

Integrated Urban Solutions

The Integrated Urban Solutions segment develops and operates sustainable industrial ecosystems by integrating energy, water, waste management and smart infrastructure to create sustainable environments that meet modern urban and industrial needs for customers. Our developments catalyse industrialisation, attract foreign investment and support customers' transition to low-carbon operations across Vietnam, Indonesia and China.

In 2025, we expanded our portfolio with three new VSIP projects in Vietnam, followed by our 22nd industrial park development in January 2026. This brings our total number of urban development projects in Vietnam, Indonesia and China to 26.

Urban: Driving Strategic Expansion with Resilient Performance

In 2025, the Urban business navigated shifting global trade dynamics. With supply chain realignment, reshoring and nearshoring taking place, the business is well-placed to support sustained demand for industrial land and infrastructure for their production bases and expansion into Vietnam and Indonesia.

Operational Indicators

	2025	2024
Urban		
– Land sales (ha)	329	342
– Total gross land (cumulative) (ha)	15,756	14,395 ²
– Leasable space (GFA sqm) from majority-owned industrial properties	956,435	508,437
– Portfolio occupancy (%) for majority-owned completed industrial properties	96%	76%
Water		
– Water and wastewater treatment capacity (m ³ /day)	7,957,570	8,075,570
Waste-to-resource		
Energy-from-waste (Efw) gross installed capacity		
– Wilton 11 Efw Plant (MW)	48	48

GFA: gross floor area ha: hectares m³/day: cubic metres per day sqm: square metres

Note: The above table excludes VSIP Hue, which received development approval in January 2026. Including VSIP Hue, total gross land would be 16,223ha

² Includes Tembesi project, a joint venture agreement signed with Panbil Group in January 2025

Vietnam: Expanding a Resilient and Scalable Industrial Platform

Vietnam remained a key market of focus, despite a more measured investment environment, influenced by evolving global trade conditions and longer timelines for regulatory and administrative processes as local provinces underwent consolidation.

Land sales (by area) in Vietnam remained stable overall, with softer demand in the central region offset by higher sales in northern Vietnam. Our business in Vietnam continues to be supported by strong fundamentals – an investor-friendly environment, robust infrastructure with location advantages and comprehensive offerings of our parks nationwide.

During the year, investment licences were awarded for VSIP Nam Dinh, VSIP Nghe An III and VSIP Ninh Xuan, reflecting our strong local partnerships. In March 2025, we signed Memorandums of Understanding (MoUs) with local governments to explore additional prospective VSIPs in Vietnam. The MoU signings, including the groundbreaking of VSIP Thai Binh, were witnessed by the Prime Ministers of Singapore and Vietnam, reflecting deep bilateral support for our projects.

The Habitat Binh Duong Phase 3, a residential development by our joint venture VSIP-Sembcorp Gateway, was launched for sale during the year. Located within VSIP Binh Duong I, the project achieved cumulative sales of 659 units, or 83% of total units, underscoring continued residential demand within Vietnam's southern industrial corridor and complementing the broader VSIP township ecosystem.

Indonesia: Record Performance and Strategic Expansion

Indonesia delivered a record year at Kendal Industrial Park (KIP), supported by strong market demand and disciplined execution. These outcomes reflect Indonesia's continued economic momentum and attractiveness to manufacturing investors.

In response to strong demand, KIP secured shareholder approval for a 510-ha expansion, strengthening our long-term land bank visibility and positioning the park to capture long-term industrial demand in Central Java. We also made a strategic entry into Batam through a joint venture with the Panbil Group to develop the 97-ha Tembesi Innovation District. This positions the Urban business to capture growth in advanced manufacturing and data centre industrial demand, supported by enhanced connectivity from new submarine cable systems linking Batam to Singapore in the coming years.

China: Stable Operations and Strengthened Cash Flow

The Urban business in China delivered resilient performance in 2025, supported by stable occupancy across our industrial assets. Occupancy at Wuxi-Singapore Industrial Park improved to 79%, an increase of two percentage points from 2024, reflecting continued demand from high-tech and advanced manufacturing tenants.

Demand at the Global Sustainability Hub, a wholly-owned office building in Singapore Nanjing Eco High-tech Island increased to 76%, driven by rising demand from robotics, automation and drone technologies. In October 2025, I-PARK, a commercial and office development located within Sino-Singapore Chengdu Innovation Park in Chengdu, commenced operations. Designed to serve the increasing needs of high-tech and digital-economy businesses, the project received healthy leasing enquiries during the year.

