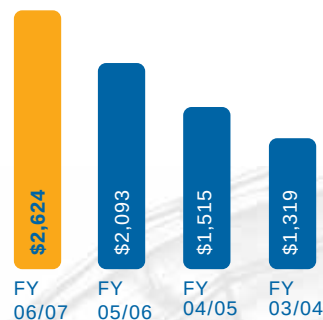
Amidst strong competition in the market with other generation companies having more efficient Combined Cycle Gas Turbine (CCGT) power plants, PowerSeraya's Generation business sold 10,465 GWh of electricity in FY06/07 through utilising its two 370MW CCGT plants and nine units of 250 MW Steam plants. This volume represented an increase of 184 GWh over FY05/06.

The Retail business sold 6,626 GWh of electricity in FY06/07, a growth of 13% over the previous year. This was achieved through gaining a stronger market position with growth in its market share and customer base.

Profitability

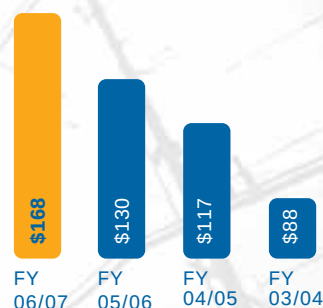
During the year in review, Net Profit After Tax for the Group grew by 30% to S\$168 million. A result brought about through better yield management leading to lower fuel consumption costs gained from better plant mix efficiencies and higher utilisation of the asset portfolio. At the same time, the Company was able to effectively execute its trading strategy to reduce the cost of meeting its electricity contract commitments.

▲ 25%



Revenue (\$mil)

▲ 30%



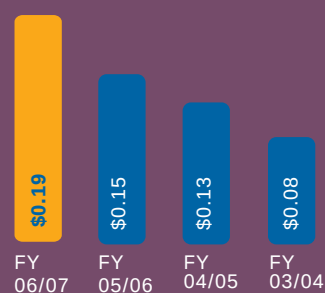
Net Profit After Tax (\$mil)

Earnings Per Share

Basic earnings per share* rose 29% to 19.0 cents in FY06/07 as compared to 14.7 cents in FY05/06, in line with the higher profit after tax for the Group.

(* Earnings per share computed based on average opening and closing share capital)

▲29%



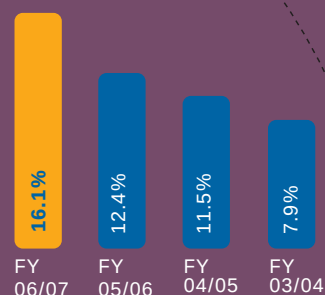
Earnings Per Share (\$\$)

Return On Equity

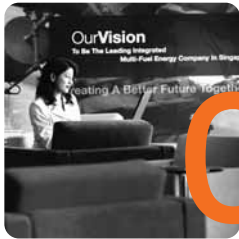
The Return On Equity** (ROE) grew to 16.1% in FY06/07. This represented an increase of 30% over last FY's 12.4% ROE. The strong performance was driven mainly from a strong Net Profit After Tax for the year and the efficient capital structure.

(** ROE computed based on average opening and closing total shareholder's equity)

▲30%



Return On Equity (%)



Corporate governance

The PowerSeraya Group is committed to maintaining a high standard of corporate governance, professionalism and accountability to safeguard the interest of its stakeholders. We believe firmly that integrity, excellence and commitment by our people, supported by sound policies, practices and internal controls are the success elements that will create long-term value and returns for shareholders.

Board Of Directors

The Board of PowerSeraya comprises seven distinguished members, six of whom are independent and non-executive members. The Board continuously reviews its own composition to ensure relevant expertise is introduced into the Board to meet the Group's needs. During the financial year, two new directors were appointed to the Board. The two new members, Lam Chuan Leong and Tan Ek Kia have extensive experience that will provide useful guidance to the Group.

Taking into account the scope and nature of the operations of the Group, the Board has reviewed its composition and is satisfied that the current size of the Board is appropriate for effective decision making. The standing of the members of the Board in the business and professional community and their combined business, management and professional experience, knowledge and expertise provide the necessary core competencies to meet the Group's needs and allow for diverse and objective perspectives on the Group's strategic direction and growth.

