

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.

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

Operational Indicators (MW)

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

with reliable power and cost certainty for their operations, mitigating the impact of volatile energy prices.

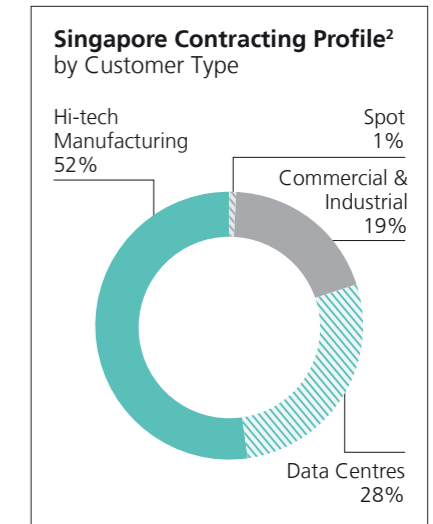
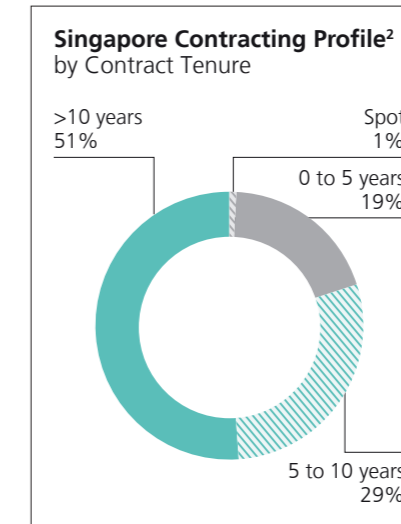
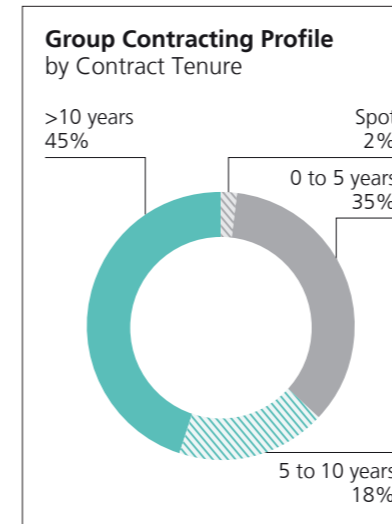
In 2023, Sembcorp became the first company in Singapore to secure multiple long-term PPAs, transforming its merchant-centric portfolio, which was vulnerable to volatile wholesale prices, into one that delivers stable recurring income. Industry leaders such as Micron Semiconductor Asia Operations, Singapore Telecommunications and

STT Telemedia Global Data Centres have signed PPAs lasting between eight and 18 years with Sembcorp to meet their growing energy requirements.

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 Singapore¹ was underpinned by offtake contracts, with 51% secured for over 10 years and 29% locked in for five to 10 years, strengthening earnings stability.



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.



Sembcorp's Gas Receiving Terminal in Jurong Island, Singapore

¹ Excluding Senoko Energy which was acquired in November 2024

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.