Group Financial Review

Financial Highlights

	2024	2023	Change (%)
For the year *(S$ million)*			
Turnover	**6,417**	7,042	(9)
Gas and Related Services	**4,637**	5,457	(15)
Renewables	**746**	703	6
Integrated Urban Solutions	**431**	418	3
Decarbonisation Solutions	**53**	16	231
Other Businesses and Corporate	**550**	448	23
Earnings before interest, tax, depreciation and amortisation (EBITDA)[1]	**1,734**	1,789	(3)
Share of results: Associates and joint ventures, net of tax	**317**	264	20
Adjusted EBITDA	**2,051**	2,053	*
Profit before tax	**1,251**	1,230	2
Net profit before exceptional items	**1,019**	1,018	*
Gas and Related Services	**727**	809	(10)
Renewables	**183**	200	(9)
Integrated Urban Solutions	**169**	121	40
Decarbonisation Solutions	**(20)**	(13)	(54)
Other Businesses and Corporate	**(40)**	(99)	60
Exceptional items	**1**	2	(50)
Net profit from continuing operations	**1,020**	1,020	–
Net loss from discontinued operation	**(9)**	(78)	88
Net profit	**1,011**	942	7
Capital position *(S$ million)*			
Owners' funds	**5,361**	4,588	17
Total assets	**18,178**	15,497	17
Net debt	**7,800**	6,487	20
Operating cash flow	**1,412**	1,481	(5)
Free cash flow	**1,790**	1,962	(9)
Capital expenditure and equity investment	**1,991**	1,566	27
Shareholder returns			
Net assets per share *(S$)*	**3.01**	2.58	17
Earnings per share *(cents)*	**56.72**	52.83	7
Earnings per share – continuing operations *(cents)*	**57.23**	57.21	*
Dividends per share *(cents)*	**23.00**	13.00	77
Last traded share price[2] *(S$)*	**5.52**	5.31	4
Total shareholder return *(%)*	**7**	62	(89)

* Denotes amount of less than 1%

1 EBITDA excludes major non-cash items such as effects of fair value adjustments, re-measurements, impairments, and write-offs

2 As at December 31 of the respective years

Overview

The Group delivered strong financial performance in 2024, driven by resilient earnings and robust cash flow. Group net profit before exceptional items (EI) and discontinued operation was S$1.02 billion, comparable to 2023, despite a planned major maintenance of a cogeneration plant in Singapore in the first half of 2024. Group net profit after EI and discontinued operation was S$1.01 billion, 7% higher than S$942 million in 2023.

Turnover

In 2024, the Group turnover declined by 9%, to S$6.4 billion, down from S$7.0 billion in the previous year.

Turnover in the Gas and Related Services segment was S$4.6 billion in 2024, 15% lower year-on-year. The decrease in turnover was primarily attributed to lower generation resulting from the planned major maintenance of a cogeneration plant, reduced pool prices, lower gas offtake and gas prices in Singapore. There was also a lack of scarcity events in the UK, as well as lower power prices.

Turnover from the Renewables segment increased by 6% to S$746 million, from S$703 million in 2023. The increase in turnover was attributable to acquisitions in India and Vietnam as well as higher operational capacity.

The Integrated Urban Solutions segment recorded a turnover of S$431 million, 3% higher than turnover of S$418 million in 2023, primarily driven by its waste management business in Singapore.

The Decarbonisation Solutions segment reported a turnover of S$53 million, S$37 million higher compared to S$16 million in 2023, driven by the Group's carbon management business in Singapore.

The Other Businesses and Corporate segment reported a turnover of S$550 million, 23% higher compared to 2023, from increased activities in the specialised construction business.

Net profit

Net profit from continuing operations before EI of S$1.02 billion was in line with 2023. The better performance in the Integrated Urban Solutions and Other Businesses and Corporate (from specialised construction business and deferred payment note (DPN) income) segments, was offset by the lower performance in the Gas and Related Services and Renewables segments. DPN income was higher due to foreign exchange gain of S$10 million in 2024 compared to a loss of S$46 million in 2023.

Including the discontinued operation, net profit after EI in 2024 was S$1.01 billion, 7% higher than S$942 million in 2023.

Net profit before EI for the Gas and Related Services segment in 2024 was resilient at S$727 million, despite the planned major maintenance of a cogeneration plant in Singapore and a 34% decline in Singapore wholesale electricity prices during the year. The Group continued to secure long-term contracts for its Singapore portfolio, enhancing certainty and growing earnings visibility. As of end 2024, 98% of the Group's gas-fired power portfolio was underpinned by offtake contracts, with more than 60% of capacity locked in for over five years. Through a proactive contracting strategy, the Gas and Related Services segment is now an anchor of the Group's earnings.

The Renewables segment recorded net profit before EI of S$183 million, 9% lower compared to S$200 million in 2023. The lower net profit was mainly due to curtailment in China during the year as well as a S$19 million provision made for receivables in China and lower wind speeds in India.

Net profit before EI from the Integrated Urban Solutions segment was S$169 million compared to S$121 million in 2023. The higher net profit was contributed by higher land sales from the Urban business in Vietnam and Indonesia, as well as better performance in the energy-from-waste business in Singapore.

Cash flow and liquidity

As at December 31, 2024, the Group's cash and cash equivalents in the cash flow statement stood at S$850 million. Net cash from operating activities stood at S$1.4 billion, compared to S$1.5 billion in 2023.

Net cash used in investing activities was S$1.4 billion, compared to S$878 million in 2023, mainly for the purchase of fixed assets for the renewables business, acquisitions of subsidiaries and investments in joint ventures and associates, partially offset by the DPN receipts.

Net cash from financing activities was S$154 million, primarily due to the proceeds from borrowings, net of interest payments and repayment of loans amounting to S$604 million, offset by dividend payments to owners of the Company of S$250 million.

Financial position

Group shareholders' funds increased to S$5.4 billion as at December 31, 2024, from S$4.6 billion as at December 31, 2023. The increase was mainly due to profit for the year offset by dividends to shareholders.

The net increase in total assets was mainly attributable to the consolidation of the property, plant and equipment (PPE) of the newly acquired subsidiaries, as well as share of results from associates and joint ventures for the year. The increase was also due to higher PPE (including right-of-use (ROU) assets) which includes additions to fulfil the renewables projects in Singapore, India and Oman, as well as development of a new multi-utilities centre on Jurong Island. The total increase in ROU assets of S$514 million included the leasing of JTC land and rooftops for solar deployment in Singapore and land lease for India's renewables and hydrogen projects.

Net debt

Gross debt was S$8.7 billion as at December 31, 2024, compared to S$7.3 billion in 2023. Net debt was S$7.8 billion as at December 31, 2024, compared to S$6.5 billion in 2023. The S$1.3 billion increase in net debt was mainly for the financing of acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries.

Group Financial Review

Shareholder returns
In 2024, the return on equity of the Group's continuing operations was 20.5% and earnings per share of the Group's continuing operations was 57.2 cents. Subject to approval by shareholders at the next annual general meeting, a final dividend of 17.0 cents per ordinary share has been proposed. Together with the interim dividend of 6.0 cents per ordinary share paid in August 2024, this brings the Group's total dividend for the financial year ended December 31, 2024, to 23.0 cents per ordinary share, an increase from 13.0 cents per ordinary share in 2023. The increase in dividend in 2024 reflects management's confidence in the Group's future performance and ability to generate sustainable returns.

