

PRESS RELEASE

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Sembcorp Industries 1H2021 Results**SEMBCORP POSTS NET PROFIT OF S\$46 MILLION IN 1H2021**

- **Net profit before exceptional items up 69% at S\$252 million**

Singapore, August 6, 2021 – Sembcorp Industries (Sembcorp) posted a Group net profit of S\$46 million for the first half of 2021 (1H2021) compared to a net loss of S\$42 million in 1H2020. Turnover was S\$3.3 billion, up 26% from S\$2.6 billion in 1H2020. Group net profit before exceptional items grew 69% to S\$252 million, mainly due to higher contribution from the Conventional Energy segment. In 1H2021, exceptional items totalling a negative S\$206 million were recognised, due to an impairment of S\$212 million made for the 49%-owned Chongqing Songzao coal-fired power plant in China.

In 1H2021, the Conventional Energy segment delivered a net profit of S\$185 million before exceptional items compared to S\$127 million in 1H2020. Higher contribution from the Conventional Energy segment was attributable to better performance in Singapore and India driven by higher energy demand and margins compared to 1H2020. The Renewables segment recorded a net profit of S\$24 million in 1H2021 compared to S\$33 million in 1H2020 due to lower wind resource for its wind energy assets in India. In the period, net profit before exceptional items from the Integrated Urban Solutions segment was S\$63 million compared to S\$64 million in 1H2020.

Despite the impact of the COVID-19 pandemic, the company's delivery of essential products and services to the community has continued without disruption to date. In 1H2021, an additional 105MW of renewable energy projects was secured in Singapore and Vietnam, and 78MW of renewable energy capacity installed.

Quote from Wong Kim Yin, Group President & CEO of Sembcorp Industries:

“While we delivered a resilient underlying performance in the first half of 2021, significant uncertainties remain across markets with the COVID-19 pandemic. Despite the challenges ahead, we will press on with the strategic transformation of our portfolio from brown to green and deliver long-term value and growth for our stakeholders. For the year to date, we completed the 60MWp Sembcorp Tengeh Floating Solar Farm in Singapore, one of the largest inland floating solar farms in the world, and also secured an additional 105MW of renewables project pipeline.”

FINANCIAL SUMMARY

S\$ million	1H21	1H20[#]	Δ%
Turnover	3,290	2,617	26
Net Profit before Exceptional Items			
Renewables	24	33	(27)
Integrated Urban Solutions	63	64	(2)
Sustainable Solutions	87	97	(10)
Conventional Energy	185	127	46
Other Businesses	13	(1)	NM
Corporate	(33)	(74)	55
Net Profit before Exceptional Items	252	149	69
Exceptional Items ¹	(206)	(191)	(8)
Net Profit after Exceptional Items	46	(42)	NM

[#] On September 11, 2020, the Company distributed its holdings of ordinary shares in the capital of a subsidiary, Sembcorp Marine Ltd to its shareholders. 1H2020 financials are re-presented to be consistent with the last audited financial statements where the performance of the marine segment was reported as a discontinued operation. 1H20 figures exclude performance of the discontinued operation.

¹ 1H21 exceptional items (EIs) comprise S\$6 million gain in Integrated Urban Solutions segment and S\$212 million impairment of Chongqing Songzao power plant in the Conventional Energy segment. 1H20 EIs totalling negative S\$191 million comprise positive S\$2 million in the Integrated Urban Solutions segment, negative S\$163 million in the Conventional Energy segment and negative S\$30 million in Other Businesses.

INTERIM DIVIDEND

The board of directors announces an interim dividend of 2.0 cents per ordinary share, which will be paid on August 24, 2021.

GROUP OUTLOOK

Significant challenges remain for economies around the world. Uncertainties continue to persist with regard to the COVID-19 pandemic with the potential resurgence of infections globally.

Underlying performance of the Group will also be negatively impacted by changes in customer profile in the United Kingdom and Singapore, as well as loss of income from divested assets in Panama and Chile. There are potential downside risks in the Conventional Energy segment across markets due to higher market volatility as well as higher fuel costs. In addition, there will be planned maintenance shutdowns in Singapore, Myanmar and India in 2H2021.

The Group is continuing to transform its portfolio to focus on sustainable solutions that support the global energy transition and sustainable development. In 1H2021, 78MW of renewable energy capacity was installed. Approximately 87MW of renewable energy capacity is expected to come onstream by end 2021.

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ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries (Sembcorp) is a leading energy and urban solutions provider, driven by its purpose to do good and play its part in building a sustainable future.

Headquartered in Singapore, Sembcorp leverages its sector expertise and global track record to deliver innovative solutions that support the energy transition and sustainable development. By focusing on growing its renewables and integrated urban solutions businesses, it aims to transform its portfolio towards a greener future and be a leading provider of sustainable solutions.

Sembcorp has a balanced energy portfolio of over 12,800MW, with more than 3,300MW of renewable energy capacity comprising solar, wind and energy storage globally. The company also has a proven track record of transforming raw land into sustainable urban developments, with a project portfolio spanning over 12,000 hectares across Asia.

Sembcorp is listed on the main board of the Singapore Exchange. It is a component stock of the Straits Times Index and sustainability indices including the FTSE4Good Index and the iEdge SG ESG indices. For more information, please visit www.sembcorp.com.