

PRESS RELEASE

Sembcorp Industries Ltd
CO REGN NO 199802418D
30 Hill Street #05-04
Singapore 179360
Tel (65) 6723 3113
Fax (65) 6822 3254
www.sembcorp.com

Sembcorp Industries FY2021 Results**SEMBCORP POSTS NET PROFIT OF S\$279 MILLION, UP 78% IN FY2021**

- **Net profit before exceptional items up 57% at S\$472 million**

Singapore, February 23, 2022 – Sembcorp Industries delivered a strong performance for the full year of 2021 (FY2021). Turnover was S\$7.8 billion, 43% higher than the turnover of S\$5.4 billion in FY2020. Group net profit increased 78% to S\$279 million from S\$157 million in FY2020 while Group net profit before exceptional items increased 57% to S\$472 million arising from higher contributions across all segments. In FY2021, exceptional items totalling a negative S\$193 million were recorded, mainly due to a S\$212 million impairment for the 49%-owned Chongqing Songzao coal-fired power plant in China.

Net profit for the Renewables segment grew 22% to S\$56 million from S\$46 million in FY2020, driven mainly by higher contribution from the wind business. Net profit before exceptional items from the Integrated Urban Solutions segment was S\$155 million, 37% higher from S\$113 million in FY2020. The higher contribution was attributable to stronger performance from the Urban business and Waste and Waste-to-resource businesses. Sustainable Solutions businesses comprising the Renewables and Integrated Urban Solutions segments accounted for 35% of the Group's net profit before exceptional items and corporate costs in FY2021.

The Conventional Energy segment posted a net profit before exceptional items of S\$373 million in FY2021, 52% higher than FY2020. This was mainly due to better performance in India, Singapore and the UK on higher energy demand and margins in the fourth quarter of 2021.

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

“Less than a year into executing our strategic transformation plan, we have made good progress. In 2021, we secured 2.9GW of new renewable energy projects across key markets. Upon completion of the 658MW portfolio acquisition in China in the first half of 2022, gross renewables capacity installed and under development will reach 6.1GW. Our focus on execution is delivering results and we are pushing confidently towards our target of 10GW of gross installed renewables capacity by 2025.”

FINANCIAL SUMMARY

S\$ million	2H2021	2H2020 [#]	Δ%	FY2021	FY2020 [#]	Δ%
Turnover	4,505	2,830	59	7,795	5,447	43
<u>Net Profit before Exceptional Items</u>						
Renewables	32	13	146	56	46	22
Integrated Urban Solutions	92	49	88	155	113	37
Sustainable Solutions	124	62	100	211	159	33
Conventional Energy	188	118	59	373	245	52
Other Businesses	12	12	-	25	11	127
Corporate	(104)	(41)	(154)	(137)	(114)	(20)
Net Profit before Exceptional Items	220	151	46	472	301	57
Exceptional Items ¹	13	47	(72)	(193)	(144)	(34)
Net Profit after Exceptional Items	233	198	18	279	157	78

[#] Following the completion of the distribution in specie of ordinary shares in the capital of Sembcorp Marine Limited to Sembcorp Industries shareholders, the performance of the Marine business for the period from January 1, 2020 to December 31, 2020 is reported under discontinued operation. FY2020 and 2H2020 figures exclude performance of the discontinued operation.

¹ FY2021 exceptional items (EIs) totalling negative S\$193 million comprised S\$6 million gain from divestment of Sembcorp Jingmen Water Co in Integrated Urban Solutions segment, S\$212 million impairment of Chongqing Songzao power plant and S\$13 million gain from UK land sales and connection fee income in the Conventional Energy segment. FY2020 EIs totalling negative S\$144 million comprised positive S\$27 million in the Integrated Urban Solutions segment, negative S\$132 million in the Conventional Energy segment, negative S\$32 million in Other Businesses and negative S\$7 million in Corporate.

FINAL DIVIDEND

In view of the Group's strong performance, the Board of Directors proposes a final dividend of 3.0 cents per ordinary share, subject to shareholders' approval. Together with the interim dividend of 2.0 cents per ordinary share paid in August 2021, this brings the Group's total dividend for the year to 5.0 cents per ordinary share.

GROUP OUTLOOK

Risks and uncertainties are expected to persist in 2022 with the continued impact of the COVID-19 pandemic, uneven global economic recovery, and rising interest rate environment.

The Conventional Energy segment performed exceptionally well in the fourth quarter of 2021. The underlying performance of the segment continues to be subject to global energy market conditions and commodity prices.

Upon the expected completion of the 658MW China portfolio in the first half of 2022, gross renewables capacity installed and under development will reach 6.1GW. The Group remains focused on the transformation of its portfolio from brown to green and the achievement of its 2025 targets.

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For analysts' and media queries, please contact:

Analysts

Ling Xin Jin (Ms)

Assistant Vice President

Group Investor Relations

DID: +65 6723 3384

Email: ling.xinjin@sembcorp.com

Media

Karin Xiao (Ms)

Assistant Vice President

Group Media Communications

DID: +65 6723 3140

Email: karin.xiao@sembcorp.com

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 15GW, with more than 5.4GW 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 13,000 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.