



**SEMBCORP INDUSTRIES LTD**  
**Registration Number: 199802418D**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT  
FOR THE SECOND HALF AND FULL YEAR ENDED DECEMBER 31, 2021**

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**UNAUDITED RESULTS FOR THE SECOND HALF AND FULL YEAR ENDED DECEMBER 31, 2021**

The Board of Directors of Sembcorp Industries Ltd wishes to announce the following unaudited results of the Group for the second half and full year ended December 31, 2021.

**1. CONSOLIDATED INCOME STATEMENT**

	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<i>(S\$ million)</i>							
<b>Continuing operations:</b>							
<b>Turnover</b>	2a	<b>4,505</b>	<b>2,830</b>	<b>59</b>	<b>7,795</b>	<b>5,447</b>	<b>43</b>
Cost of sales		(3,933)	(2,397)	64	(6,693)	(4,660)	44
<b>Gross profit</b>		<b>572</b>	<b>433</b>	<b>32</b>	<b>1,102</b>	<b>787</b>	<b>40</b>
General & administrative expenses		(256)	(149)	72	(432)	(344)	26
Other operating income, net		90	71	27	140	126	11
Non-operating income		4	40	(90)	22	49	(55)
Non-operating expenses		(4)	(60)	(93)	(218)	(176)	24
Finance income <sup>1</sup>	2d	12	16	(25)	26	35	(26)
Finance costs	2d	(208)	(243)	(14)	(423)	(499)	(15)
Share of results of associates and joint ventures, net of tax	2e	102	114	(11)	206	233	(12)
<b>Profit before tax</b>		<b>312</b>	<b>222</b>	<b>41</b>	<b>423</b>	<b>211</b>	<b>100</b>
Tax expense	2f	(66)	(9)	NM	(123)	(32)	284
<b>Profit from continuing operations</b>	2c	<b>246</b>	<b>213</b>	<b>15</b>	<b>300</b>	<b>179</b>	<b>68</b>
Loss from discontinued operation, net of tax	7d	–	(1,133)	NM	–	(1,300)	NM
<b>Profit / (Loss) for the period / year</b>		<b>246</b>	<b>(920)</b>	<b>NM</b>	<b>300</b>	<b>(1,121)</b>	<b>NM</b>
<b>Attributable to:</b>							
<b>Owners of the Company</b>							
Profit from continuing operations		233	198	18	279	157	78
Loss from discontinued operation	7d	–	(1,064)	NM	–	(1,154)	NM
<b>Profit / (Loss) attributable to owners of the Company</b>		<b>233</b>	<b>(866)</b>	<b>NM</b>	<b>279</b>	<b>(997)</b>	<b>NM</b>
<b>Non-controlling interests (NCI)</b>							
Profit from continuing operations		13	15	(13)	21	22	(5)
Loss from discontinued operation		–	(69)	NM	–	(146)	NM
<b>Profit / (Loss) attributable to NCI</b>		<b>13</b>	<b>(54)</b>	<b>NM</b>	<b>21</b>	<b>(124)</b>	<b>NM</b>
		<b>246</b>	<b>(920)</b>	<b>NM</b>	<b>300</b>	<b>(1,121)</b>	<b>NM</b>

## 1. CONSOLIDATED INCOME STATEMENT (Cont'd)

	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<b>Earnings per ordinary share (cents)</b>							
- basic	2g	13.06	(48.52)	NM	15.63	(56.81)	NM
- diluted	2g	12.85	(48.52)	NM	15.44	(56.81)	NM
<b>Earnings per ordinary share (cents) – Continuing operations</b>							
- basic	2g	13.06	11.09	18	15.63	7.84	99
- diluted	2g	12.85	10.96	17	15.44	7.78	98

\* Denotes amount of less than S\$1 million or less than 1%

<sup>1</sup> 2H2020 and FY2020 amounts were after elimination of inter-segment finance income of S\$11 million and S\$38 million respectively, with corresponding reduction of inter-segment finance expense in the discontinued operation

NM Not meaningful

### RECONCILIATION OF NET PROFIT FROM CONTINUING OPERATIONS BEFORE EXCEPTIONAL ITEMS FOR PERFORMANCE REVIEW (NOTE 4c)

	GROUP			GROUP		
	2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<i>(S\$ million)</i>						
<b>Attributable to:</b>						
<b>Owners of the Company</b>						
Profit from continuing operations	233	198	18	279	157	78
Less: Exceptional items, net of tax – income / (expense)	13	47	(72)	(193)	(144)	34
<b>Net Profit before exceptional items</b>	<b>220</b>	<b>151</b>	<b>46</b>	<b>472</b>	<b>301</b>	<b>57</b>

### **Exceptional Items, net of tax (EI)**

	Note	GROUP		GROUP	
		2H2021	2H2020	FY2021	FY2020
<i>(S\$ million)</i>					
<b>Exceptional income</b>					
UK land sales and connection fee income		13	–	13	–
Gain on disposal of investments and asset held for sale	2c	–	20	7	20
Negative goodwill	2c(xiii)	–	11	–	17
Change in law claim and additional service concession construction margin		–	112	–	112
Gain from share of equity reduction in a joint venture and additional income from the innovation park project		–	32	–	32
		13	175	20	181
<b>Exceptional expense</b>					
Write-down and write-off of inventory	2c(vi)	–	–	–	(82)
Loss on disposal of asset held for sale	2c(xv)	–	(30)	–	(30)
Break funding cost for early redemption of bonds		–	(7)	–	(7)
Impairment and write-off of assets	2c	–	(91)	(213)	(206)
		–	(128)	(213)	(325)
<b>Total exceptional items – income / (expense)</b>		<b>13</b>	<b>47</b>	<b>(193)</b>	<b>(144)</b>

## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT

### 2a. Turnover and disaggregation of revenue

In 2021, the Group has laid out a strategic roadmap to transform its portfolio from brown to green. The Group's businesses are grouped under four main segments, namely Renewables, Integrated Urban Solutions, Conventional Energy and Other Businesses and Corporate. Please refer to Note 4a for details.