The clear division of responsibilities between the Chairman and the Managing Director ensures a balance of power and authority so that no one individual holds a disproportionate amount of power. The Chairman bears responsibility for the conduct of the Board while the Managing Director bears responsibility for the Group's business.

The Board has overall responsibility for the business and affairs of the Company. The Board's principal functions include the following:

- charting the overall strategic business direction;
- approving board policies, corporate strategies and key operational initiatives;
- reviewing and approving annual budgets, business plans and monitoring performance; and
- ensuring compliance with all laws and regulations as may be relevant to the business.

The Board conducts regular, scheduled Board meetings on a quarterly basis. Additional meetings are convened as and when circumstances warrant. There were seven Board meetings held in FY 06/07.

The Board has established three Committees to assist in the execution of its responsibilities. They are the Executive Committee, the Audit Committee and the Human Resource and Remuneration Committee.

Executive Committee

The Executive Committee comprises four members and assists the Board in monitoring the Company's performance and formulating business strategies. The five-member Executive Committee comprises PowerSeraya Group Chairman Tan Yam Pin, Managing Director Neil McGregor and Directors Koh Kim Wah, Lam Chuan Leong and Tan Ek Kia. Taking into account the scope and nature of the business, the current size of the Committee is optimal for effective decision-making. The Executive Committee met four times for the year in review.

Audit Committee

The Audit Committee comprises three independent Directors. It is chaired by Bob Tan with members Tan Yam Pin and Peter Sim. The principal responsibility of the Audit Committee is to assist the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the effectiveness of the Group's financial reporting process and material internal controls; including financial, operational and compliance controls. The Committee also oversees the risk management framework and reviews key risk exposures.

The Committee also reviews the independence of the external auditor on a yearly basis to ensure that work performed by the external auditor is not compromised.

The Committee meets periodically with the Management, internal auditors and external auditors of the Company and annually with internal auditors and external auditors of the Company without the presence of the Management. The Audit Committee met four times in FY 06/07.

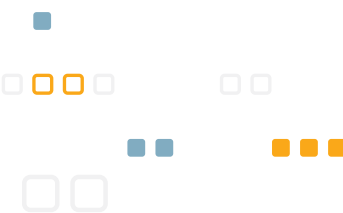
Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee comprises two independent Directors whose role is to assist the Board in reviewing major human resource management and compensation policies and practices. The Committee will establish competitive compensation policies for key executives and oversee management development and succession planning. The Committee is chaired by Tan Yam Pin with one member, Bob Tan. The Human Resource and Remuneration Committee meets at least once a year and additional meetings can be called by the Committee members to discuss issues as and when necessary.

Financial Reporting and Internal Controls

The Management provides all Directors with accounts and reports on the operational performance on a monthly basis. Apart from the periodic updates provided by the Management, the Directors may at any time seek further information from or have discussions with the Management on the Group's operations and performance.

The Group maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of its financial statements and to adequately safeguard, verify and maintain accountability for its assets. Established procedures in operations and finance ensure adequate internal controls exist.



The effectiveness of these controls and systems are subject to periodic reviews by the outsourced internal auditors. In addition, the external auditors also review the effectiveness of key controls as part of its audit plan for each year.

Both the internal and external auditors have full access to the Audit Committee and all potential weaknesses are reported.

Internal Audit

The Group's policy is to outsource internal audit work. In addition, the Group also believes in rotating the internal auditor after the incumbent has served a certain number of years.

The Group's current internal auditor is Messrs KPMG.

The internal auditors are to:

- review the effectiveness of the internal controls of the Company and its subsidiaries;
- provide assurance that key business issues and operational weaknesses are identified and managed;
- ensure internal controls are in place and functioning as intended; and
- ascertain if operations are conducted in an effective and efficient manner

The internal auditor reports its activities and findings to the Audit Committee on a quarterly basis.