Five-year Financial Performance

	2024	2023	2022[1]	2021	2020[2]
For the year *(S$ million)*					
Turnover	**6,417**	7,042	7,825	7,795	5,447
Earnings before interest, tax, depreciation and amortisation (EBITDA)[3]	**1,734**	1,789	1,308	1,288	1,184
Share of results: Associates and joint ventures, net of tax	**317**	264	248	206	233
Adjusted EBITDA	**2,051**	2,053	1,556	1,494	1,417
Profit before tax	**1,251**	1,230	865	423	211
Net profit from continuing operations	**1,020**	1,020	704	279	157
Discontinued operation (including loss on the Distribution)	**(9)**	(78)	144	–	(1,154)[4]
Net profit	**1,011**	942	848	279	(997)
At year end *(S$ million)*					
Property, plant and equipment, and investment properties	**8,511**	6,618	5,438	7,232	7,339
Other non-current assets	**6,305**	6,173	4,074	3,230	3,219
Net current assets / (liabilities)	**451**	(770)	1,687	1,028	877
Non-current liabilities	**(9,608)**	(7,149)	(6,983)	(7,572)	(7,959)
Net assets	**5,659**	4,872	4,216	3,918	3,476
Share capital and reserves	**5,361**	4,588	3,977	3,767	3,339
Non-controlling interests	**298**	284	239	151	137
Total equity	**5,659**	4,872	4,216	3,918	3,476
Per share					
Earnings *(cents)*	**56.72**	52.83	47.59	15.64	(56.81)
Net assets *(S$)*	**3.01**	2.58	2.24	2.12	1.87
Dividends *(cents)*	**23.0**	13.0	12.0	5.0	4.0

1 Following the shareholders' approval of the sale of Sembcorp Energy India Limited (SEIL) on November 8, 2022, the performance of SEIL for the period was reported under discontinued operation

2 Following the completion of the distribution *in specie* of ordinary shares in the capital of Sembcorp Marine to Sembcorp Industries shareholders, the performance of the Marine business for the period from January 1, 2020, to September 11, 2020, was reported as a discontinued operation

3 EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments, and write-offs

4 Loss from discontinued operation included fair value loss of S$970 million on distribution *in specie* of ordinary shares in the capital of Sembcorp Marine

Value Added and Productivity Data

In 2024, the Group's total value added was S$2.7 billion. This was absorbed by employees in wages, salaries and benefits of S$541 million, by governments in income and other taxes of S$258 million and by providers of capital in interest, dividends and distribution of S$622 million, leaving a balance of S$1.3 billion retained in business.

Value added statement *(S$ million)*

	2024	2023	2022	2021	2020
Value added from					
Turnover	**6,417**	7,042	7,825	7,795	5,447
Less: Bought-in materials and services	**(4,278)**	(4,886)	(6,100)	(6,115)	(4,075)
Gross value added	**2,139**	2,156	1,725	1,680	1,372
Investment, interest and other income	**318**	305	299	216	228
Share of results: Associates and joint ventures, net of tax	**317**	264	248	206	233
Other non-operating expenses	**(35)**	(77)	(96)	(67)	(88)
	2,739	2,648	2,176	2,035	1,745
Distribution					
To employees in wages, salaries and benefits	**541**	509	485	494	396
To government in income and other taxes	**258**	187	116	62	37
To provider of capital in:					
Interest on borrowings	**372**	410	309	423	461
Dividends to owners	**250**	232	124	107	2,615[1]
Profit attributable to perpetual securities holders	**–**	–	–	–	17
	1,421	1,338	1,034	1,086	3,526
Retained in business					
Depreciation and amortisation	**450**	454	372	457	444
Deferred tax expense / (credit)	**55**	14	36	63	(25)
Retained profits	**770**	788	580	172	(2,443)
Non-controlling interests	**25**	28	23	21	22
	1,300	1,284	1,011	713	(2,002)
Other non-operating expenses	**18**	26	131	236	221
	1,318	1,310	1,142	949	(1,781)
Total distribution	**2,739**	2,648	2,176	2,035	1,745
Productivity data					
Average staff strength	**5,283**	5,099	4,981	5,740	5,426
Employment costs *(S$ million)*	**541**	509	485	494	396
Profit after tax per employee *(S$'000)*	**193**	206	146	52	33
Value added *(S$ million)*	**2,139**	2,156	1,725	1,680	1,372
Value added per employee *(S$'000)*	**405**	423	347	293	253
Value added per dollar employment costs *(S$'000)*	**3.95**	4.24	3.56	3.40	3.46
Value added per dollar investment in property, plant and equipment *(S$)*	**0.26**	0.22	0.21	0.16	0.13
Value added per dollar sales *(S$)*	**0.33**	0.31	0.22	0.22	0.25

The value added statement is for continuing operations for the reporting period. Comparative information is not re-presented

1 The amount included the Group's carrying value of Sembcorp Marine shares at the date of the distribution of S$2,561 million

Group Financial Review

Treasury Management

Sembcorp Financial Services (SFS), our wholly-owned treasury arm, plays a pivotal role in ensuring the Group's financial health. Based in Singapore, SFS manages financing and treasury activities locally and collaborates with respective finance and treasury teams across other markets to align strategies and optimise resources. Funds borrowed by SFS are on-lent to businesses within the Group, where appropriate.

SFS employs an efficient cash management approach, recycling surplus cash from businesses within the Group to support areas with greater funding needs. Debt is managed through careful review of refinancing requirements to optimise capital allocation. Through cash pooling structures established in various countries, we maximise the use of available resources, channelling surplus funds from businesses to those with funding needs. This proactive approach ensures efficient and cost-effective cash management to meet the Group's funding requirements effectively.

Facilities

As at December 31, 2024, the Group had secured total credit facilities of S$18.6 billion (2023: S$17.0 billion), which included its Multicurrency Debt Issuance Programmes and Euro Medium Term Note (EMTN) Programme. This comprised S$16.8 billion (2023: S$15.5 billion) in borrowing facilities, as well as S$1.8 billion (2023: S$1.5 billion) in trade-related facilities. The latter covers instruments such as bank guarantees, letters of credit, bid bonds and performance bonds.

Borrowings and bond issuance

The Group aims to closely align its debt structure and maturity profile with the commercial profile of its core assets, while maintaining adequate liquidity to support its businesses. Strong banking relationships remain critical to securing funding on competitive terms, enabling the Group to seize commercially viable and strategically attractive opportunities. SFS continues to explore and diversify funding options to meet the Group's financing objectives effectively.

In 2024, SFS collaborated with Sembcorp Energy (Shanghai) Holding Co., Ltd. (SESH), a wholly-owned subsidiary of the Group, to secure a dual currency denominated revolving credit facility (RCF) of CNH400 million or its equivalent in Hong Kong Dollars. This facility provides SESH with an alternative offshore funding source. Drawdowns from the RCF will support general corporate purposes, including refinancing, capital expenditure, working capital, equity investments, and funding mergers and acquisitions in China.

On October 23, 2024, SFS issued a 12-year S$350 million green bond at an annual interest rate of 3.65% under the S$5.0 billion EMTN Programme. The net proceeds of the green bond will finance or refinance Eligible Green Projects in accordance with Sembcorp Green Financing Framework (2024).

As at December 31, 2024, the Group's gross borrowings stood at S$8.7 billion (2023: S$7.3 billion). The Group remains committed to maintaining a diversified and optimised funding base while upholding prudent financial ratios.

The overall debt portfolio in 2024 comprised 81% fixed-rate debt (2023: 72%) and 19% floating rate debt (2023: 28%). The Group will continue to proactively monitor and manage its debt portfolio mix in response to the prevailing interest rate environment.