(\$ million)	Renewables	Integrated Urban Solutions	Conventional Energy	Other Businesses and Corporate	Elimination	Total
<b>2H2021</b>						
<b>Turnover</b>						
External sales	208	247	3,923	127	–	4,505
Inter-segment sales	*	4	19	5	(28)	–
<b>Total</b>	<b>208</b>	<b>251</b>	<b>3,942</b>	<b>132</b>	<b>(28)</b>	<b>4,505</b>
<b>Major product / service lines</b>						
Provision of energy products and related services (including electricity, gas and steam)	204	–	3,721	*	–	3,925
Provision of water products, reclamation of water and industrial wastewater treatment	–	102	63	–	–	165
Solid waste management	–	124	1	–	–	125
Service concession revenue	–	7	94	–	–	101
Construction and engineering related activities	–	–	–	115	–	115
Others	4	11	44	12	–	71
<b>Total revenue from contracts with customers</b>	<b>208</b>	<b>244</b>	<b>3,923</b>	<b>127</b>	<b>–</b>	<b>4,502</b>
Rental income	–	3	–	–	–	3
<b>Total external sales</b>	<b>208</b>	<b>247</b>	<b>3,923</b>	<b>127</b>	<b>–</b>	<b>4,505</b>
<b>Timing of revenue recognition</b>						
Over time	181	238	3,923	115	–	4,457
At a point in time	27	6	*	12	–	45
<b>Total revenue from contracts with customers</b>	<b>208</b>	<b>244</b>	<b>3,923</b>	<b>127</b>	<b>–</b>	<b>4,502</b>
<b>2H2020</b>						
<b>Turnover</b>						
External sales	144	225	2,358	103	–	2,830
Inter-segment sales	*	4	11	3	(18)	–
<b>Total</b>	<b>144</b>	<b>229</b>	<b>2,369</b>	<b>106</b>	<b>(18)</b>	<b>2,830</b>
<b>Major product / service lines</b>						
Provision of energy products and related services (including electricity, gas and steam)	144	–	2,132	*	–	2,276
Provision of water products, reclamation of water and industrial wastewater treatment	–	85	62	–	–	147
Solid waste management	–	115	*	–	–	115
Service concession revenue	–	12	98	–	–	110
Construction and engineering related activities	–	–	–	93	–	93
Others	*	11	66	10	–	87
<b>Total revenue from contracts with customers</b>	<b>144</b>	<b>223</b>	<b>2,358</b>	<b>103</b>	<b>–</b>	<b>2,828</b>
Rental income	–	2	–	–	–	2
<b>Total external sales</b>	<b>144</b>	<b>225</b>	<b>2,358</b>	<b>103</b>	<b>–</b>	<b>2,830</b>
<b>Timing of revenue recognition</b>						
Over time	138	219	2,357	91	–	2,805
At a point in time	6	4	1	12	–	23
<b>Total revenue from contracts with customers</b>	<b>144</b>	<b>223</b>	<b>2,358</b>	<b>103</b>	<b>–</b>	<b>2,828</b>

## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

### 2a. Turnover and disaggregation of revenue (Cont'd)

<i>(\$ million)</i>	<b>Renewables</b>	<b>Integrated Urban Solutions</b>	<b>Conven- tional Energy</b>	<b>Other Businesses and Corporate</b>	<b>Elimination</b>	<b>Total</b>
<b>FY2021</b>						
<b>Turnover</b>						
External sales	354	465	6,679	297	–	7,795
Inter-segment sales	*	8	33	10	(51)	–
<b>Total</b>	<b>354</b>	<b>473</b>	<b>6,712</b>	<b>307</b>	<b>(51)</b>	<b>7,795</b>
<b>Major product / service lines</b>						
Provision of energy products and related services (including electricity, gas and steam)	350	–	6,276	*	–	6,626
Provision of water products, reclamation of water and industrial wastewater treatment	–	187	126	–	–	313
Solid waste management	–	237	1	–	–	238
Service concession revenue	–	15	185	–	–	200
Construction and engineering related activities	–	–	–	271	–	271
Others	4	21	91	26	–	142
<b>Total revenue from contracts with customers</b>	<b>354</b>	<b>460</b>	<b>6,679</b>	<b>297</b>	<b>–</b>	<b>7,790</b>
Rental income	–	5	–	–	–	5
<b>Total external sales</b>	<b>354</b>	<b>465</b>	<b>6,679</b>	<b>297</b>	<b>–</b>	<b>7,795</b>
<b>Timing of revenue recognition</b>						
Over time	319	446	6,677	271	–	7,713
At a point in time	35	14	2	26	–	77
<b>Total revenue from contracts with customers</b>	<b>354</b>	<b>460</b>	<b>6,679</b>	<b>297</b>	<b>–</b>	<b>7,790</b>
<b>FY2020</b>						
<b>Turnover</b>						
External sales	281	422	4,571	173	–	5,447
Inter-segment sales	*	7	23	10	(40)	–
<b>Total</b>	<b>281</b>	<b>429</b>	<b>4,594</b>	<b>183</b>	<b>(40)</b>	<b>5,447</b>
<b>Major product / service lines</b>						
Provision of energy products and related services (including electricity, gas and steam)	281	–	4,114	*	–	4,395
Provision of water products, reclamation of water and industrial wastewater treatment	–	177	127	–	–	304
Solid waste management	–	183	–	–	–	183
Service concession revenue	–	40	198	–	–	238
Construction and engineering related activities	–	–	–	151	–	151
Others	*	19	132	22	–	173
<b>Total revenue from contracts with customers</b>	<b>281</b>	<b>419</b>	<b>4,571</b>	<b>173</b>	<b>–</b>	<b>5,444</b>
Rental income	–	3	–	–	–	3
<b>Total external sales</b>	<b>281</b>	<b>422</b>	<b>4,571</b>	<b>173</b>	<b>–</b>	<b>5,447</b>
<b>Timing of revenue recognition</b>						
Over time	271	407	4,570	149	–	5,397
At a point in time	10	12	1	24	–	47
<b>Total revenue from contracts with customers</b>	<b>281</b>	<b>419</b>	<b>4,571</b>	<b>173</b>	<b>–</b>	<b>5,444</b>

## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

### 2a. Turnover and disaggregation of revenue (Cont'd)

The Group reported a 59% increase in turnover to S\$4,505 million for 2H2021 and 43% increase to S\$7,795 million for FY2021. In 2H2021, growth was achieved despite planned maintenance shutdowns in Singapore, Myanmar and India, driven mainly by the higher energy demand as economies recovered from the pandemic and high fuel price during the current period led to increases in power prices.

### 2b. Breakdown of sales

(S\$ million)	GROUP		
	FY2021	FY2020	+ / (-) %
<b>Reported in First Half Year</b>			
(i) Sales	3,290	2,617	26
(ii) Profit / (Loss) after tax before deducting non-controlling interests for continuing operations	54	(34)	NM
(iii) Profit / (Loss) after tax before deducting non-controlling interests	54	(201)	NM
<b>Reported in Second Half Year</b>			
(i) Sales	4,505	2,830	59
(ii) Profit after tax before deducting non-controlling interests for continuing operations	246	213	15
(iii) Profit / (Loss) after tax before deducting non-controlling interests	246	(920)	NM

### 2c. Profit for the period / year

Profit for the period / year includes:

(S\$ million)	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<b>Expenses</b>							
Materials	(i)	(3,244)	(1,695)	91	(5,323)	(3,293)	62
Depreciation and amortisation		(234)	(227)	3	(457)	(444)	3
Sub-contract cost	(ii)	(123)	(103)	19	(282)	(184)	53
Repair and maintenance		(46)	(70)	34	(99)	(114)	(13)
Provision for remediation of legacy sites	(iii)	(30)	(4)	NM	(30)	(4)	NM
Allowance for expected credit loss	(iv)	(12)	(7)	71	(19)	(11)	73
Impairment and write-off of assets	(v)	(8)	(74)	(89)	(11)	(76)	(86)
Write-down and write-off of inventory	(vi)	(2)	-	NM	(2)	(98)	(98)
<b>Other operating income / (expenses), net</b>							
Changes in fair value of financial instruments	(vii)	30	(2)	NM	43	(27)	NM
Gain on disposal of assets	(viii)	13	5	160	13	5	160
Grant income	(ix)	9	22	(59)	20	38	(47)
Foreign exchange gain / (loss), net		4	(10)	NM	7	15	(53)
Other income	(x)	32	54	(41)	53	90	(41)

## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

### 2c. Profit for the period / year (Cont'd)

	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<i>(S\$ million)</i>							
<b>Non-operating income and (expenses)</b>							
Dividend income		2	2	–	2	2	–
Gain on disposal of other financial assets	(xi)	1	1	–	8	3	167
(Loss) / Gain on disposal / liquidation of subsidiaries, net	(xii)	(3)	23	NM	(3)	23	NM
Change in fair value of other financial assets		*	2	NM	7	2	250
Negative goodwill	(xiii)	–	11	NM	–	17	NM
Impairment of goodwill	(xiv)	–	(27)	NM	–	(27)	NM
Impairment and (loss) / gain on disposal of assets held for sale	(xv)	–	(30)	NM	2	(34)	NM
Impairment of investment in an associate and a joint venture	(xvi)	–	(2)	NM	(212)	(113)	88

- (i) Materials cost increased for 2H2021 in line with higher turnover, mainly from Conventional Energy.
- (ii) The increase in sub-contract cost was a result of the gradual easing of COVID-19 restrictions, mainly from the construction business.
- (iii) The increase related to remediation obligations of certain legacy sites in UK, which are expected to be utilised within one to three years.
- (iv) The net increase in expected credit loss in 2H2021 included an amount of S\$10 million on dividend receivable from a joint venture which was impaired (see Note 5e).
- (v) 2H2020 included the impairment of assets in the United Kingdom, Singapore and China.
- (vi) FY2020 amount pertained to the write-down of gasoil reserve in Singapore to its net realisable value due to the significant decline in energy prices in 1Q2020 as well as write-off of the net carrying value of the gasoil stored and managed at Hin Leong Trading.
- (vii) Changes in fair value of financial instruments were mainly from foreign exchange forward contracts, non-deliverable forward and cross currency swaps used mainly for managing the Group's foreign currency exposures and interest costs. The corresponding net effects from revaluation of assets and liabilities in foreign currencies were recorded under foreign exchange gain, net. In 2H2021 and FY2021, the fair value gain was mainly from the gain from economic hedges for managing the Group's gas costs.
- (viii) 2H2021 included the sale of land in Teesside, United Kingdom.
- (ix) Grant income in 2H2021 included S\$3 million (2H2020: S\$18 million) of government relief measures recognised for COVID-19, mainly contributed by rebates from the Job Support Scheme and Job Growth Incentive.
- (x) Other income in 2H2021 included a S\$11 million late payment fee from India's settlement with customers and S\$9 million payment from termination of contract. Other income in 2H2020 included insurance receipts in India of S\$16 million and recognition of the carrying cost relating to change in law in India of S\$31 million.
- (xi) The gain of S\$8 million in FY2021 was mainly from the disposal of mutual funds and the Group's interests in Sembcorp Jingmen Water Co Ltd (SJW), which was reclassified as financial assets.
- (xii) The gain of S\$23 million in 2H2020 related to the disposal of the water business in Panama.

## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

### 2c. Profit for the period / year (Cont'd)

- (xiii) The negative goodwill in 2H2020 related to the adjustment for the acquisition of a 100% equity interest in Sembcorp Enviro Services Pte Ltd (SES) (formally known as Veolia ES Singapore Pte Ltd (VESS)) upon finalisation of the purchase price allocation.
- (xiv) 2H2020 related to impairment of goodwill for UKPR.
- (xv) The gain of S\$2 million in FY2021 pertained to the realisation of foreign currency translation gain from the divestment of Shenzhen Chiwan Sembawang Engineering Co (CSE), net of impairment recognised. The loss of S\$34 million in FY2020 pertained to impairment recognised and foreign currency translation loss realised upon the divestment of water business in Chile.
- (xvi) In FY2021, the Group recognised an impairment of S\$212 million in its joint venture ChongQing SongZao Sembcorp Electric Power Co Ltd (CSZ). For details, please refer to Note 5e. The impairment of S\$113 million in FY2020 arose from the assessment of the recoverable amount of investment in overseas associate and joint venture.

### 2d. Finance income and finance costs

(S\$ million)	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
Finance income <sup>1</sup>		12	16	(25)	26	35	(26)
Finance costs	(i)	(208)	(243)	(14)	(423)	(499)	(15)
<u>Included in finance costs :-</u>							
Interest paid and payable to banks and others		(184)	(218)	(16)	(374)	(454)	(18)
Fair value changes of interest rate swaps		(12)	(12)	–	(23)	(21)	10
Amortisation of capitalised transaction costs		(5)	(7)	(29)	(12)	(11)	9
Interest expense on lease liabilities		(5)	(4)	25	(9)	(9)	–
Unwind of discount on restoration costs and financing component from contracts with customers		(2)	(2)	–	(5)	(4)	25

- (i) Overall finance costs in FY2021 were lower mainly due to lower interest paid and payable consequent to the repayment of loans and the refinancing of S\$1.5 billion bond at lower interest rate through existing revolving credit facilities.

### 2e. Share of results of associates and joint ventures, net of tax

2H2021 share of results of associates and joint ventures was S\$102 million, S\$12 million lower than 2H2020. In 2H2020, one-off gains of S\$32 million from Urban's share of equity reduction in a joint venture and additional project income was recognised. Excluding these one-off gains, profit contribution in 2H2021 was S\$20 million higher than 2H2020. The higher profit in 2H2021 was mainly attributable to Urban's higher land and property sales as well as recurring lease and utilities income. Thermal assets in Middle East and wind assets in China also performed better than last year. This was offset by share of losses from Phu My 3 (PM3) of S\$2 million (2H2020: profit of S\$5 million) due to higher maintenance expense and CSZ's results no longer being equity accounted post full impairment in 1H2021 (2H2020: S\$9 million contribution).



## 2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

### 2f. Tax expense

	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<i>(S\$ million)</i>							
<b>Current tax expense</b>							
Current year		32	23	39	66	55	20
Over provision in prior years	(i)	(4)	(17)	(76)	(14)	(17)	(18)
Foreign withholding tax		4	11	(64)	9	18	(50)
<b>Deferred tax expense</b>							
Movements in temporary differences		24	(11)	NM	33	(29)	NM
Under provision in prior years	(i)	11	4	175	15	4	275
Effect of changes in tax rate	(ii)	*	(2)	NM	15	*	NM
<b>Land appreciation tax expense</b>							
Current year		(1)	1	NM	(1)	1	NM
<b>Tax expense</b>		<b>66</b>	<b>9</b>	<b>NM</b>	<b>123</b>	<b>32</b>	<b>284</b>

Excluding the effect of changes in tax rate and Sembcorp Utilities Pte Ltd's impairment on investment, the Group's effective tax rate for FY2021 was approximately 24% (FY2020: 26%).

Deferred tax assets are recognised only to the extent that it is probable that the related tax benefit will be realised.

- (i) Over-provision of current tax expense and under-provision of deferred tax expense in prior years mainly related to optimisation of tax through Group Tax Relief in Singapore.
- (ii) Related to the enactment of United Kingdom (UK) corporation tax rate from 19% to 25%, which will take effect from 2023.