Risk Management

The Board of Directors is responsible for determining the type and level of risks that the Company undertakes in achieving its corporate objectives. This is achieved through the enterprise-wide corporate risk statements,

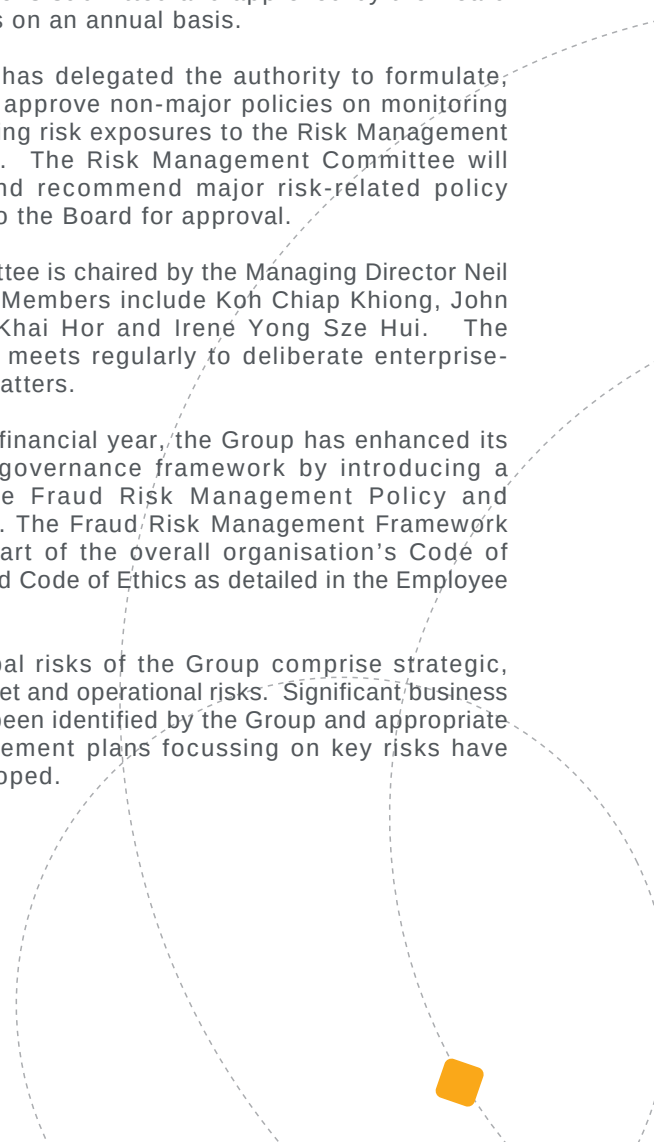
framework and policies approved by the Board. Because of a changing business environment and for company strategy, a risk posture statement defining the Group's risk appetite is submitted and approved by the Board of Directors on an annual basis.

The Board has delegated the authority to formulate, review and approve non-major policies on monitoring and managing risk exposures to the Risk Management Committee. The Risk Management Committee will propose and recommend major risk-related policy decisions to the Board for approval.

The Committee is chaired by the Managing Director Neil McGregor. Members include Koh Chiap Khiong, John Ng, Quek Khai Hor and Irene Yong Sze Hui. The Committee meets regularly to deliberate enterprise-wide risk matters.

During the financial year, the Group has enhanced its corporate governance framework by introducing a Group-wide Fraud Risk Management Policy and Framework. The Fraud Risk Management Framework will form part of the overall organisation's Code of Conduct and Code of Ethics as detailed in the Employee Handbook.

The principal risks of the Group comprise strategic, credit, market and operational risks. Significant business risks have been identified by the Group and appropriate risk management plans focussing on key risks have been developed.





C Corporate Information

Registered Office

PowerSeraya Limited
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Singapore 098633
Telephone : +65 6363 1010
Facsimile : +65 6363 1212
Website : www.powerseraya.com.sg

Place of Incorporation

Singapore

Company Registration Number

199504468H

Date of Incorporation

27-June 1995

Board of Directors

Tan Yam Pin (Chairman)
Neil Garry McGregor (Managing Director)
Bob Tan Beng Hai
Leon Codron (till 31 Mar 2007)
Peter Sim Swee Yam
Koh Kim Wah
Tan Ek Kia
Lam Chuan Leong