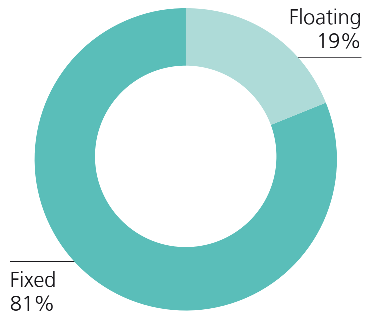
Financing and treasury highlights *(S$ million)*

	2024	2023
Source of funding		
Cash and cash equivalents	**871**	767
Borrowing facilities (including Multicurrency Debt Issuance Programmes and EMTN Programme)		
Committed borrowing facilities	**11,136**	9,662
Less: Amount drawn down	**(8,567)**	(7,205)
Unutilised committed borrowing facilities	**2,569**	2,457
Uncommitted borrowing facilities	**5,640**	5,850
Less: Amount drawn down	**(104)**	(49)
Unutilised uncommitted borrowing facilities	**5,536**	5,801
Total unutilised borrowing facilities	**8,105**	8,258
Trade-related facilities		
Facilities available	**1,842**	1,498
Less: Amount used	**(640)**	(550)
Unutilised trade-related facilities	**1,202**	948
Funding profile		
Maturity profile		
Due within one year	**671**	1,281
Due between one to five years	**4,073**	3,180
Due after five years	**3,927**	2,793
	8,671	7,254
Debt mix		
Fixed rate debt	**7,024**	5,234
Floating rate debt	**1,647**	2,020
	8,671	7,254

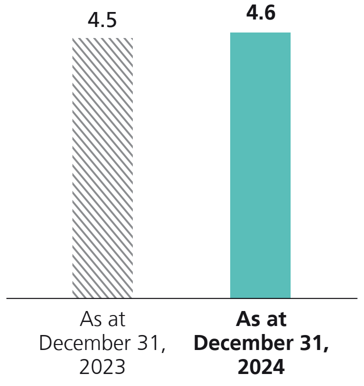
	2024	2023
Group debt financial ratios		
Interest cover ratio		
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1,734**	1,789
Adjusted EBITDA[1]	**2,051**	2,053
Finance costs	**372**	409
EBITDA / Finance costs	**4.7**	4.4
Adjusted EBITDA[1] / Finance costs	**5.5**	5.0
Debt ratios		
Net debt / EBITDA	**4.5**	3.6
Net debt / Adjusted EBITDA[1]	**3.8**	3.2

[1] Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

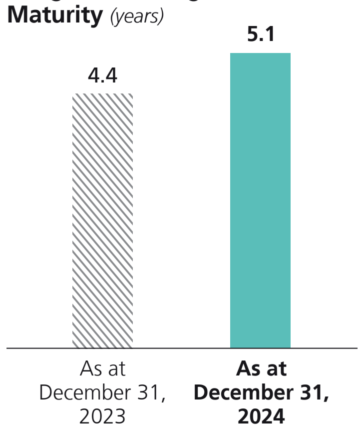
Hedging Profile



Weighted Average Cost of Debt *(%)*



Weighted Average Debt Maturity *(years)*



Business Review

Gas and Related Services

- Singapore's leading integrated utilities player
- Only generation company with gas importation and gas-fired power generation
- Comprehensive suite of solutions for customers' energy requirements

Refer to pages 20 to 22

Renewables

- Established presence in fast growing markets
- Proven success and ability to replicate capabilities in multiple geographies
- Disciplined approach to investment evaluation to accelerate growth

Refer to pages 23 to 27

Integrated Urban Solutions

- Over three decades of experience in industrial park development
- Proven water and renewable energy capabilities to deliver low-carbon solutions
- Strong turnaround since refreshed strategy in August 2024

Refer to pages 28 to 30

Decarbonisation Solutions

- Pursue renewables import projects
- Invest in low-carbon alternatives to drive energy transition beyond 2028

Refer to pages 31 to 32

Financial Indicators *(S$ million)*	2024	2023	Change *(%)*	2024	2023	Change *(%)*	2024	2023	Change *(%)*	2024	2023	Change *(%)*
Turnover[1]	**4,637**	5,457	(15)	**746**	703	6	**431**	418	3	**53**	16	231
EBITDA[2]	**908**	1,088	(17)	**564**	513	10	**141**	120	18	**(23)**	(14)	(64)
Adjusted EBITDA[3]	**1,040**	1,182	(12)	**622**	601	3	**268**	202	33	**(23)**	(14)	(64)
Net profit before exceptional items[4]	**727**	809	(10)	**183**	200	(9)	**169**	121	40	**(20)**	(13)	(54)
Return on equity before exceptional items[4] *(%)*	**32.2**	40.7	(21)	**8.0**	11.0	(27)	**8.5**	6.7	27	**NM**	NM	NM

EBITDA: Earnings before interest, tax, depreciation and amortisation

NM: not meaningful

1 Turnover figures are stated before inter-segment eliminations

2 EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-offs

3 Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

4 2024 exceptional items totalling S$1 million comprised net gain of S$3 million on disposal of assets and S$8 million gain on bargain purchase on the acquisition of two special purpose vehicles of Leap Green Energy in India, partially offset by impairments of S$6 million for project expenses incurred in Singapore and Vietnam, and S$4 million change in fair value of contingent consideration for a past acquisition in India upon collection of certain receivables

2023 exceptional items totalling S$2 million comprised divestment gains of S$5 million from the sale of its water businesses in Indonesia, a S$1 million recognition of negative goodwill arising from the acquisition of a 49% joint venture in the solar business in Vietnam offset by a S$4 million restructuring expense incurred for China operations

Gas and Related Services

Bridging the Energy Transition

The Gas and Related Services portfolio comprises 8GW of primarily gas-fired power capacity across various geographies including Bangladesh, China, Myanmar, Oman, Singapore, the UK and the United Arab Emirates. In Singapore, Sembcorp is a leading natural gas player, offering a comprehensive suite of services including gas sourcing, importation and trading.

Operational Indicators *(MW)*

	2024	2023
Gross gas and diesel-fired power capacity	**8,015**	6,119
– Gas	**7,955**	6,059
– Diesel	**60**	60

Enhancing Earnings Visibility with Long-term Contracts

As one of Singapore's largest importers of natural gas, Sembcorp leverages its established long-term gas supply arrangements to offer stable long-term power purchase agreements (PPAs). These PPAs provide customers with reliable power and cost certainty for their operations, mitigating the impact of volatile energy prices.

In 2023, Sembcorp became the first company in Singapore to secure multiple long-term PPAs, transforming its merchant-centric portfolio, which was vulnerable to volatile wholesale prices, into one that delivers stable recurring income. Industry leaders such as Micron Semiconductor Asia Operations, Singapore Telecommunications and STT Telemedia Global Data Centres have signed PPAs lasting between eight and 18 years with Sembcorp to meet their growing energy requirements.

Sembcorp's Gas Receiving Terminal in Jurong Island, Singapore

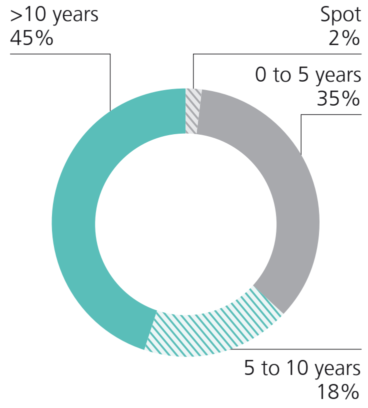
Sole provider of bundled energy solutions to support customers' decarbonisation goals

In 2024, we reinforced our earnings resiliency by securing additional long-term PPAs. These new contracts increasingly incorporate green elements, such as renewable energy or renewable energy certificates, to support our customers' decarbonisation goals. We signed contracts with subsidiaries of global biopharmaceutical company, GSK, for tenures of up to 10 years. The agreements involve supplying up to 10MW of electricity to their Singapore manufacturing sites, along with up to 87,600MWh of renewable energy certificates annually. This supports GSK's goal of achieving 100% purchased renewable electricity by 2025. We also signed a long-term PPA with Equinix, supplying 30MW from our power generation portfolio for up to 18 years. This complements two other long-term renewable energy PPAs with Equinix, with supply sourced from Sembcorp's solar assets.

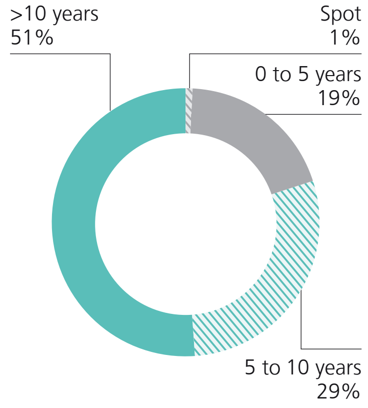
As of end 2024, 99% of our gas-fired power generation in Singapore[1] was underpinned by offtake contracts, with 51% secured for over 10 years and 29% locked in for five to 10 years, strengthening earnings stability.