### 2g. Earnings per ordinary share

	Note	GROUP			GROUP		
		2H2021	2H2020	+ / (-) %	FY2021	FY2020	+ / (-) %
<b>Earnings per ordinary share (cents)</b>							
(1) Based on the weighted average number of shares (in Singapore cents)		13.06	(48.52)	NM	15.63	(56.81)	NM
- Weighted average number of shares (in million)		1,784.6	1,784.9	*	1,784.5	1,784.8	*
(2) On a fully diluted basis (in Singapore cents)	(i)	12.85	(48.52)	NM	15.44	(56.81)	NM
- Adjusted weighted average number of shares (in million)		1,813.2	1,784.9	2	1,806.5	1,784.8	1
<b>Earnings per ordinary share (cents) – Continuing operations</b>							
(1) Based on the weighted average number of shares (in Singapore cents)		13.06	11.09	18	15.63	7.84	99
- Weighted average number of shares (in million)		1,784.6	1,784.9	*	1,784.5	1,784.8	*
(2) On a fully diluted basis (in Singapore cents)		12.85	10.96	17	15.44	7.78	98
- Adjusted weighted average number of shares (in million)		1,813.2	1,806.9	*	1,806.5	1,799.3	*

- (i) In computing the fully diluted earnings per ordinary share, the weighted average number of shares was not adjusted for the effects of all dilutive potential ordinary shares as at December 31, 2020 as these potential ordinary shares would be antidilutive. The Company has two categories of potential dilutive ordinary shares, performance (PSP) shares and restricted (RSP) shares (see Note 6c).

### 3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(S\$ million)	Note	GROUP			GROUP		
		2H2021	2H2020		FY2021	FY2020	
<b>Profit / (Loss) for the period / year</b>		<b>246</b>	<b>(920)</b>	<b>NM</b>	<b>300</b>	<b>(1,121)</b>	<b>NM</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Foreign currency translation differences for foreign operations	(i)	68	(24)	NM	84	(17)	NM
Exchange differences on monetary items forming part of net investment in foreign operation		(2)	–	NM	1	(2)	NM
Net change in fair value of cash flow hedges	(ii)	40	1	NM	181	(143)	NM
Net change in fair value of cash flow hedges reclassified to profit or loss		61	113	(46)	(2)	105	NM
Cost of hedging reserve:							
– changes in fair value	(iii)	(18)	(22)	18	(46)	(43)	7
– reclassified to profit or loss	(iii)	21	27	22	47	42	12
Realisation of reserves upon distribution	(iv)	–	(125)	NM	–	(125)	NM
Realisation of reserves upon disposal / liquidation of subsidiaries and assets held for sale		3	36	(92)	*	36	NM
Share of other comprehensive income of associates and joint ventures	(v)	12	15	(20)	35	(16)	NM
Net change in fair value of cash flow hedges reclassified to cost of investment of a subsidiary		(1)	–	NM	(1)	–	NM
Income tax relating to these items		(20)	(13)	54	(31)	1	NM
		164	8	NM	268	(162)	NM
<b>Items that may not be reclassified subsequently to profit or loss:</b>							
Defined benefit plan actuarial gains and losses		20	(11)	NM	20	(11)	NM
Change in fair value of financial assets at fair value through other comprehensive income (FVOCI)	(vi)	(13)	(14)	(7)	(20)	(14)	43
Income tax relating to these items		(6)	2	NM	(6)	2	NM
Other comprehensive income / (loss)		165	(15)	NM	262	(185)	NM
<b>Total comprehensive income / (loss) for the period / year</b>		<b>411</b>	<b>(935)</b>	<b>NM</b>	<b>562</b>	<b>(1,306)</b>	<b>NM</b>
<b>Attributable to:</b>							
Owners of the Company		394	(880)	NM	536	(1,180)	NM
Non-controlling interests		17	(55)	NM	26	(126)	NM
<b>Total comprehensive income / (loss) for the period / year</b>		<b>411</b>	<b>(935)</b>	<b>NM</b>	<b>562</b>	<b>(1,306)</b>	<b>NM</b>
<b>Total comprehensive income / (loss) attributable to owners of the Company:</b>							
From continuing operations		394	184	114	536	(26)	NM
From discontinued operation		–	(1,064)	NM	–	(1,154)	NM
		<b>394</b>	<b>(880)</b>	<b>NM</b>	<b>536</b>	<b>(1,180)</b>	<b>NM</b>

### 3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Cont'd)

#### 3a. Notes to Consolidated Statement of Comprehensive Income

- (i) Foreign currency translation gains were mainly due to the appreciation of United States dollars and Renminbi, offset by depreciation of INR against Singapore dollars.
- (ii) Fair value changes were mainly due to mark-to-market changes from foreign exchange forward contracts, foreign currency swaps, fuel oil swaps and interest rate swaps.
- (iii) The Group designates only the change in fair value of the spot element of forward exchange contracts for funding purposes as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element (forward points) for these forward exchange contracts is separately accounted for as cost of hedging and recognised in hedging reserve within equity.
- (iv) The 2H2020 and FY2020 amounts related to a S\$125 million capital reserve arising from Sembcorp Marine Ltd's (SCM's) rights issue, realised together with the impact on deconsolidation on non-controlling interests share of SCM's carrying value upon distribution.
- (v) These mainly related to share of associates and joint ventures' changes in fair value on interest rate swaps.
- (vi) These mainly related to unquoted equity investments from Integrated Urban Solutions.

### 4. SEGMENTAL REPORTING

#### (i) Operating segments

##### 2H2021

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business-es and Corporate</b>	<b>Elimi-nation</b>	<b>Total</b>
<b>Turnover</b>						
External sales	208	247	3,923	127	–	4,505
Inter-segment sales	*	4	19	5	(28)	–
<b>Total</b>	<b>208</b>	<b>251</b>	<b>3,942</b>	<b>132</b>	<b>(28)</b>	<b>4,505</b>
<b>Results</b>						
Earnings before interest, taxes, depreciation and amortisation <sup>2</sup> (EBITDA)	144	73	484	(53)	–	648
Share of results of associates and joint ventures, net of tax	6	60	36	*	–	102
<b>Adjusted EBITDA</b>	<b>150</b>	<b>133</b>	<b>520</b>	<b>(53)</b>	<b>–</b>	<b>750</b>
Depreciation and amortisation	(42)	(28)	(160)	(4)	–	(234)
Other non-cash (expenses) / income:						
– Allowance for impairment in value of assets and assets written off, net	*	(3)	(4)	(1)	–	(8)
– Others	*	–	–	*	–	*
Finance income	2	7	27	38	(62)	12
Finance costs	(58)	(4)	(146)	(62)	62	(208)
<b>Profit / (Loss) before tax</b>	<b>52</b>	<b>105</b>	<b>237</b>	<b>(82)</b>	<b>–</b>	<b>312</b>
Tax expense	(17)	(9)	(30)	(10)	–	(66)
Non-controlling interests	(3)	(4)	(6)	–	–	(13)
<b>Profit / (Loss) attributable to owners of the Company</b>	<b>32</b>	<b>92</b>	<b>201</b>	<b>(92)</b>	<b>–</b>	<b>233</b>
<b>Capital expenditure</b>	<b>58</b>	<b>36</b>	<b>42</b>	<b>5</b>	<b>–</b>	<b>141</b>

<sup>2</sup> Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off disclosed in Note 2c