Company Secretary

Koh Chiap Khiong

Executive Committee

Tan Yam Pin (Chairman)
Neil Garry McGregor
Leon Codron (till 31 Mar 2007)
Koh Kim Wah
Lam Chuan Leong
Tan Ek Kia

Audit Committee

Bob Tan Beng Hai (Chairman)
Tan Yam Pin
Peter Sim Swee Yam

Human Resource and Remuneration Committee

Tan Yam Pin (Chairman)
Bob Tan Beng Hai

Risk Management Committee

Neil Garry McGregor (Chairman)
John Ng Peng Wah
Koh Chiap Khiong
Quek Khai Hor
Irene Yong Sze Hui

Auditors

PricewaterhouseCoopers
8 Cross Street
#17-00 PWC Building
Singapore 048424

Principal Bankers

Citibank, N.A. Singapore Branch
DBS Bank Ltd
Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited

Station Address

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Telephone : +65 6890 4308
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Telephone : +65 6660 0205
Facsimile : +65 6268 1214

Subsidiaries

PetroSeraya Pte. Ltd.

1 HarbourFront Place
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Singapore 098633
Telephone : +65 6363 1010
Facsimile : +65 6213 8673

Seraya Energy Pte Ltd

1 HarbourFront Place
#16-06 HarbourFront Tower One
Singapore 098633
Telephone : +65 6363 6688
Facsimile : +65 6363 6600
Website : www.serayaenergy.com.sg

Seraya Energy and Investment Pte Ltd

1 HarbourFront Place
#17-01 HarbourFront Tower One
Singapore 098633
Telephone : +65 6363 1010
Facsimile : +65 6363 1212



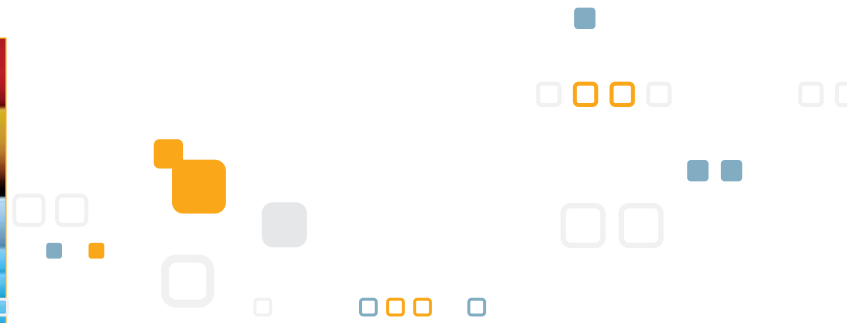
Building A Future

...as we seize the immense opportunities and embrace the challenge to grow a strong Energy Company.





Operations review



Utilities

For the year in review 2006/ 2007, PowerSeraya's generation assets of two 370MW Combined Cycle Gas Turbine power plants, and nine units of 250MW steam plant provided over 28% of Singapore's energy requirements. Amidst the fierce competition in the Energy Market, the PowerSeraya Group maintained its market position.

The Company was successful in defending its Generation market share in spite of new entrants into the market. Gross margins were maximised with the successful and timely conversion of the three units of the Stage 1 steam plant to fire Orimulsion®/ heavy fuel oil by January 2006. This initiative significantly lowered the Group's overall portfolio cost; and in turn improved its competitiveness against other power companies that predominately operate natural gas-fired Combined Cycle plants.

Another contributing factor was the high utilisation of the asset portfolio and better plant mix efficiencies. In view of the potential spike in electricity pool prices during situations of system disturbances caused by plant outages, there was a need for stand-by steam generation units to be able to resume services promptly without compromising safety. Strong teamwork and communication between the units in Utilities and Energy Markets facilitated the optimisation of plant dispatch schedules; increasing overall plant efficiency.

With the announcement by Venezuelan supplier PDVSA/ Bitor to curtail its supply of Orimulsion® worldwide in June 2006, the Company shifted its focus to commissioning the newly-converted multi-fuel capability plant to run on a heavy fuel alternative. The transition to the fuel alternative was completed smoothly by October 2006 after securing the required approvals from the National Environment Agency. The adept management of the negotiations ensured that PowerSeraya's financial position was not compromised.