[1] Excluding Senoko Energy which was acquired in November 2024

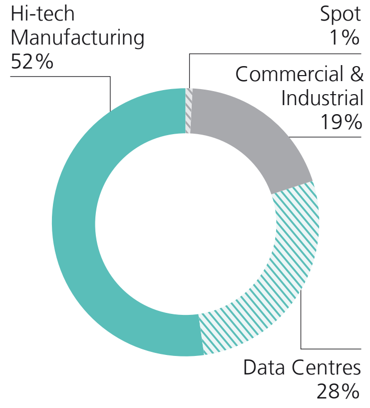
Group Contracting Profile
by Contract Tenure



Singapore Contracting Profile[2]
by Contract Tenure



Singapore Contracting Profile[2]
by Customer Type



[2] As at December 31, 2024. Based on generation capacity of gas-fired power plants and maximum contracted load. Excludes 30%-owned Senoko Energy which was acquired in November 2024

Our gas-fired power plants in Bangladesh, Myanmar, Oman and the United Arab Emirates are also contracted under long-term PPAs. In 2024, our assets in Bangladesh and the Middle East continued to deliver strong performance, contributing stable earnings to the Group.

During the year, operations at our power plant in Myanmar were temporarily suspended for 12 days to ensure the safety of our employees amid escalating civil unrest in Myingyan township, Mandalay, where the plant is located. The plant remained largely unaffected, and the shutdown had no material impact on the Group's earnings. In February 2024, our contract for the Phu My 3 power plant in Vietnam expired and the plant was successfully transferred back to the Vietnam government. As Vietnam's first build-operate-transfer power project, this marked the culmination of a two-decade collaboration between Sembcorp, its joint venture partners, and the Vietnam government – delivering reliable power while facilitating knowledge transfer. Excluding Phu My 3, 98% of the Group's gas-fired power portfolio was secured by offtake contracts as of end 2024.

Well-positioned to Capture Growth in Singapore

Singapore's electricity demand has been rising steadily over the years, driven by the expansion of energy-intensive sectors such as advanced manufacturing and data centres. To tap into the growing demand from corporate customers, 80% of our generation capacity in Singapore is contracted with energy-intensive industries including high-tech manufacturing companies and data centres.

As part of our strategy to enhance resilience and support Singapore's energy transition, we expanded our presence in the gas-fired power market and captured new growth opportunities through a key acquisition. In November 2024, we completed the acquisition of a 30% interest in Senoko Energy from ENGIE Global Developments for an equity consideration of S$96 million. Senoko Energy is one of the largest electricity suppliers in Singapore, operating around 2.6GW of registered gas-fired generation capacity.

As natural gas remains critical for energy security, this acquisition strengthens our ability to meet Singapore's growing energy needs while supporting its energy transition. The stake in Senoko Energy enables us to better serve high-growth sectors such as data centres and semiconductor manufacturing, while leveraging synergies with our existing gas business. With most of our energy portfolios in Singapore being contracted, the inclusion of Senoko Energy's assets positions us to capitalise on the growing power demand and support Singapore's role as a regional technology and digital hub.

Additionally, it offers potential synergies with our existing gas business where we can supply gas directly to Senoko Energy. This not only secures a stable feedstock for Senoko Energy's plants but also provides a potential growth avenue for our gas sales business.

Senoko Energy's assets are strategically situated in the northern region of Singapore's grid, near energy-intensive sectors such as the semiconductors cluster, which is expected to drive energy demand in the future. The site includes land available for the potential development of a new combined cycle gas turbine power plant.

Gas and Related Services

This provides us with longer term options to expand capacity and implement high-efficiency technologies to meet evolving energy needs.

The acquisition is a strategic fit, leveraging significant synergies between Sembcorp and Senoko Energy to drive growth and strengthen our role in supporting Singapore's rising power demand and energy transition.

Diversifying Gas Supply in Singapore

To strengthen gas supply security, we continued diversifying our gas sources during the year.

We secured two liquefied natural gas sale and purchase agreements: one with TotalEnergies Gas & Power Asia to import up to 0.8 million tonnes per year from 2027 for 16 years, and another with Chevron U.S.A to import up to 0.6 million tonnes per year from 2028 for 10 years. These contracts extend Sembcorp's natural gas supply beyond 2028, ensuring a stable and diverse supply of piped and liquefied natural gas to Singapore.

As Singapore transitions to a low-carbon future, natural gas plays a key role in maintaining energy security while supporting decarbonisation. With a comprehensive suite of diversified products spanning gas, utilities and renewables, Sembcorp is well-positioned to support this transition. Our competitive and reliable energy solutions meet the country's energy needs while supporting our customers in achieving their decarbonisation goals.

Divestment of Chongqing Songzao in China

In December 2024, we divested our 49% stake in Chongqing Songzao Electric Power, which operates a 1,320MW of coal-fired power plant, to our joint venture partner Chongqing Energy Investment Group.

The asset's carrying value had been fully impaired in 2021, following the government's decision to close all Chongqing-based coal mines, removing the plant's mine-mouth advantage.

This divestment marks a significant milestone – Sembcorp no longer holds any coal assets, reflecting our commitment to reshaping our portfolio and advancing the energy transition.

Decarbonising our Gas-fired Generation Portfolio

We are actively exploring levers to decarbonise our assets. Our new 600MW hydrogen-ready combined cycle power plant on Jurong Island in Singapore is slated for full operation by 2026. The hydrogen-ready plant is designed for a potential blend of up to 30% hydrogen by volume with natural gas.

We are also collaborating with partners to explore the use of hydrogen and ammonia in the energy and industrial sectors. These initiatives position us for rapid adoption of low-carbon technologies as they become commercially viable.

For a summary on our decarbonisation progress in 2024, please refer to Figure 3 on page 61 of this report.

At Wilton International, we continue to support the decarbonisation of industrial energy use in the UK. In January 2025, LanzaJet selected Wilton International as the site for Project Speedbird, its first ethanol-to-Sustainable Aviation Fuel (SAF) production facility in the country. It is expected to produce over 90,000 tonnes of SAF and renewable diesel annually. This reinforces Wilton's role in the UK's industrial decarbonisation and provides opportunities to integrate lower-carbon solutions into our portfolio.

As part of our climate action targets, we will continue to identify opportunities to manage certain assets within the portfolio for value through possible divestments and capital recycling, aligning with our decarbonisation goals.

Outlook

The Gas and Related Services segment delivered a resilient performance in 2024. Earnings before exceptional items are expected to be strong in 2025, driven by our contracted portfolio and contribution from our 30% stake in Senoko Energy. Operations of the gas-fired power plants in Bangladesh, Myanmar and the Middle East, which are contracted under long-term PPAs, are expected to remain stable.

With the rising power demand, particularly from data centres and semiconductor manufacturing, Sembcorp is well-positioned to capitalise on growing energy needs. At the same time, we will continue to explore decarbonisation opportunities to achieve our climate goals.

Renewables

Progressing towards 2028 Target

In 2024, Sembcorp continued to advance its strategic transformation to drive energy transition. As at December 31, 2024, Sembcorp's gross renewable capacity, comprising wind, solar, hydropower and energy storage, reached 16.8GW, marking an increase of 3.9GW from 12.9GW the previous year.

Our investments are underpinned by strong development and asset management capabilities, complemented by strategic partnerships in key markets. With a diversified portfolio spanning China, India, Southeast Asia (Singapore, Vietnam, Indonesia and the Philippines), Oman, and the UK, we remain committed to our strategy of achieving 25GW gross installed capacity by 2028.