#### 4. SEGMENTAL REPORTING (Cont'd)

##### (i) Operating segments (Cont'd)

###### 2H2020

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business-es and Corporate</b>	<b>Elimi-nation</b>	<b>Total</b>
<b>Turnover</b>						
External sales	144	225	2,358	103	–	2,830
Inter-segment sales	*	4	11	3	(18)	–
<b>Total</b>	<b>144</b>	<b>229</b>	<b>2,369</b>	<b>106</b>	<b>(18)</b>	<b>2,830</b>
<b>Results</b>						
Earnings before interest, taxes, depreciation and amortisation <sup>2</sup> (EBITDA)	115	48	479	9	–	651
Share of results of associates and joint ventures, net of tax	4	62	48	*	–	114
<b>Adjusted EBITDA</b>	<b>119</b>	<b>110</b>	<b>527</b>	<b>9</b>	<b>–</b>	<b>765</b>
Depreciation and amortisation	(39)	(30)	(156)	(2)	–	(227)
Other non-cash income / (expenses):						
– Impairment of investment in an associate and a joint venture	–	–	–	(2)	–	(2)
– Allowance for impairment in value of assets and assets written off, net	(1)	(9)	(64)	*	–	(74)
– Impairment of goodwill	–	–	(27)	–	–	(27)
– Negative goodwill	–	11	–	–	–	11
– Others	*	–	1	2	–	3
Finance income	*	6	30	58	(78)	16
Finance costs	(62)	(4)	(166)	(78)	67	(243)
<b>Profit / (Loss) before tax</b>	<b>17</b>	<b>84</b>	<b>145</b>	<b>(13)</b>	<b>(11)<sup>1</sup></b>	<b>222</b>
Tax (expense) / credit	(4)	(7)	16	(14)	–	(9)
Non-controlling interests	*	(3)	(12)	–	–	(15)
<b>Profit / (Loss) from continuing operations</b>	<b>13</b>	<b>74</b>	<b>149</b>	<b>(27)</b>	<b>(11)</b>	<b>198</b>
Loss from discontinued operation, net of tax and NCI						(1,064)
<b>Loss attributable to owners of the Company</b>						<b>(866)</b>
<b>Capital expenditure</b>	<b>57</b>	<b>41</b>	<b>54</b>	<b>8</b>	<b>–</b>	<b>160</b>

#### 4. SEGMENTAL REPORTING (Cont'd)

##### (i) Operating segments (Cont'd)

###### FY2021

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business- es and Corporate</b>	<b>Elimi- nation</b>	<b>Total</b>
<b>Turnover</b>						
External sales	354	465	6,679	297	–	7,795
Inter-segment sales	*	8	33	10	(51)	–
<b>Total</b>	<b>354</b>	<b>473</b>	<b>6,712</b>	<b>307</b>	<b>(51)</b>	<b>7,795</b>
<b>Results</b>						
Earnings before interest, taxes, depreciation and amortisation <sup>2</sup> (EBITDA)	251	143	964	(70)	–	1,288
Share of results of associates and joint ventures, net of tax	27	97	81	1	–	206
<b>Adjusted EBITDA</b>	<b>278</b>	<b>240</b>	<b>1,045</b>	<b>(69)</b>	<b>–</b>	<b>1,494</b>
Depreciation and amortisation	(82)	(54)	(313)	(8)	–	(457)
Other non-cash (expenses) / income:						
– Impairment of investment in a joint venture	–	–	(212)	–	–	(212)
– Allowance for impairment in value of assets and assets written off	*	(4)	(6)	(1)	–	(11)
– Others	*	–	1	5	–	6
Finance income	5	15	30	104	(128)	26
Finance costs	(117)	(13)	(300)	(121)	128	(423)
<b>Profit / (Loss) before tax</b>	<b>84</b>	<b>184</b>	<b>245</b>	<b>(90)</b>	<b>–</b>	<b>423</b>
Tax expense	(25)	(17)	(59)	(22)	–	(123)
Non-controlling interests	(3)	(6)	(12)	–	–	(21)
<b>Profit / (Loss) attributable to owners of the Company</b>	<b>56</b>	<b>161</b>	<b>174</b>	<b>(112)</b>	<b>–</b>	<b>279</b>
<b>Capital expenditure</b>	<b>189</b>	<b>50</b>	<b>71</b>	<b>7</b>	<b>–</b>	<b>317</b>

#### 4. SEGMENTAL REPORTING (Cont'd)

##### (i) Operating segments (Cont'd)

##### FY2020

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business-es and Corporate</b>	<b>Elimi-nation</b>	<b>Total</b>
<b>Turnover</b>						
External sales	281	422	4,571	173	–	5,447
Inter-segment sales	*	7	23	10	(40)	–
<b>Total</b>	<b>281</b>	<b>429</b>	<b>4,594</b>	<b>183</b>	<b>(40)</b>	<b>5,447</b>
<b>Results</b>						
Earnings before interest, taxes, depreciation and amortisation <sup>2</sup> (EBITDA)	225	107	892	(40)	–	1,184
Share of results of associates and joint ventures, net of tax	27	103	102	1	–	233
<b>Adjusted EBITDA</b>	<b>252</b>	<b>210</b>	<b>994</b>	<b>(39)</b>	<b>–</b>	<b>1,417</b>
Depreciation and amortisation	(77)	(50)	(309)	(8)	–	(444)
Other non-cash income / (expenses):						
– Impairment of investment in an associate and a joint venture	–	–	(81)	(32)	–	(113)
– Allowance for impairment in value of assets and assets written off, net	(1)	(9)	(66)	*	–	(76)
– Write-off of inventory	–	–	(53)	–	–	(53)
– Write-down inventory to net realisable value	–	–	(45)	–	–	(45)
– Impairment of goodwill	–	–	(27)	–	–	(27)
– Negative goodwill	–	17	–	–	–	17
– Impairment of asset held for sale	–	(4)	–	–	–	(4)
– Others	*	–	1	2	–	3
Finance income	5	13	44	167	(194)	35
Finance costs	(127)	(16)	(344)	(168)	156	(499)
<b>Profit / (Loss) before tax</b>	<b>52</b>	<b>161</b>	<b>114</b>	<b>(78)</b>	<b>(38)<sup>1</sup></b>	<b>211</b>
Tax (expense) / credit	(7)	(16)	17	(26)	–	(32)
Non-controlling interests	1	(5)	(18)	–	–	(22)
<b>Profit / (Loss) from continuing operations</b>	<b>46</b>	<b>140</b>	<b>113</b>	<b>(104)</b>	<b>(38)</b>	<b>157</b>
Loss from discontinued operation, net of tax and NCI						(1,154)
<b>Loss attributable to owners of the Company</b>						<b>(997)</b>
<b>Capital expenditure</b>	<b>119</b>	<b>53</b>	<b>80</b>	<b>17</b>	<b>–</b>	<b>269</b>

#### 4. SEGMENTAL REPORTING (Cont'd)

##### (i) Operating segments (Cont'd)

###### As at December 31, 2021

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business- es and Corporate</b>	<b>Elimi- nation</b>	<b>Total</b>
<b>Assets</b>						
Segment assets	2,778	1,432	8,774	1,498	(1,744)	12,738
Interests in associates and joint ventures	265	877	458	–	–	1,600
Tax assets	7	20	13	17	–	57
<b>Total assets</b>	<b>3,050</b>	<b>2,329</b>	<b>9,245</b>	<b>1,515</b>	<b>(1,744)</b>	<b>14,395</b>
<b>Liabilities</b>						
Segment liabilities	1,747	586	5,217	4,098	(1,744)	9,904
Tax liabilities	98	52	310	113	–	573
<b>Total liabilities</b>	<b>1,845</b>	<b>638</b>	<b>5,527</b>	<b>4,211</b>	<b>(1,744)</b>	<b>10,477</b>