Significant progress was made in the 10,000 m³/day state-of-the-art Desalination plant developed by US-based CH2M Hill at a cost of S\$17.5 million. By the close of the FY 06/07, 88% of the project had been completed. This installation is, to date, the world's largest full-scale Desalination plant, using a large 16" diameter advanced seawater Reverse Osmosis technology. This water facility enables the Group to be self-sufficient in its high grade service water needs. It also presents an additional revenue stream as the Group looks to on-sell the water to potential customers on Jurong Island.



The PowerSeraya Group was successful in leveraging on favourable market conditions, and achieved great profitability in spite of a volatile market.



Energy Markets

Through an effective and prudent hedging management programme, the revenue stream of the Company continues to be protected from adverse price and volume risks associated with vesting contract and fixed electricity contracts. Along with a proactive approach in pool bidding, the Group was successful in leveraging on favourable market conditions, and achieved great profitability in spite of a volatile market.

One of the key milestones was the move to set up a physical and forward price management desk staffed with analytical and modelling capabilities. With new market entrants coming on stream and the imminent vesting roll-back, new bidding strategies will have to be developed.

Another progressive initiative undertaken was to integrate the storage and fuel management business. This move is part of the long term plan to grow physical oil trading as well as optimise the utilisation of existing storage facilities and the deep-water jetties in Pulau Seraya Power Station.

There will be several challenges in the horizon with the impending opening of the Gas Market. Top on this list will be building up a team of specialists to facilitate the efficient and smooth operations as we take on the role of shipper in the new Gas Market. Also paramount, will be the establishment of a set of good guiding policies and excellent operational procedures to ensure the smooth delivery of gas for power generation. The scope extends to streamlining process and information flows and setting up of IT systems which interface seamlessly with the Transporter's system. Open access is a positive challenge that will spur growth and the Company will be well prepared to enter the Gas Market when it opens up.



Trading and Fuel Management

The Group's 10-year joint venture with Oiltanking Singapore Pte Ltd expired in December 2006. The decision was taken not to renew as the Company foresees opportunities that better fit with its strategic direction to diversify its earnings. The Group also secured its first tank leasing customer, Swiss-based Projector Asia Pte Ltd, on a two-year lease. This arrangement ensures the best possible commercial returns while building up the Group's competency in oil trading.

Preparations were underway in the setting up of a new physical trading arm to optimise and lower PowerSeraya's fuel oil purchasing cost, which is a main component of generation cost. With fuel representing approximately 80% of overall costs, any reduction will make a positive impact. This move will enable the Group

to maximise its strategic fuel management assets such as tanks and jetties. With this in mind, PetroSeraya Pte Ltd was set up on 2 April 2007 to source the core business' fuel requirements, optimise the refreshment of its oil stocks while ensuring better inventory management and maintain the strategic storage requirement as mandated by the Energy Market Authority. PetroSeraya is also well positioned on Jurong Island, with Singapore being a fuel oil and distribution hub. The setting up of PetroSeraya completes the whole value chain from sourcing fuel, to trading and providing services to our customers. This is part of the Company's strategic move to embrace competition and maximise the value of the Company over time.



Enabling Business with Technology

The PowerSeraya Group continues to leverage on IT to achieve higher efficiency and provide better insights to the business through harnessing information. Key initiatives were the implementation of a new customer information system and the deployment of new technologies for server consolidation.

In June 2006, a new customer care and billing system was implemented. With this, several critical business processes were redesigned and automated. These areas extended to customer care, billing and collection. Built with features to enhance customer management, the system increased efficiency, reduced duplicity and improved transparency. For example, data captured at source ensured higher data quality while reducing duplicate data entry work. The system also provides a single view of all of the customer's transactions with us, hence facilitating improvements in overall customer experience.

As part of the move to transform PowerSeraya's IT infrastructure into one that is robust and resilient, a move was made to adopt two platforms to execute server consolidation in its data centres.

The first platform is the use of blade servers for most of its Windows Server based production system. The second is the use of Virtual server using VMWare to host multiple servers virtually within a pair of physical servers in each data centres. This is used for less mission-critical servers and servers that require less computing resources. This initiative reaped space savings of more than 50% compared to the previous platforms.