Operational Indicators[1] *(MW / MWh)*

	2024	2023
Gross renewables capacity	**16,827**	12,861
– Wind	**7,472**	6,546
– Solar	**7,899**	5,306
– Energy Storage[2]	**1,456**	1,009
Gross renewables capacity	**16,827**	12,861
– Installed	**13,072**	9,353
– Secured or under construction	**3,755**	3,508

[1] Figures refer to total gross capacity as at December 31 of the corresponding year. Excludes a 49MW hydropower asset pending acquisition

[2] Energy storage capacity is in MWh

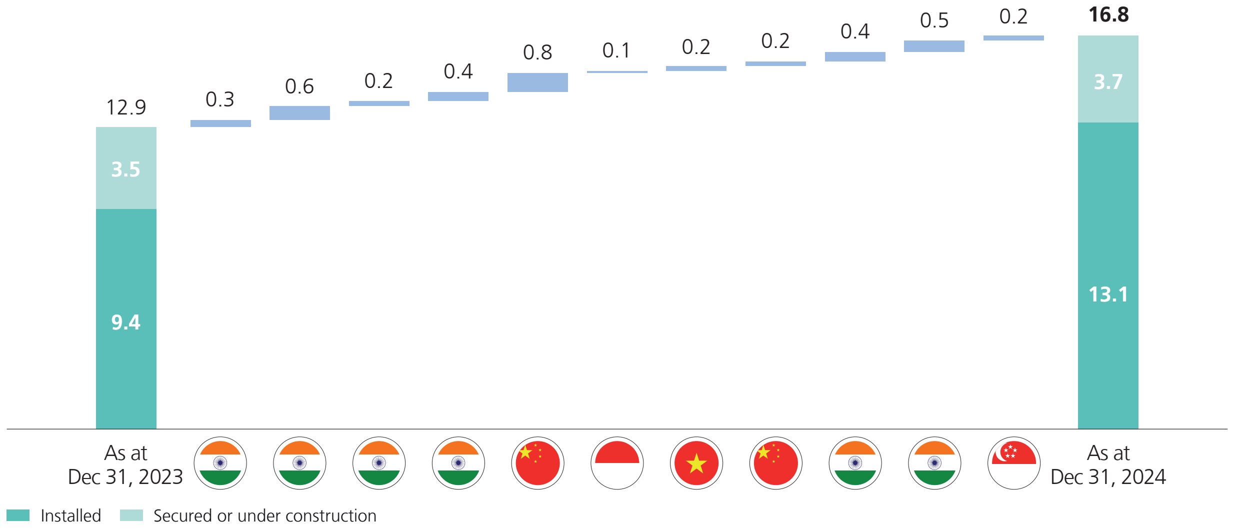
Accelerating Portfolio Expansion

We continue to implement differentiated strategies tailored to the unique conditions of each market, to drive the growth of our renewables portfolio. Our success is built on a deep understanding of local markets, a strong focus on asset quality and project returns, and the effective sharing of expertise across key regions.

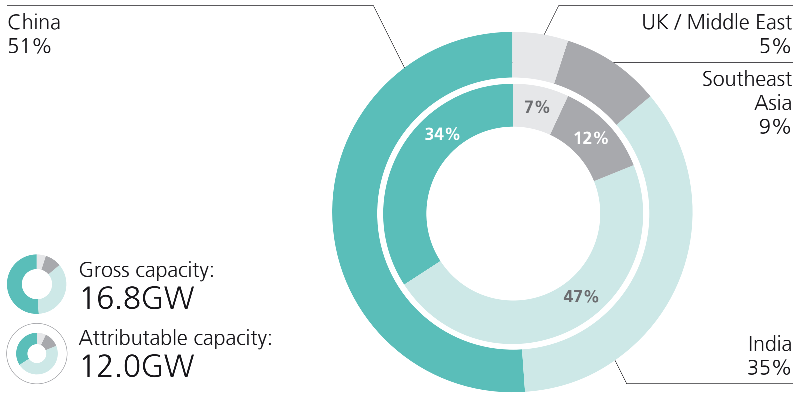
Sembcorp's solar assets in East Kalimantan, Indonesia

Renewables

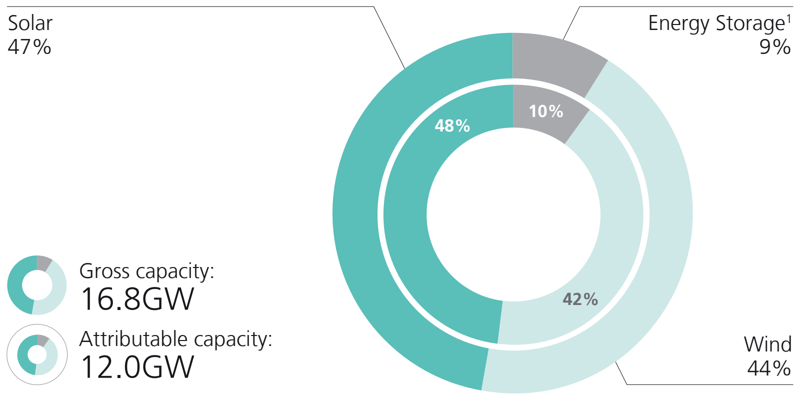
Gross Renewables Capacity[1] *(GW/GWh)*



Renewables Capacity by Country



Renewables Capacity by Technology Type



[1] Energy storage capacity measured in GWh

Our geographic spread mitigates exposure to country-specific risks, ensuring stability and resilience of our portfolio.

Strategic Focus: Geographical Diversity and Disciplined Investments

China: Focused expansion through partnerships

As at December 31, 2024, our total renewables capacity in China was 8.5GW, an increase of 1.1GW in the year. This includes 0.2GW of capacity secured and under construction. In collaboration with our joint venture partner, SDIC Power, we successfully completed Sembcorp's first Concentrated Solar Power project, with a gross capacity of 110MW. This project highlights our commitment to innovation and strengthens our expertise in delivering advanced renewable energy solutions.

In 2024, our assets in northwestern China, including Gansu, Qinghai, and Xinjiang totalling 853MW in attributable installed capacity, faced increased curtailment due to accelerated renewable deployment. This created a supply-demand imbalance and constrained grid infrastructure for energy export. In January 2025, China's largest power grid operator, State Grid Corporation of China, indicated that they would invest over RMB650 billion in optimising the power grid, strengthening distribution infrastructure and providing for the high-quality development of renewable power in 2025.

We maintain a disciplined approach to investment evaluation, strategically targeting regions that rely on imported power and are near major hubs with strong electricity demand. This approach ensures efficient power distribution, minimises transmission losses, and maximises the impact of our renewable energy solutions in high-demand areas.

Sembcorp's hybrid renewables project in Rajasthan, India

India: Leveraging hybrid solutions for growth

India remains a growth market for Sembcorp, where we have successfully leveraged our strong development expertise and asset management capabilities across various technologies to drive portfolio growth and enhance returns.

During the year, we secured over 2GW of hybrid renewables projects, integrating solar and wind as well as solar and energy storage systems, at higher tariffs compared to single-technology contracts. These hybrid projects optimise energy generation by mitigating intermittency challenges, ensuring a more stable and reliable power supply.

Our active participation in these projects underscores our strong in-house project management capabilities across various renewable technologies, including solar, wind, and battery energy storage systems (BESS), while improving our project returns.

Strategically located in regions where Sembcorp already has existing assets, these projects will benefit from operational and maintenance efficiencies and the application of best practices to maximise performance.

In addition to our greenfield projects, we successfully acquired from Leap Green Energy a portfolio comprising 228MW of operational wind assets in India during the year.