###### As at December 31, 2020

<i>(S\$ million)</i>	<b>Renew-ables</b>	<b>Integrated Urban Solutions</b>	<b>Conven-tional Energy</b>	<b>Other Business- es and Corporate</b>	<b>Elimi- nation</b>	<b>Total</b>
<b>Assets</b>						
Segment assets	2,731	1,442	8,076	2,340	(2,676)	11,913
Interests in associates and joint ventures	227	743	618	–	–	1,588
Tax assets	7	20	15	19	–	61
<b>Total assets</b>	<b>2,965</b>	<b>2,205</b>	<b>8,709</b>	<b>2,359</b>	<b>(2,676)</b>	<b>13,562</b>
<b>Liabilities</b>						
Segment liabilities	1,665	703	5,912	4,031	(2,676)	9,635
Tax liabilities	71	50	226	104	–	451
<b>Total liabilities</b>	<b>1,736</b>	<b>753</b>	<b>6,138</b>	<b>4,135</b>	<b>(2,676)</b>	<b>10,086</b>

#### 4. SEGMENTAL REPORTING (Cont'd)

##### (ii) Geographical segments

(S\$ million)	Turnover							
	2H2021		2H2020		FY2021		FY2020	
		%		%		%		%
Singapore	2,904	64	1,539	55	4,817	62	2,914	53
India	663	15	814	29	1,496	19	1,573	29
UK	522	12	233	8	859	11	460	8
Rest of Asia	281	6	108	4	379	5	211	4
China	118	3	96	3	210	3	191	4
Middle East	16	*	33	1	32	*	63	1
Other countries	1	*	7	*	2	*	35	1
<b>Total</b>	<b>4,505</b>	<b>100</b>	<b>2,830</b>	<b>100</b>	<b>7,795</b>	<b>100</b>	<b>5,447</b>	<b>100</b>

(S\$ million)	Capital Expenditure							
	2H2021		2H2020		FY2021		FY2020	
		%		%		%		%
Singapore	88	63	75	47	212	67	110	41
UK	28	20	18	11	58	18	30	11
India	14	10	7	4	27	9	53	20
China	9	6	26	17	13	4	33	12
Rest of Asia	2	1	34	21	7	2	38	14
Middle East	—	—	*	*	—	—	*	*
Other countries	—	—	—	—	—	—	5	2
<b>Total</b>	<b>141</b>	<b>100</b>	<b>160</b>	<b>100</b>	<b>317</b>	<b>100</b>	<b>269</b>	<b>100</b>

(S\$ million)	Non-current Assets				Total Assets			
	As at December 31, 2021		As at December 31, 2020		As at December 31, 2021		As at December 31, 2020	
		%		%		%		%
India	4,721	45	4,988	47	5,941	41	6,099	45
Singapore	1,967	19	1,878	18	3,464	24	2,740	20
China	1,436	14	1,577	15	1,948	14	2,069	16
Rest of Asia	1,303	12	1,236	12	1,586	11	1,519	11
UK	731	7	637	6	1,131	8	860	6
Middle East	290	3	234	2	311	2	264	2
Other countries	14	*	8	*	14	*	11	*
<b>Total</b>	<b>10,462</b>	<b>100</b>	<b>10,558</b>	<b>100</b>	<b>14,395</b>	<b>100</b>	<b>13,562</b>	<b>100</b>



#### 4. SEGMENTAL REPORTING (Cont'd)

##### Notes to Segmental Analysis

#### 4a. Operating segments

The Group has identified its business segments based on the internal reports that are reviewed and used by the executive management team in determining the allocation of resources and in assessing performance of the operating segments.

To deliver the Group's vision to be a leading provider of sustainable solutions, supporting sustainable development and creating value for stakeholders and communities, the Group has laid out a strategic roadmap to transform its portfolio from brown to green. The Group's businesses are grouped under four main segments as follows:

- (i) The Renewables segment's principal activities are the provision of electricity from solar and wind resources (both self-generated and imported), energy storage, trading of Energy Attribute Certificates as well as provision of system services that support integration of renewables into grid. This segment also includes the development and provision of installation, operation and maintenance of solar, wind and energy storage assets.
- (ii) The Integrated Urban Solutions segment supports sustainable development through its suite of urban, water as well as waste and waste-to-resource solutions. The segment's businesses comprise the development of large-scale integrated urban developments and integrated townships such as industrial parks, business, commercial and residential spaces, production and reclamation of water and industrial wastewater treatment as well as solid waste management and waste-to-resource solutions. This segment also includes carbon capture, utilisation and storage (CCUS) projects.
- (iii) The Conventional Energy segment's principal activities include the sale of energy molecules (including natural gas, steam and electricity from a diversity of fossil fuels such as natural gas and coal). This segment also includes sale of water products from its integrated assets.
- (iv) The Other Businesses and Corporate segment comprises businesses mainly relating to specialised construction, minting, the Group's captive insurance and financial services, as well as corporate costs.

#### 4b. Geographical segments

The Group's geographical segments are presented in six principal geographical areas: Singapore, India, UK, Rest of Asia, China and Middle East. In presenting information based on geographical segments, segment revenue is based on the geographical location of customers. Segment assets and total assets are based on the geographical location of the assets.

#### 4c. Review of Group's performance

	2H2021	2H2020	Growth		FY2021	FY2020	Growth	
<i>(S\$ million)</i>				%				%
Adjusted EBITDA before EI	734	628	106	17	1,469	1,280	189	15
EI – Income (please refer to Note 4d for details)	16	137	(121)	(88)	25	137	(112)	(82)
Adjusted EBITDA	750	765	(15)	(2)	1,494	1,417	77	5
Profit before EI	220	151	69	46	472	301	171	57
EI – Income / (Expense)	13	47	(34)	(72)	(193)	(144)	(49)	34
Profit attributable to owners of the Company	233	198	35	18	279	157	122	78

2H2021 adjusted EBITDA before EI of S\$734 million was S\$106 million or 17% higher than 2H2020 of S\$628 million. The Sustainable Solutions\*\* and Conventional Energy segments contributed to 35% and 63% to the Group's 2H2021 adjusted EBITDA before EI and corporate costs, respectively (2H2020: Sustainable Solutions 32% and Conventional Energy 65%).

The Group's net profit before EI in 2H2021 was S\$220 million, S\$69 million or 46% higher than 2H2020 of S\$151 million. The Sustainable Solutions and Conventional Energy segments contributed to 38% and 58% to the Group's 2H2021 net profit before EI and corporate costs, respectively (2H2020: Sustainable Solutions 32% and Conventional Energy 61%). The reduction in percentage contribution from Sustainable Solutions was due to significantly higher net profit from Conventional Energy's coal as well as gas and related businesses.

\*\* Sustainable Solutions comprises the Renewables and Integrated Urban Solutions segment

#### 4. SEGMENTAL REPORTING (Cont'd)

##### 4d. Review of segment performance

###### Renewables

	2H2021	2H2020	Growth		FY2021	FY2020	Growth	
(S\$ million)				%				%
Adjusted EBITDA	150	119	31	26	278	252	26	10
Profit attributable to owners of the Company	32	13	19	146	56	46	10	22

###### Adjusted EBITDA

The adjusted EBITDA in 2H2021 of S\$150 million was S\$31 million or 26% higher than 2H2020. The net increase was mainly attributable to the wind business in India with income from sale of green attributes, contribution from Vietnam's and Singapore's solar business including the floating solar farm at Tengeh which commenced operation in 2H2021, as well as higher margins from the energy storage business in UK.

