

Group Financial Review

Financial Highlights

In 2025, the Group changed its accounting policy relating to the subsequent measurement of investment properties from the cost model to the fair value model, with changes in fair value recognised in profit or loss. This change has been applied retrospectively and 2024 comparatives have been restated accordingly.

	2025	2024 Restated	Change (%)
For the Year (\$ million)			
Turnover	5,799	6,417	(10)
Gas and Related Services	4,088	4,637	(12)
Renewables	856	746	15
Integrated Urban Solutions	242	431	(44)
Decarbonisation Solutions	42	53	(21)
Other Businesses and Corporate	571	550	4
Earnings before interest, tax, depreciation and amortisation (EBITDA) ¹	1,520	1,734	(12)
Share of results:			
Associates and joint ventures, net of tax	496	316	57
Adjusted EBITDA	2,016	2,050	(2)
Profit before tax	1,176	1,259	(7)
Net profit before exceptional items and DPN FXΔ ²			
Gas and Related Services	701	728	(4)
Renewables	192	183	5
Integrated Urban Solutions	178	173	3
Decarbonisation Solutions	(23)	(20)	(15)
Other Businesses and Corporate	(45)	(50)	10
Exceptional items	135	1	NM
DPN FXΔ, (Loss) / Gain	(154)	10	NM
Net profit from continuing operations	984	1,025	(4)
Net loss from discontinued operation	–	(9)	NM
Net profit	984	1,016	(3)
Capital Position (\$ million)			
Owners' funds	5,543	5,441	2
Total assets	18,429	18,280	1
Net debt	7,847	7,800	1
Operating cash flow	1,170	1,412	(17)
Free cash flow	2,070	1,790	16
Capital expenditure and equity investment	1,192	1,991	(40)
Shareholder Returns			
Net assets per share (\$)	3.12	3.05	2
Earnings per share (cents)	55.33	57.00	(3)
Earnings per share			
– Continuing operations (cents)	55.33	57.51	(4)
Dividends per share (cents)	25.00	23.00	9
Last traded share price ³ (\$)	6.02	5.52	9
Total shareholder return (%)	14	7	100

NM: Not meaningful

¹ EBITDA refers to earnings before net interest expense, tax, depreciation and amortisation

² DPN FXΔ: Deferred payment note foreign exchange gain / loss

³ As at December 31 of the respective years

Overview

The Group delivered resilient performance in 2025, with Group net profit before exceptional items (EI) and DPN FXΔ of S\$1.0 billion, comparable to 2024, reflecting the strength of our diversified portfolio across Gas and Related Services, Renewables, and Integrated Urban Solutions. Reported net profit from continuing operations was S\$984 million, 4% lower year-on-year.

Turnover

Group turnover declined 10% to S\$5.8 billion in 2025. This was driven mainly by a 12% decrease in the Gas and Related Services segment to S\$4.1 billion due to lower electricity offtake, lower pool and gas prices in Singapore, as well as lower availability following a major outage in Wilton 10 in the UK. Renewables increased 15% to S\$856 million on newly commissioned projects in Oman, India and Singapore, and a full-year contribution from 196MW of a 245MW Vietnam acquisition completed in 2024, while Integrated Urban Solutions fell 44% to S\$242 million following the divestment of Sembcorp Environment and its subsidiaries (SembEnviro). Decarbonisation Solutions decreased to S\$42 million amid global macroeconomic pressures, while Other Businesses and Corporate increased by S\$21 million, or 4%, to S\$571 million.

Net Profit

In 2025, the Group net profit before EI and DPN FXΔ of S\$1.0 billion was in line with 2024. Earnings growth from the Renewables and Integrated Urban Solutions

segments mitigated lower earnings from the Gas and Related Services segment, which remains the Group's principal contributor at about 70%, underscoring the resilience of our diversified portfolio. EI in 2025 were mainly attributable to the gain from the divestment of SembEnviro, while the foreign exchange loss on the deferred payment note resulted from the depreciation of the Indian rupee (INR) against the Singapore dollar (SGD). Net profit from continuing operations was S\$984 million.

Net profit before EI for the Gas and Related Services segment was S\$701 million, a 4% decrease from S\$728 million in 2024, with lower contribution from the UK business and lower generation spreads in Singapore. These impacts were offset by higher contribution from Senoko Energy, driven by a full-year effect of the 30% stake acquired in November 2024, post-acquisition synergy benefit, and the additional 20% equity interest acquired in the first half of 2025, which increased the Group's effective interest from 30% to 50%.

The Renewables segment delivered net profit before EI of S\$192 million, representing a 5% increase driven by better wind resources from the India portfolio, full-year earnings from the Vietnam subsidiaries acquired in 2024, as well as newly commissioned solar capacity in Singapore, the Middle East and India. These improvements were partially offset by higher curtailment and lower tariffs in certain regions in China.

Integrated Urban Solutions achieved net profit before EI of S\$178 million, attributable to a higher share of results from associates and joint ventures within the Urban business, supported by higher commercial and residential sales in Vietnam and fair value gain of investment properties, while also reflecting the absence of contribution from SembEnviro following its divestment.