Greenfield projects secured during the year in India

Date	Project Details	Awarding Entity	PPA Details	Tariff *(INR/kWh)*
January 2024	450MW wind-solar hybrid	Solar Energy Corporation of India Ltd (SECI)	25-year PPA from completion	3.21
March 2024	440MWW wind-solar hybrid	SJVN Limited		3.48
October 2024	150MW wind-solar hybrid	SECI		3.26
November 2024	300MW wind-solar hybrid	NTPC Ltd		3.29
December 2024	150MW solar with 300MWh battery energy storage system	SECI		3.52

Renewables

Sembcorp's wind assets in Quảng Trị, Vietnam

Through disciplined bidding, investment, and efficient asset management, Sembcorp's gross renewables portfolio in India stands at 5.8GW, of which 3.0GW are secured or under construction. These achievements reflect our ongoing commitment to India's renewable energy transition while delivering sustainable returns.

Southeast Asia: Strategic market entry and expansion

During the year, we expanded into the hybrid renewables segment in Indonesia with the construction of a 50MW solar plant and a 14MWh BESS project in Nusantara. Developed in partnership with PT PLN Nusantara Renewables through a joint venture, Sembcorp holds a 49% stake in the project. Backed by a 25-year long-term PPA, the project supplies power to state-owned utility provider PT PLN (Persero). Successfully launched in January 2025, this marks the first utility-scale integrated solar and energy storage project in Indonesia and Sembcorp's inaugural venture into large-scale solar development in the country. Leveraging our experience, we will continue to pursue growth opportunities with partners and expand our capabilities into geographies with promising potential.

In Vietnam, we expanded our portfolio through acquisition of 196MW of gross renewables capacity comprising wind and solar assets from various subsidiaries of Gelex Group Joint Stock Company in June 2024. Pending regulatory approvals, the acquisition of the remaining 49MW hydropower asset is anticipated to be completed in the first half of 2025.

In Singapore, we continue to build on our leadership position. Our solar portfolio of 949MWp (729MW) represents over half of Singapore's solar energy deployment target of 1.5GWp by 2025. We were awarded a solar deployment project involving the solarisation of 60 buildings across four industrial estates under JTC Corporation's SolarRoof Phase 4. The green energy generated along with our ongoing projects under SolarRoof Phases 2 and 3, will be exported to the national grid to help meet JTC's target of achieving 350MWp by 2030. In 2022, we exceeded Singapore's 2025 target for BESS deployment of 200MWh by successfully commissioning a 285MWh BESS on Jurong Island within six months. Building on this success, we will collaborate with the Energy Market Authority to pilot Singapore's first battery stacking solution on land. This initiative aims to increase the existing system's capacity from 285MWh to approximately 326MWh, optimising land usage already occupied by the current systems.

In January 2025, Sembcorp marked its entry into the Philippines' renewable energy sector with the strategic acquisition of Puente Al Sol Inc. for S$105 million. Puente Al Sol Inc is currently developing a 96MW solar farm in Cadiz which is scheduled to commence operations later this year. Subject to regulatory approvals, the transaction is expected to close by the second half of 2025. This acquisition aligns with Sembcorp's ambition to expand its renewables footprint in Southeast Asia and reinforces our commitment to driving the region's energy transition.

Renewable Energy Integration with Blended PPA Solutions

Sembcorp continues to solidify its leadership position in renewable energy solutions in Singapore through strategic partnerships and PPAs with major global companies. In April 2024, we entered into a 75MWp solar energy PPA with Equinix, a global data centre provider, marking their first renewable energy initiative in Singapore. In November 2024, we strengthened our partnership with Equinix with a second renewable energy PPA, supplying up to 58.5MWp for 15 years beginning in 2029. This brings the total contracted renewable energy capacity with Equinix to 133.5MWp, reinforcing our mutual commitment to accelerating the transition to a low-carbon future and integrating renewable energy into the data centre sector to help customers meet their sustainability targets.

We also secured long-term PPAs with global biopharmaceutical company GSK. Through the PPAs, Sembcorp will supply up to 10MW of electricity to GSK's three global manufacturing sites in Singapore, as well as provide up to 87,600MWh of renewable energy certificates annually. These PPAs, which commenced on January 1, 2025, support GSK's goal of achieving 100% renewable electricity for its Singapore operations by 2025, further enhancing our position as a key player in Asia's renewable energy market.

With a comprehensive suite of energy solutions designed to help customers meet their sustainability objectives, we continue to deliver innovative, scalable, and sustainable energy solutions across industries, driving the energy transition with our commitment to growing renewables.

Growth Opportunities in Emerging Markets

In December 2024, we successfully achieved commercial operation for the Manah II Solar Independent Power Project in Oman, more than four months ahead of schedule, demonstrating our strong development capabilities. As our first greenfield renewables project in the Middle East and the largest utility-scale solar farm in our global portfolio with a peak capacity of 588MW, this milestone reflects Sembcorp's growing leadership in renewable energy. The project also builds on more than 15 years of expertise and presence in Oman through our Salalah Independent Water and Power Plant, one of the largest and most efficient utility providers in the Dhofar region. The 500MW asset is backed by a 20-year PPA with Nama Power and Water Procurement Company, supporting Oman's energy transition goal of increasing renewable energy's share to 30% by 2030.

Outlook

According to the International Energy Agency, the outlook for renewable energy remains positive, despite ongoing challenges such as geopolitical challenges and shifting government policies. Nonetheless, the transition to clean energy is progressing rapidly, driven by supportive policies and market forces.

In China, under guidelines by the National Development and Reform Commission in October 2024, the government will continue to accelerate its renewables growth, improve grid infrastructure, and encourage the adoption of renewable energy. It also announced in February 2025 that 100% of on-grid renewable energy be dispatched through a market-based sales mechanism, for new projects which are commissioned from June 1, 2025. We continue to monitor the economic and regulatory developments in China, and the corresponding impact on our China portfolio.

In India, the government has implemented a range of measures and initiatives aimed at promoting and accelerating renewable energy capacity, with an ambitious target of 500GW of installed electricity capacity from non-fossil sources by 2030. The Ministry of New and Renewable Energy plans to introduce an initial requirement of 10% battery storage capacity for renewable energy plants to address intermittency, with the potential to increase this requirement over time.

In Southeast Asia, eight out of the 10 countries have set net-zero emissions goals. While the momentum for clean energy is rising, the region faces significant challenges, including dependence on fossil fuels and energy security risks. Geopolitical tensions and environmental issues like air pollution and climate-related disasters add further complexity to the region's energy transition.

We are well-positioned to leverage our proven track record, deep local knowledge, expertise in renewables, and differentiated strategies to capitalise on the opportunities. We will continue to monitor macroeconomic developments to ensure proactive adaptation. The Renewables segment is expected to grow, driven by full-year contribution of assets acquired during the year, as well as commissioning of greenfield projects.

Integrated Urban Solutions

Transforming the Urban Portfolio for Sustainable Growth

The Integrated Urban Solutions segment comprises Urban, Water and Waste-to-resource businesses. The segment integrates energy, water, waste management, and smart technologies into the development and management of industrial spaces to create sustainable environments that meet modern urban and industrial needs.

Operational Indicators

	2024	2023
Urban		
– Land sales *(ha)*	**342**	248
– Total gross land (cumulative) *(ha)*	**14,400[1]**	13,000
– Leasable space *(GFA sqm)* from majority-owned industrial properties	**508,000**	134,000
– Portfolio occupancy *(%)* for majority-owned completed industrial properties	**76%**	47%
Water		
– Water and wastewater treatment capacity *(m^3/day)*	**8,075,570**	8,075,114
Waste-to-resource		
Energy-from-waste (Efw) gross installed capacity		
– Wilton 11 Efw Plant *(MW)*	**48**	48

GFA: gross floor area ha: hectares m^3/day: cubic metres per day sqm: square metres

1 Inclusive of Tembesi project, a joint venture agreement signed with Panbil Group in January 2025

Urban: Leading the Way in Low-carbon Industrial Parks and Spaces

With 35 years of experience, Sembcorp has built a strong reputation as a trusted leader in delivering integrated urban solutions across Asia. In August 2024, we refreshed our Urban segment targets, with a clear focus on establishing ourselves as a leading low-carbon industrial park player in the region, building on our track record and expertise in master development and renewable energy. The strategic initiatives and targets include:

- **Expand land bank:** Grow to 18,000ha by 2028
- **Grow recurring income:** Increase industrial properties leasable space to 1.5 million sqm by 2028
- **Enhance financial metrics:** Achieve net profit compound annual growth rate (2022–2028) above 15% and 2028 return on equity of 10%.