###### Profit attributable to owners of the Company

Profit attributable to owners of the Company of S\$32 million in 2H2021 was an increase of S\$19 million over 2H2020, in line with the higher adjusted EBITDA. The better FY2021 net profit was impacted by higher deferred tax expense due to UK's increase in corporation tax rate.

###### Integrated Urban Solutions

	2H2021	2H2020	Growth		FY2021	FY2020	Growth	
(S\$ million)				%				%
Adjusted EBITDA before EI	133	84	49	58	234	184	50	27
EI – Income	–	26	(26)	NM	6	26	(20)	(77)
Adjusted EBITDA	133	110	23	21	240	210	30	14
Profit before EI	92	49	43	88	155	113	42	37
EI – Income	–	25	(25)	NM	6	27	(21)	(78)
Profit attributable to owners of the Company	92	74	18	24	161	140	21	15

###### Adjusted EBITDA before EI

2H2021 adjusted EBITDA before EI of S\$133 million was S\$49 million higher than 2H2020's S\$84 million. The higher adjusted EBITDA was mainly attributable to better contribution from the Urban business with delivery of the land and property, deferred in 1H2021, when the travel restrictions were partially lifted in 2H2021. There was also lower operating cost incurred for the water and wastewater treatment business in China. This was offset by the absence of contribution from the divested water business in Panama.

###### Profit before EI

Profit before EI growth in 2H2021 was broadly in line with the growth in adjusted EBITDA.

###### EI – Income

FY2021's exceptional income pertained to net gain from disposal of SJW (Note 2c(xi)). 2H2020's exceptional income mainly related to the negative goodwill on the acquisition of SES, gain from the share of equity reduction in a joint venture in China for the Urban business and additional income from the innovation park project, partially offset against net loss from disposal of the water businesses in Chile and Panama.

#### 4. SEGMENTAL REPORTING (Cont'd)

##### 4d. Review of segment performance (Cont'd)

###### Conventional Energy

	2H2021	2H2020	Growth		FY2021	FY2020	Growth	
(S\$ million)				%				%
Adjusted EBITDA before EI	504	409	95	23	1,029	876	153	17
EI – Income	16	118	(102)	(86)	16	118	(102)	(86)
Adjusted EBITDA	520	527	(7)	(1)	1,045	994	51	5
Profit before EI	188	118	70	59	373	245	128	52
EI – Income / (Expense)	13	31	(18)	(58)	(199)	(132)	(67)	51
Profit attributable to owners of the Company	201	149	52	35	174	113	61	54

###### Adjusted EBITDA before EI

Adjusted EBITDA before EI of S\$504 million in 2H2021 was S\$95 million or 23% higher than S\$409 million in 2H2020. The increase was mainly attributable to high profit contribution from the Singapore and UK merchant plants which were able to capture the high power prices by making optimal decisions, optimising diversified fuel sources and generation assets, as well as effective assets management. 2H2020 coal business in India had the benefit of a S\$15 million insurance compensation. Despite the planned maintenance in 2H2021, performance for the India thermal operations were better than last year due to higher Indian Energy Exchange prices. These better performances were however offset by share of losses from PM3, as well as CSZ which contributed S\$9 million profit in 2H2020 (Note 2e).

###### Profit before EI

In addition to the growth in adjusted EBITDA, improvement in profit before EI also came from the lower finance costs resulting from loan repayments made by India, net of higher tax expense due to higher profit and additional deferred tax expense due to UK's increase in tax rate.

###### EI – Income / (Expense)

2H2021 EI income was attributed to land sales and connection fee income in UK. FY2021's net exceptional expense included an impairment on investment in CSZ (Note 5e). FY2020's exceptional expense was in relation to the write-down and write-off of inventory (Note 2c(vi)) as well as an impairment on investment in Sembcorp Salalah Power and Water Company (Note 2c(xvi)).

###### Other Businesses and Corporate

	2H2021	2H2020	Growth		FY2021	FY2020	Growth	
(S\$ million)				%				%
Adjusted EBITDA before EI	(53)	16	(69)	NM	(72)	(32)	(40)	125
EI – (Expense) / Income	–	(7)	7	NM	3	(7)	10	NM
Adjusted EBITDA	(53)	9	(62)	NM	(69)	(39)	(30)	77
Loss before EI	(92)	(18)	(74)	NM	(112)	(65)	(47)	72
Elimination of inter-segment finance cost <sup>1</sup>	–	(11)	11	NM	–	(38)	38	NM
Loss before EI after elimination	(92)	(29)	(63)	217	(112)	(103)	(9)	9
EI – (Expense)	–	(9)	9	NM	*	(39)	39	NM
Loss attributable to owners of the Company	(92)	(38)	(54)	142	(112)	(142)	30	(21)

###### Adjusted EBITDA before EI

Adjusted EBITDA before EI in 2H2021 was lower by S\$69 million compared to 2H2020 mainly due to a S\$10 million allocation to the Sembcorp Energy for Good Fund as well as increases in group wide provision for incentives to drive achievement of the Group's transformation targets and for building capabilities to achieve the brown to green transition.

###### Loss before EI after elimination

Loss before exceptional items and after elimination for 2H2021 was S\$92 million compared to S\$29 million in 2H2020. Finance cost for Corporate was lower in 2H2021 and FY2021, following the refinancing of the S\$1.5 billion bond at lower interest rate through existing revolving credit facilities.

###### EI – (Expense)

FY2020 exceptional expense pertained mainly to an impairment on investment in CSE, which was disposed in 1Q2021.

## 5. BALANCE SHEETS

	GROUP		COMPANY	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<i>(S\$ million)</i>				
<b>Non-current assets</b>				
Property, plant and equipment	7,094	7,204	365	383
Investment properties	138	135	–	–
Investments in subsidiaries	–	–	2,309	2,308
Associates and joint ventures	1,600	1,588	–	–
Other financial assets	219	250	–	–
Trade and other receivables	982	995	3	3
Contract costs	1	1	–	–
Intangible assets	390	348	25	26
Deferred tax assets	38	37	–	–
	<b>10,462</b>	<b>10,558</b>	<b>2,702</b>	<b>2,720</b>
<b>Current assets</b>				
Inventories	222	196	7	4
Trade and other receivables	1,986	1,571	115	91
Contract assets	28	15	–	–
Contract costs	1	1	–	–
Asset held for sale	–	30	–	–
Other financial assets	352	159	–	–
Cash and cash equivalents	1,344	1,032	427	358
	<b>3,933</b>	<b>3,004</b>	<b>549</b>	<b>453</b>
<b>Total assets</b>	<b>14,395</b>	<b>13,562</b>	<b>3,251</b>	<b>3,173</b>
<b>Current liabilities</b>				
Trade and other payables	1,708	1,159	155	99
Lease liabilities	14	11	5	4
Contract liabilities	121	141	2	3
Provisions	40	26	19	11
Other financial liabilities	87	40	–	–
Current tax payable	181	157	49	55
Interest-bearing borrowings	754	593	–	–
	<b>2,905</b>	<b>2,127</b>	<b>230</b>	<b>172</b>
<b>Net current assets</b>	<b>1,028</b>	<b>877</b>	<b>319</b>	<b>281</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	392	294	25	28
Other long-term payables	105	108	1,465	1,613
Lease liabilities	244	215	110	112
Provisions	64	38	12	11
Other financial liabilities	56	98	–	–
Interest-bearing borrowings	6,637	7,135	–	–
Contract liabilities	74	71	27	28
	<b>7,572</b>	<b>7,959</b>	<b>1,639</b>	<b>1,792</b>
<b>Total liabilities</b>	<b>10,477</b>	<b>10,086</b>	<b>1,869</b>	<b>1,964</b>
<b>Net assets</b>	<b>3,918</b>	<b>3,476</b>	<b>1,382</b>	<b>1,209</b>
<b>Equity attributable to owners of the Company:</b>				
Share capital	566	566	566	566
Other reserves	(148)	(380)	(10)	(11)
Revenue reserve	3,349	3,153	826	654
	<b>3,767</b>	<b>3,339</b>	<b>1,382</b>	<b>1,209</b>
Non-controlling interests	151	137	–	–
<b>Total equity</b>	<b>3,918</b>	<b>3,476</b>	<b>1,382</b>	<b>1,209</b>