Cash Flow and Liquidity

As at December 31, 2025, the Group's cash and cash equivalents in the cash flow statement stood at S\$1.1 billion. Net cash from operating activities was S\$1.2 billion, compared to S\$1.4 billion in 2024.

Net cash used in investing activities amounted to S\$186 million, net of a S\$383 million inflow from the divestment of SembEnviro. Cash outflows in 2025 included capital expenditure for renewables projects, development of a hydrogen-ready power plant, acquisition of subsidiaries and investments in joint ventures and associates.

Net cash used in financing activities was S\$729 million, primarily due to dividend and interest payments, net of loan drawdowns.

Financial Position

Owners' funds increased to S\$5.5 billion as at December 31, 2025, from S\$5.4 billion in 2024, primarily driven by net profit after accounting for dividends paid. This uplift was partially offset by a reduction in the currency translation reserve due to the depreciation of the US dollar (USD) and INR against

the SGD, as well as a decline in the hedging reserve arising from fair value losses on derivatives used to hedge foreign currency, interest rate and commodity risks.

Total assets increased to S\$18,429 million in 2025, from S\$18,280 million in 2024 which had included S\$389 million of assets held for sale that were disposed of in 2025. The net increase in total assets was mainly attributable to the consolidation of newly acquired subsidiaries, share of current year's results from associates and joint ventures, and additional investments. The increase was also due to capital expenditure for renewables projects in Singapore, India and Oman, as well as the development of a hydrogen-ready power plant in Singapore. These increases were partially offset by translation losses, primarily due to the depreciation of the INR and USD against the SGD.

Net Debt

Gross debt was S\$9.0 billion as at December 31, 2025, compared to S\$8.7 billion in 2024. The increase was driven by refinancing arrangements, funding for capital expenditure and the consolidation of borrowings from newly acquired subsidiaries. These were partially offset by translation gains, mainly due to the depreciation of the INR against the SGD.

Net debt was S\$7.8 billion as at December 31, 2025, remaining broadly unchanged from 2024.

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Shareholder Returns

In 2025, the Group's return on equity (ROE) was 17.9% and earnings per share was 55.3 cents. The 2025 ROE has the temporary effect of projects that were commissioned during the year and have yet to deliver a full-year

contribution, as well as projects still under development.

Subject to approval by shareholders at the next annual general meeting, a final dividend of 16.0 cents per ordinary share has been proposed. Together

with the interim dividend of 9.0 cents per ordinary share paid in August 2025, this brings the Group's total dividend for the financial year ended December 31, 2025, to 25.0 cents per ordinary share, an increase from 23.0 cents per ordinary share in 2024.

Five-year Financial Performance

	2025	2024 Restated ¹	2023	2022 ²	2021
For the Year (\$ million)					
Turnover	5,799	6,417	7,042	7,825	7,795
Earnings before interest, tax, depreciation and amortisation (EBITDA) ³	1,520	1,734	1,789	1,308	1,288
Share of results: Associates and joint ventures, net of tax	496	316	264	248	206
Adjusted EBITDA	2,016	2,050	2,053	1,556	1,494
Profit before tax	1,176	1,259	1,230	865	423
Net profit from continuing operations	984	1,025	1,020	704	279
Discontinued operation	–	(9)	(78)	144	–
Net profit	984	1,016	942	848	279
At Year End (\$ million)					
Property, plant and equipment, and investment properties	9,070	8,564	6,618	5,438	7,232
Other non-current assets	6,270	6,354	6,173	4,074	3,230
Net current assets / (liabilities)	135	451	(770)	1,687	1,028
Non-current liabilities	(9,609)	(9,618)	(7,149)	(6,983)	(7,572)
Net assets	5,866	5,751	4,872	4,216	3,918
Share capital and reserves	5,543	5,441	4,588	3,977	3,767
Non-controlling interests	323	310	284	239	151
Total equity	5,866	5,751	4,872	4,216	3,918
Per Share					
Earnings (cents)	55.33	57.00	52.83	47.59	15.64
Net assets (\$)	3.12	3.05	2.58	2.24	2.12
Dividends (cents)	25.0	23.0	13.0	12.0	5.0

¹ Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly. Information for 2021 to 2023 are not re-presented

² Following the shareholders' approval of the sale of SEIL on November 8, 2022, the performance of SEIL for the period was reported under discontinued operation

³ EBITDA refers to earnings before net interest expense, tax, depreciation and amortisation

Value Added and Productivity Data

In 2025, the Group's total value added was S\$2.7 billion. Of this, S\$491 million was distributed to employees in wages, salaries and benefits, S\$230 million to governments in income and other taxes and S\$854 million to providers of capital in interest, dividends and distributions. The remaining S\$1.1 billion was reinvested into the business.