Advancing Low-carbon Industrial Ecosystems

We continue to embed low-carbon design principles across our industrial developments to support customers' sustainability goals and strengthen the competitiveness of our parks. In September 2025, VSIP signed a landmark Direct Power Purchase Agreement to supply renewable energy directly to the LEGO Group's factory at VSIP Binh Duong III. This represents the first large-scale renewable energy solution in Vietnam specially designed for industrial use. The solution combines rooftop solar with battery energy storage, ensuring a stable and reliable supply of renewable energy. This is a key step toward LEGO's goal of operating its most environmentally sustainable factory, powered entirely by renewables.

Building New Capabilities for the Digital Economy

The rapid growth of cloud computing, AI and digital services across Asia is driving rising demand for scalable, energy efficient data centre infrastructure. In addition to supporting Singapore's data centre ecosystem through reliable and competitive power solutions, we are extending our regional footprint by laying the groundwork for future

data centre developments through early stage partnerships across key growth markets.

During the year, we signed MoUs with data centre developers and a technology partner to explore data centre opportunities in Southeast Asia.

Leveraging our established strengths in industrial and infrastructure development, as well as our integrated urban solutions, we are building the foundations to grow our presence in the data centre sector and support the region's digital economy.

Progressing Towards 2028 Targets with Stable Underlying Performance

Our total gross land bank as of end 2025 was 15,756ha and has since expanded to 16,223ha with the award of the investment license for VSIP Hue in January 2026. We remain on track to achieve our 2028 target of 18,000ha. Our portfolio of industrial properties for lease has also expanded, with gross floor area of our ready-built warehouses and factories increasing to over 956,000sqm, an 88% increase from 508,000sqm in 2024. This demonstrates clear progress towards our 2028 target of 1.5 million sqm. These facilities provide customers with an asset-light option to scale quickly and flexibly, strengthening our recurring income stream. Of the 956,435sqm, 161,603sqm are operational and portfolio occupancy rose to 96%, up from 76% in 2024.

Land sales totalling 329ha in 2025, together with fair value gains from associated companies and joint ventures, contributed to an increase in Urban's net profit for the year. The Urban business' underlying operating performance remained stable, supported by recurring rental income growth and continued cost discipline.



The signing of MoUs for future VSIPs and a groundbreaking ceremony for VSIP Thai Binh was attended by the Prime Ministers of Singapore and Vietnam, senior government officials and Sembcorp's leadership team

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I-PARK Singapore Digital Innovation Park in Chengdu commenced operations in October 2025 and received healthy leasing enquiries

Water Portfolio: Streamlined and Strengthened for Industrial Growth

In 2025, the water business achieved stable performance, with a continued focus on operational efficiency and implementation of improvement projects at existing plants.

In October 2025, the Zhangjiagang upgrade project achieved commercial operation. The upgrade allows for a greater mix of non-chemical industrial water treatment through two independent treatment lines to treat chemical and non-chemical wastewater in the plant. This improves overall plant operations and supports higher profitability.

Another enhancement project was also completed at the Tianjin industrial wastewater treatment plant, increasing total capacity from 10,000m³/day to 12,000m³/day. Commissioning is expected in early 2026, subject to environmental

approval. A new industrial customer has committed to part of the additional capacity, with the balance allocated to the local government.

In December 2025, we divested our 91% equity interest in Qitaihe Sembcorp Water, which owns and operates a municipal water plant with a capacity of 100,000m³/day in Qitaihe, Heilongjiang Province, China. The plant supplies tap water to residential, commercial and industrial users within Qitaihe. The divestment is aligned with the Group's broader water strategy in China to focus on the industrial water business.

Sharpened Focus: Sale of Sembcorp Environment Completed

The sale of SembEnviro to SBT Investment 2, a wholly-owned subsidiary of PT TBS Energi, was completed in March 2025. The sale consideration represents 54% premium

over its book value and net asset value, resulting in a gain of S\$136 million in 2025. The divestment reflects our continued focus on the energy sector and disciplined capital recycling to maximise shareholder value.

Outlook

We remain committed to expanding our presence in Vietnam and Indonesia. Our VSIP Group has been named the Best Industrial and Business Park Developer in Vietnam (2025) by Euromoney (UK) for the 10th time. The recognition is a testimony of our commitment to advancing sustainable industrial developments.

The Urban business is making steady progress in developing 0.8 million sqm of ready-built facilities. These assets are expected to deliver meaningful recurring income upon completion in 2027. We will continue to expand our land bank and industrial property portfolio to support growth and achieve our 2028 targets. Together with our energy and water business, we will harness synergies to deliver integrated solutions for industrial customers. These strategic priorities position us to capture rising demand for sustainable, energy-efficient industrial spaces and deliver long-term value. We will deepen sustainability initiatives by scaling renewable energy integration and green certifications across developments.

Our water business will continue to identify opportunities to provide integrated water and wastewater solutions across industrial parks in the region, leveraging our existing platforms and customer relationships. We will continue to enhance operational performance across our current water portfolio while pursuing growth in a disciplined manner to drive long-term value creation.