To complement the server consolidation efforts, a consolidated data storage using Storage Area Network system and an Enterprise Data Backup platform were also implemented. This provided a single platform for the storage and backup of data within the data centre. We were successful in reducing server foot print and investment by more than 50%.

Consolidation and hardening of systems will continue to be a key focus for newly-implemented systems. There will be a continued emphasis on working in partnership with the operational groups to extract even more value out of the portfolio of solutions. Having completed most of the IT roadmap components developed in 2005, the next step is to plot the journey of continual transformation for the next three years.





As an active people developer, the Company set aside around S\$1 million for training and development in FY06/07; higher than the national average and successfully achieved a 117% utilisation of training places.

Nurturing People

Numerous measures were undertaken in the year to advance training, reward through education and to maintain excellent relations with the Union of Power and Gas Employees (UPAGE).

As an active people developer, the Company invested around S\$1 million in training and development for FY06/07; higher than the national average per employee and successfully achieved a 117% utilisation of training places. The focus shifted in the year to Supervisory Development and Mentorship programmes, in addition to the all-important safety training.

PowerSeraya was the first in the power industry to roll out the Steam Certification programme on an inhouse basis, and had trained 40 plant personnel by this up-

skilling initiative. Last year saw the launch of an annual Core Values campaign to impress upon employees the need to live these values. The Innovation campaign in 2006, which encouraged ideas from employees, allowed us to match each generated idea with a donation to the MINDS Youth Challenge; the selected beneficiary. The revamped intranet MyPS was launched in the year to facilitate access to corporate information and key applications for day-to-day work and to engage staff.

Going forward, to align staffing strategy to the Company's new business directions, a three-year manpower initiative will be adopted to diversify its employee profile to build up the necessary competencies in the new businesses. The Group will continue to use fair employment practices to support "attract and retain" initiatives.



Deploying Safe Work Practices

In line with the revised Workplace Health and Safety Act 2006, 280 employees were put through basic training to familiarise supervisors and employees with the changes in the Act. The emphasis on workplace safety remains a prime focus for the Company. While contractors maintained an excellent safety record for the year, one employee accident saw the loss of 51 man-days. The Company will continue to use education to drive home the safety message as the way to achieve a zero-accident record. More initiatives will be put in place to nurture a safety-conscious culture that is aimed at changing the behaviour of staff; a continuous effort that takes place throughout the year.

Strengthening PowerSeraya-UPAGE Partnership

In acknowledgement of an excellent partnership, last year saw the Company's first off-site retreat with UPAGE. Preparations were made for the negotiation of the PowerSeraya-UPAGE Collective Agreement 2007-2010.

Cornerstones of Our Success

Key to the success of the PowerSeraya Group is the transformation of the Company, its culture and its staff. The Company's competitive edge is closely linked to continued efforts to reorganise to meet the changing dynamic environment, upskill its people and introduce new technology.

PowerSeraya's latest investment into a new Co-Generation Combined Cycle Plant hails a new era for the Company that will bring it to realise its Vision to become an Integrated Multi-fuel Energy Company. The new Co-Generation Plant will be that cornerstone to deliver future value and propel the Group's business for growth. The PowerSeraya Group will continue to chart new paths to create a better future for all in the Group and deliver value to our shareholders.



Building Businesses

... as we enhance Seraya Energy's brand of customer experience, delivering market-driven solutions and quality service at every customer touch point.



Seraya
energy

Another Successful Year

The year in review 2006/2007 proved to be an eventful year for Seraya Energy; one that was sealed by exceptional revenue, profit and sales volume growth. Retail sales peaked with a Net Profit After Tax (NPAT) of S\$6.98 million; representing a 25% growth over the previous year. The total amount of electricity sold increased by 13% over the previous Financial Year.

On July 2006, Seraya Energy was recognised as one of the top three fastest-growing companies in Singapore and received the "Fastest-Growing 50 Certification" for outstanding achievement for continuous and sustained corporate growth based on the company's three year compounded annual growth rate in turnover from 2003 to 2005.