The Urban business' ability to attract foreign direct investment and create jobs positions us strongly to secure new projects in existing and new markets. We have identified Vietnam and Indonesia as key focus markets, where strong growth opportunities are driven by robust GDP growth, thriving manufacturing sectors, rising urbanisation and a growing middle class. Additionally, the Urban business will explore new markets and actively manage its operations in China to enhance returns.

As sustainability becomes increasingly integral to business operations, manufacturers are transitioning to green factories and adopting decarbonisation and energy-efficient solutions. Our expertise in providing low-carbon solutions, positions us to meet this growing demand. Our offerings include development of low-carbon industrial parks, green industrial properties for lease, and integration of renewable energy solutions within these developments to reduce carbon footprints. These initiatives align with global sustainability trends, enhancing the appeal of our developments to environmentally conscious tenants.

Strong Performance Reinforces Urban's Refreshed Strategic Initiatives

The Urban business achieved a significant turnaround in its financial and operational performance in 2024, reflecting the progress made from the August 2024 strategy refresh. Net profit before exceptional items increased by 76% year-on-year, driven by land sales of 342ha, up from 248ha in 2023. These came from the Vietnam Singapore Industrial Parks (VSIP) in Vietnam and Kendal Industrial Park in Indonesia – two primary focus markets outlined in our strategy.

During the year, investment licences were awarded for VSIP Thai Binh, VSIP Quang Ngai II, and Becamex-VSIP Binh Thuan, expanding the VSIP portfolio to 18 projects. These new developments will contribute to our saleable land bank from 2026, offering our manufacturing customers unique location advantages across Vietnam.

In January 2025, we entered into a strategic joint venture with Panbil Group, a prominent player in the industrial and hospitality sectors in Batam, Indonesia. This partnership leverages our expertise in international investment promotion and green energy solutions, alongside Panbil's construction capabilities, to develop a 100ha low-carbon industrial park in Tembesi, within Batam's Muka Kuning area – an established hub for industries such as electronics, electrical, precision engineering, and pharmaceuticals. Additionally, we signed a Memorandum of Understanding (MoU) with Panbil to explore the development of a 500ha industrial park on Tanjung Sauh, a newly designated special economic zone for industrial development in the smaller island in Batam. The collaboration with Panbil strengthens our presence in Indonesia, extending beyond our Kendal project in Central Java.

With the addition of these industrial parks, our total gross land bank now stands at 14,400ha, moving us closer to our 2028 target.

Leveraging our township development expertise, we also signed a non-binding MoU with Odisha Industrial Infrastructure Development Corporation in January 2025, to assess opportunities for an industrial park in Odisha, India. This builds on our Group's capabilities and presence in India to evaluate high-potential opportunities for sustainable and attractive returns.

During the year, we acquired land in multiple locations in Vietnam to develop a new portfolio of industrial properties for lease, marking a significant step in the execution of our refreshed business strategy to grow industrial leasable space to 1.5 million sqm GFA by 2028. Approximately 374,000 sqm of modern ready-built warehouses and factories will be added to our current operational industrial portfolio of 134,000 sqm. This strategic initiative expands our offering of high-quality spaces and strengthens our recurring income[2] stream, positioning us for continued growth and stability. Recurring income accounted for 9% of the year's profit, while occupancy rates for completed industrial properties rose to 76%, up from 47% in 2023.

In China, we successfully mitigated the impact of a slowing economy by optimising costs, focusing on tenancy renewals, and increasing occupancy at the Nanjing Global Sustainability Hub.

Advancing Water Sustainability: Innovative Solutions for Efficient Water Management and Wastewater Treatment

As a leading water management specialist, we help businesses achieve their water sustainability goals through solutions such as industrial wastewater treatment and water reclamation. Our sustainability-first approach allows businesses to minimise liquid discharge and conserve their water resources. We specialise in addressing the challenges of complex industrial effluents, using customised solutions to manage even the most challenging wastewater streams effectively.

In April 2024, we completed the Sembcorp Nanjing Suiwu Industrial Wastewater Joint Advanced Treatment Project and NCIP Distributed Solar Power Project in Jiangsu, China. Using advanced technologies, such as our Virtual Brain™ Water real-time digital management platform, we enhanced water treatment efficiency, reduced energy consumption, and minimised chemical usage while maintaining effluent compliance.

The project was recognised as the High Quality Development Service Provider for Chemical Industrial Parks at the 2024 China Chemical Industry Park Development Conference in Chengdu in October 2024. This recognition reinforces our commitment to delivering sustainable and efficient industrial wastewater treatment solutions.

Sembcorp Nanjing Suiwu Wastewater Treatment Plant, China

Sale of Sembcorp Environment: Capital Recycling

We continue to review our portfolios and sharpen our focus in the energy sector to ensure strategic alignment and to maximise shareholder value. In November 2024, we announced the sale of Sembcorp Environment Pte Ltd (SembEnviro) for a consideration of S$405 million[3]. The sale consideration represents approximately 43% premium over its book value and net asset value.

2 Recurring income refers to industrial and commercial space for lease, utilities income, estate management fees, and excludes corporate costs

3 The sale of SembEnviro to SBT Investment 2 was completed on March 18, 2025

Integrated Urban Solutions

Vietnam Singapore Industrial Park in Nghe An, Vietnam

Upon completion of the sale, the proceeds will be re-deployed, under our S$14 billion investment plan (2024–2028), to accelerate growth and drive energy transition.

SembEnviro is an integrated waste management services provider involved in the processing, collection and recycling of industrial, commercial and municipal solid waste in Singapore. To ensure business continuity, all staff and management will be retained for at least 24 months. We have also engaged the relevant unions to provide assurance that employees will remain in their current jobs. The buyer, SBT Investment 2, a wholly-owned subsidiary of TBS Energi, is an integrated energy company dedicated to reducing its carbon footprint and promoting environmental sustainability from low-carbon growth. With expertise in power generation, renewable energy, and waste management, TBS will build on SembEnviro's strong foundation and reputation, to deliver waste management solutions that adapt to the evolving needs of Singapore's communities and industries.

Outlook

We remain committed to expanding our presence in key markets while leveraging our renewable energy capabilities. Earnings for the Integrated Urban Solutions segment are expected to remain stable, with growth in the Urban segment offsetting the absence of contribution from SembEnviro. A gain of no less than S$100 million is expected to be recognised upon completion of the sale.

In the Urban segment, we will continue to evaluate and enter new markets on a strategic basis to build up our land bank and develop sustainable industrial parks and townships. Our strategic partnerships in Vietnam and Indonesia, along with our focus on expanding our industrial leasable space, position us well to capture the growing demand for green, energy-efficient industrial spaces.

Our water business is expected to remain stable. We will continue to innovate and adopt initiatives to improve efficiency in operations while strategically allocating capital to higher-returning assets and optimise returns for less value-adding assets.

Decarbonisation Solutions

The Decarbonisation Solutions segment was introduced in November 2023 under the 2024–2028 strategic plan, reinforcing Sembcorp's commitment to advancing the energy transition. This segment includes businesses focused on the trading of environmental attributes, low-carbon feedstock (green hydrogen and ammonia), power imports, as well as carbon capture, utilisation and storage. By investing in low-carbon energy products and services, Sembcorp aims to accelerate decarbonisation and energy transition, while paving the way for growth beyond 2028.

Low-carbon Alternatives: Developing and Scaling Green Feedstock Technologies

In 2024, the following key milestones underscored our commitment to developing green feedstock technologies and cross-border low-carbon supply chains.