Value Added Statement (\$ million)

	2025	2024 Restated ¹	2023	2022	2021
Value Added From					
Turnover	5,799	6,417	7,042	7,825	7,795
Less: Bought-in materials and services	(3,838)	(4,278)	(4,886)	(6,100)	(6,115)
Gross value added	1,961	2,139	2,156	1,725	1,680
Investment, interest and other income	258	328	305	299	216
Share of results: Associates and joint ventures, net of tax	496	316	264	248	206
Other non-operating expenses	(35)	(40)	(77)	(96)	(67)
	2,680	2,743	2,648	2,176	2,035
Distribution					
To employees in wages, salaries and benefits	491	541	509	485	494
To government in income and other taxes	230	258	187	116	62
To provider of capital in:					
Interest on borrowings	392	372	410	309	423
Dividends to owners	462	250	232	124	107
	1,575	1,421	1,338	1,034	1,086
Retained in Business					
Depreciation and amortisation	476	446	454	372	457
Deferred tax expense	20	56	14	36	63
Retained profits	522	775	788	580	172
Non-controlling interests	36	27	28	23	21
	1,054	1,304	1,284	1,011	713
Other non-operating expenses	51	18	26	131	236
	1,105	1,322	1,310	1,142	949
Total distribution	2,680	2,743	2,648	2,176	2,035

Productivity Data

Average staff strength	4,660	5,283	5,099	4,981	5,740
Employment costs (\$ million)	491	541	509	485	494
Profit after tax per employee (\$'000)	211	194	206	146	52
Value added (\$ million)	1,961	2,139	2,156	1,725	1,680
Value added per employee (\$'000)	421	405	423	347	293
Value added per dollar employment costs (\$'000)	3.99	3.95	4.24	3.56	3.40
Value added per dollar investment in property, plant and equipment (\$)	0.23	0.26	0.22	0.21	0.16
Value added per dollar sales (\$)	0.34	0.33	0.31	0.22	0.22

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

¹ Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly. Information for 2021 to 2023 are not re-presented

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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 finance and treasury divisions across other line of businesses 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 an ongoing and disciplined review of new and refinancing requirements to optimise the Group's capital structure and allocation. Cash pooling structures established in various countries, 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, 2025, the Group had secured total credit facilities of S\$18.9 billion (2024: S\$18.6 billion), including its Multicurrency Debt Issuance Programmes and Euro Medium Term Note (EMTN) Programme. Of these facilities, S\$17.1 billion (2024: S\$16.8 billion) are borrowing facilities, and S\$1.8 billion (2024: S\$1.8 billion) are trade-related facilities 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 2025, SFS successfully issued a 20.5-year S\$300 million bond under the S\$5.0 billion EMTN Programme. This issuance is the longest-tenured unrated corporate bond by a Singapore company in recent times and was close to seven times oversubscribed against the

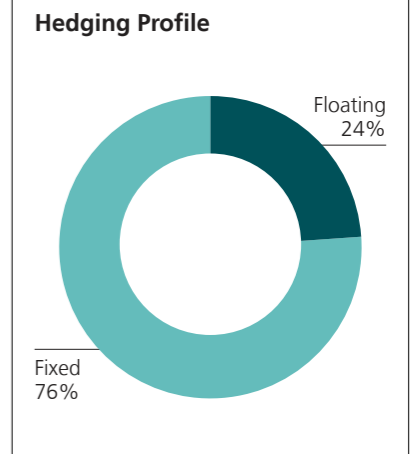
Financing and Treasury Highlights (S\$ million)

	2025	2024
Source of Funding		
Cash and cash equivalents	1,109	871
Borrowing facilities (including Multicurrency Debt Issuance Programmes and EMTN Programme)		
Committed borrowing facilities	11,427	11,136
Less: Amount drawn down	(8,932)	(8,567)
Unutilised committed borrowing facilities	2,495	2,569
Uncommitted borrowing facilities	5,701	5,640
Less: Amount drawn down	(24)	(104)
Unutilised uncommitted borrowing facilities	5,677	5,536
Total unutilised borrowing facilities	8,172	8,105
Trade-related facilities		
Facilities available	1,789	1,842
Less: Amount used	(578)	(640)
Unutilised trade-related facilities	1,211	1,202
Funding Profile		
Maturity profile		
Due within one year	1,057	671
Due between one to five years	4,100	4,073
Due after five years	3,799	3,927
	8,956	8,671
Debt mix		
Fixed-rate debt	6,846	7,024
Floating-rate debt	2,110	1,647
	8,956	8,671

target issuance size, reflecting strong fixed income investor confidence in the Group.

As at December 31, 2025, the Group's gross borrowings stood at S\$9.0 billion (2024: S\$8.7 billion). The Group remains committed to maintaining a diversified and optimised funding base while upholding prudent financial ratios.

The overall debt portfolio in 2025 consisted of 76% fixed-rate debt (2024: 81%) and 24% floating-rate debt (2024: 19%). The Group will continue to proactively monitor and manage its debt portfolio mix in response to the prevailing interest rate environment.



	2025	2024 Restated ¹
Group Debt Financial Ratios		
Interest cover ratio		
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,520	1,734
Adjusted EBITDA ²	2,016	2,050
Finance costs	392	372
EBITDA / Finance costs	3.9	4.7
Adjusted EBITDA ² / Finance costs	5.1	5.5
Debt Ratios		
Net Debt / EBITDA	5.2	4.5
Net Debt / Adjusted EBITDA ²	3.9	3.8

¹ Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly

² Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