The year ended with Seraya Energy securing a respectable 30% of the contestable market share and better yield. This excellent performance can be attributed to the key roles played by various sales and services channels which focussed on target market segments vis-a-vis the Key Accounts Management and Telesales teams and its strategic partner, American Express Corporate Cards (AMEX). Coupled with this, Seraya Energy's retail initiatives were backed by the company's dedicated inhouse billing operations, customer care and portfolio management teams that ensured consistent and high service standards

Strengthening Customer Relationship Management

As the Electricity Market becomes increasingly more competitive, enhancing customer relationship and building customer loyalty to preserve its market share position has assumed a higher strategic priority. This move will enable a better yield by delivering higher margin through lower cost of serve. In the year, Seraya Energy embarked on various customer-focussed strategies to enhance and strengthen customer relationship management throughout the whole organisation.

A dynamic new Retail Billing System and Customer e-Portal, named *SEnergy*, was launched during the year in review. As the new billing system is able to provide a history of a customer's transactions, Seraya Energy can in turn respond better and faster to the market, with customised energy solutions that best suit customers' needs. With *SEnergy*, customers can access a set of user-friendly tools to generate usage reports, trend analysis and other value-added information with greater efficiency and at their own convenience.



The result of such meticulous and well-thought attention to customer service has been a retention rate of over 95%.

While the new IT systems went a long way to empowering customers, the company recognised the importance of consistent delivery standards by improving its customer care initiatives at every customer touch point.

Measures were put in place to ensure its philosophy towards customer service is one of integrity, honesty and “treating others as you would yourself”. Process workflow, systems and customer satisfaction key performance indicators were enhanced to increase the service levels and standards at the Contact Centre including better response and resolution times, email correspondence, and the handling of complaints.

The result of such meticulous and well-thought attention to customer service has been a retention rate of over 95%. This relentless drive to ensure service excellence in customer care resulted in Seraya Energy receiving seven accolades at the 6th Annual Call Centre Awards and the 3rd Regional Call Centre Awards held on 27 October 2006. Its efforts to continually raise service standards were also recognised by the national agency SPRING Singapore, which bestowed Excellent Service Awards on all six of its nominated staff.

Positioned as a business enabler, key account managers possessing specialised industry knowledge, were matched with specific key clients to enable them to better manage the customers’ energy needs. The company also extends its support to targeted customer groups through

initiatives such as remote metering, energy audits, tenant management and even participation in clients’ corporate events.

In order to better manage collections and streamline payment systems, Seraya Energy offered greater choice in automated payment options. Customers now have the convenience of paying via the billing system, through GIRO or via their AMEX card through an agreement reached with strategic partner, AMEX.

Striking Strategic Partnerships For Growth

To broaden service offerings to customers, Seraya Energy formed a strategic alliance with local energy service company, G-Energy Global Pte Ltd, to provide packages bundled with energy audit solutions. The Full Suite PowerSavers package for customers with monthly consumption of at least 500 MWh offers a complimentary review of their top three equipment that consumed the highest amount of electricity. This package includes complimentary training on energy management over a year. With these packages, companies can achieve cost savings through efficient energy use and in turn, do their part in energy conservation.

The strong collaboration with AMEX Corporate Cards continues to play a significant role in providing a key sale platform to small and medium sized enterprises while offering an alternative payment platform for this customer base.



Preparing For The Challenges Ahead

One of the key challenges ahead for the company is the maturing of the market and impending new entrants into the market. While Seraya Energy welcomes the competition, strongly developed retention and acquisition activities are expected on all retail fronts as each strives to achieve optimum level of contract volume.

Seraya Energy is also looking forward to the opening of the domestic market in the future. Over the last few years, it has gradually built up the foundational platform for Full Retail Contestability. These include a healthy market share position for the current contestable market segments, excellent customer relationships and service standards, robust business processes and billing operations, and strategic business alliances.

The company will step up to these challenges and strengthen its competitive resolve by continuing its proactive strategy to capture critical sales contracts combined with superior after sales support.

Seraya Energy will continue to innovate new business processes, build up its competencies and offer value-added energy solutions backed by excellent customer service in its bid to become Singapore's preferred electricity retailer.



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