Building on the Memorandum of Understanding (MoU) signed in December 2023 to explore the supply of green ammonia from India to Japan, Sembcorp made significant progress in establishing a cross-border green ammonia supply and transportation network throughout the year. In June 2024, we signed a Heads of Terms (HoT) agreement with Sojitz Corporation (Sojitz) and Kyushu Electric Power Co (Kyushu) to finalise a definitive green ammonia offtake agreement. In August 2024, we entered into a HoT with Nippon Yusen Kabushiki Kaisha (NYK), appointing NYK as the shipping partner for green ammonia exports to Japan. This collaboration brings together three Indo-Pacific Economic Framework members – India, Japan, and Singapore – united in advancing a low-carbon supply chain and facilitating the region's clean energy transition. India's National Green Hydrogen Mission underpins these efforts with a 25-year waiver on interstate electricity transmission charges for green hydrogen and ammonia projects commissioned on and before December 31, 2030. The mission aims to produce 5 million metric tonnes per annum of green hydrogen by 2030, positioning India as a global leader in green hydrogen production and export. With abundant natural resources and the potential to expand renewable energy capacity, India is well-placed to drive the green hydrogen economy forward.

Leveraging its expertise in renewable energy, Sembcorp is leading the development of renewable energy and green ammonia production facilities in India. Front-end engineering and design work has commenced for the green ammonia plant in Thoothukudi (formerly known as Tuticorin), Tamil Nadu with the next step being the final investment decision for the project.

In Southeast Asia, Sembcorp strengthened its green feedstock production ambitions by signing a joint development framework agreement with PT PLN Energi Primer Indonesia in October 2024 to develop Southeast Asia's largest green hydrogen project in Sumatra, Indonesia. The facility, designed to produce 100,000 metric tonnes per annum of green hydrogen, aims to establish a regional green hydrogen hub connecting Sumatra, the Riau Islands, and Singapore. This milestone follows a successful feasibility study and represents a pivotal step towards the next phase of development, which includes detailed engineering and commercial structuring. The collaboration reflects a shared commitment to accelerating sustainable energy solutions in the region.

Supporting Singapore's Innovation in Low-carbon Energy

Singapore is accelerating its low-carbon transition under the Green Plan 2030. As a key player in this journey, Sembcorp is driving the energy innovation through strategic partnerships.

In June 2024, Sembcorp partnered with Bloom Energy, a global leader in solid oxide fuel cell technology, to bring low-carbon solutions to Singapore. This collaboration will involve the deployment of Bloom's proprietary solid oxide fuel cell technology and third-party proven carbon capture systems to produce reliable, low-carbon electricity to meet Singapore's changing energy needs. This aligns with Singapore's Green Data Centre Roadmap, which focuses on expanding sustainable energy solutions for the digital economy. By integrating Bloom's Energy Server with carbon capture, the system will provide low-carbon power and potentially generate green energy using low-carbon feedstock in the future, while mitigating grid constraints through grid-parallel deployment.

In December 2024, Sembcorp entered into a landmark agreement with Tenaga Nasional Berhad to import 50MW of renewable energy from Malaysia to Singapore, marking the first renewable energy import to Singapore with Renewable Energy Certificates (RECs). This initiative supports Malaysia's green electricity trading programme and strengthens Singapore's push for a diversified, resilient energy mix. By ensuring the energy is sustainably sourced, Sembcorp reinforces its position as a leader in low-carbon solutions in the region.

Sembcorp was also shortlisted as one of two consortia to develop a low- or zero-carbon ammonia solution for power generation and bunkering on Jurong Island. This project is key to Singapore's strategy to harness low-carbon hydrogen as a major decarbonisation pathway to achieve net-zero emissions by 2050.

By investing in advanced technologies and regional collaborations, we remain committed to delivering sustainable, low-carbon solutions for Singapore's greener future.

Decarbonisation Solutions

GoNetZero™: Scaling Decarbonisation Efforts for Outsized Impact

Founded in 2022 as the carbon management business of Sembcorp, GoNetZero™ empowers businesses worldwide to achieve their net-zero goals. It offers comprehensive solutions through its digital platform, and additionally provides verified environmental attributes (EA), including RECs and carbon credits. GoNetZero™'s suite of digital solutions includes *Measure* – which enables clients to begin their net-zero journeys by assessing their organisations' emissions; *Manage* – which allows clients to view, manage and retire their EAs portfolio seamlessly on a single platform; and *Perform* – which helps clients maximise the output and lifespan of their renewable energy assets across multiple sites on a single dashboard.

In 2024, GoNetZero™ achieved a substantial threefold growth in revenue as market demand for decarbonisation products and solutions continued to rise. The business supported its clients in compensating for 5 million tonnes of residual emissions through verified carbon credits, a twofold increase from the previous year, while driving the adoption of renewable energy by 1.6 million MWh through RECs, enabling projects that contribute to long-term sustainability and ecosystem restoration. GoNetZero™'s digital platform gained over 30 new clients, expanding its customer base to more than 80 clients across 14 countries, positioning the business for accelerated growth and broader impact.

In 2024, GoNetZero™ further advanced its mission to drive global decarbonisation, by partnering with like-minded innovators:

Supporting organisations in their decarbonisation journeys

In support of Singtel's net-zero 2045 goals, GoNetZero™ signed an MOU with Singtel's Digital InfraCo, to explore integrating GoNetZero™'s end-to-end digital decarbonisation solutions into Digital InfraCo's service platform. This integration enables Singtel's enterprise customers to seamlessly purchase and retire EAs, enabling greater efficiency in their sustainability efforts. To further support Singapore's energy transition, GoNetZero™ worked with the Energy Market Authority to offset travel emissions for 25 key energy leaders at the Singapore International Energy Week 2024. With emissions calculations powered by GoNetZero™'s *Measure* solution, the carbon credits retired were sourced from Sembcorp's 300MW wind energy project in India, registered under the Gold Standard.

Beyond Singapore, GoNetZero™ continued to drive green transformation. In Vietnam, GoNetZero™ signed an MOU with CMC Global to help clients reduce their carbon footprints, supporting Vietnam's net-zero ambitions by 2050. This partnership is expected to drive decarbonisation, sustainable development, and digital transformation in Vietnam and across the region. GoNetZero™'s regional influence extended further through collaborative efforts with Bureau Veritas in Southeast Asia. Together with Bureau Veritas Singapore, it has enhanced transparency and trust in businesses' sustainability efforts. By offering tailored solutions, the partnership empowers businesses to meet their decarbonisation goals with confidence.

Advancing global access to decarbonisation infrastructure and innovations

Pioneering new pathways in decarbonisation, GoNetZero™ partnered with Xpansiv to offer clients seamless access to trading platforms, automated settlement, and portfolio management integrated with 13 global carbon and renewable energy registries, accelerating their decarbonisation efforts.

Shaping global decarbonisation dialogues

In addition to participating in over 50 industry events and discussions, GoNetZero™ officially joined the Singapore Carbon Market Alliance (SCMA), launched in 2024 by the Singapore Economic Development Board and IETA (formerly the International Emissions Trading Association). SCMA is a platform that aims to help Singapore-based corporates access high-integrity, Article 6-aligned carbon credits while fostering exchanges between industry and the government on Singapore's requirements and initiatives on Article 6-aligned carbon credits.

Outlook

During the year, Sembcorp continued to make strides in advancing energy transition through strategic investments and partnerships in low-carbon solutions. By advancing projects such as the development and transportation of green feedstock as well as innovative collaborations in renewable energy, Sembcorp is well-positioned to meet growing demand for sustainable energy alternatives.

Looking ahead, we will leverage our leadership position in Singapore to support the nation's Green Plan 2030 and the Four Switches for Energy Transition to further advance regional decarbonisation efforts. By strengthening our capabilities, we will continue to innovate and make strategic investments in low-carbon solutions. This segment is expected to generate positive earnings by 2028, positioning the company for continued growth.