## 5. BALANCE SHEETS (Cont'd)

### 5a. Group's borrowings and debt securities

<i>(S\$ million)</i>	As at December 31, 2021	As at December 31, 2020
<b>Amount repayable:</b>		
(i) <b><u>In one year or less, or on demand</u></b>		
<b>Interest-bearing borrowings</b>		
Secured	612	488
Unsecured	142	105
	<u>754</u>	<u>593</u>
(ii) <b><u>Between one to five years</u></b>		
<b>Interest-bearing borrowings</b>		
Secured	1,330	1,336
Unsecured	2,835	3,701
	<u>4,165</u>	<u>5,037</u>
(iii) <b><u>After five years</u></b>		
<b>Interest-bearing borrowings</b>		
Secured	1,398	1,849
Unsecured	1,074	249
	<u>2,472</u>	<u>2,098</u>
<b>Total</b>	<b><u>7,391</u></b>	<b><u>7,728</u></b>
(iv) <b>The secured loans are collateralised by the following assets' net book value:</b>		
Net assets and equity shares of subsidiaries, property, plant and equipment, and other assets	<u>6,522</u>	<u>6,782</u>

On June 9, 2021, the Group issued a 10-year S\$400 million 2.45% Green Bonds due 2031 (Green Bonds), comprising Series 001 under the S\$3 billion Multicurrency Debt Issuance Program established by the Company and its wholly owned subsidiary, Sembcorp Financial Services Pte Ltd (SFS). As at December 31, 2021, S\$233 million has been deployed. This was followed by the successful issuance of a 10.5-year S\$675 million sustainability-linked bond on October 6, 2021 at a fixed interest rate of 2.66%.

Short-term interest-bearing borrowings increased while long-term interest-bearing borrowings decreased mainly due to repayments in the year and reclassification of Sembcorp Energy India Limited (SEIL)'s loan to current as they fall due within the next 12 months, offset by the issuance of the Green Bonds and sustainability-linked notes.

### 5b. Net asset value

	GROUP		COMPANY	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Net asset value per ordinary share based on issued share capital at the end of the financial period (in S\$)	2.12	1.87	0.78	0.68

The increase in the Group's net asset value per ordinary share based on issued share capital as at December 31, 2021 was mainly due to higher profit for the year and net increase in fair value gain to cash flow hedges and foreign currency translation gain.

## 5. BALANCE SHEETS (Cont'd)

### 5c. Property, plant and equipment

In FY2021, the Group acquired assets amounting to S\$358 million (FY2020 continuing operations: S\$254 million and disposed of assets amounting to S\$6 million (FY2020 continuing operations: S\$8 million).

### 5d. Investment properties

The investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The Group has assessed that there were no impairment indicators as at December 31, 2021.

In FY2021, there were S\$2 million acquisitions and disposal of less than S\$1 million (FY2020: S\$7 million acquisitions and less than S\$1 million disposals).

The fair value of the investment properties as at December 31, 2021 was S\$186 million (FY2020: S\$191 million).

### 5e. Associates and joint ventures

Associates and joint ventures increased mainly from the share of comprehensive profit for the year less impairment of S\$212 million.

Following a periodic review in 1H2021 on the recoverability of certain assets, the Group has impaired the entire carrying value of S\$212 million equity interest in CSZ. The asset has been severely impacted by significantly higher coal cost with the loss of its mine-mouth advantage and escalating market coal price due to the supply-demand imbalance.

Post the full impairment, the results of CSZ is no longer equity accounted. As at December 31, 2021, the Group's share of unrecognised losses was S\$25 million.

The coal price remains volatile and there is no change in the assessment in the recoverable of CSZ.

### 5f. Other financial assets and liabilities

<i>(S\$ million)</i>	<b>As at December 31, 2021</b>	<b>As at December 31, 2020</b>
Financial assets at amortised cost	114	124
Financial assets at FVOCI	53	71
Financial assets at fair value through profit or loss (FVTPL)	113	116
Derivative financial assets	291	98
<b>Other financial assets</b>	<b>571</b>	<b>409</b>
Derivative financial liabilities	143	138
<b>Other financial liabilities</b>	<b>143</b>	<b>138</b>

There were no significant changes to the other financial assets and liabilities, except for the derivative financial assets, which increased substantially due to the high fuel price.

## 5. BALANCE SHEETS (Cont'd)

### 5g. Intangible assets

(S\$ million)	Group				Total
	Goodwill	Service concession arrangements	Long-term contracts	Others	
<b>Cost</b>					
Balance at January 1, 2021	277	54	236	74	641
Translation adjustments	1	4	*	*	5
Additions	–	1	–	84	85
Acquisition of subsidiary	*	–	–	–	*
Transfer from PPE	–	–	–	1	1
Disposals and write offs	–	(1)	(1)	(22)	(24)
Balance at December 31, 2021	278	58	235	137	708
<b>Accumulated amortisation and impairment</b>					
Balance at January 1, 2021	118	21	122	32	293
Translation adjustments	1	4	*	*	5
Amortisation charge for the period	–	3	11	8	22
Impairment losses	–	–	–	*	*
Disposals and write offs	–	*	(1)	(1)	(2)
Balance at December 31, 2021	119	28	132	39	318
<b>Carrying amount</b>					
At January 1, 2021	159	33	114	42	348
At December 31, 2021	159	30	103	98	390

Other intangible assets included carbon allowances which are recorded at cost. The disposals related mainly to the settling of the Group's carbon obligations.

(S\$ million)	Company		
	Goodwill	Others	Total
<b>Cost</b>			
Balance at January 1, 2021	19	26	45
Additions	–	2	2
Disposals and write offs	–	(1)	(1)
Balance at December 31, 2021	19	27	46
<b>Accumulated amortisation and impairment</b>			
Balance at January 1, 2021	–	19	19
Amortisation charge for the period	–	2	2
Disposals and write offs	–	*	*
Balance at December 31, 2021	–	21	21
<b>Carrying amount</b>			
At January 1, 2021	19	7	26
At December 31, 2021	19	6	25

### **Goodwill**

There have been no changes to the goodwill allocated to CGUs and there were no impairment indicators noted as at December 31, 2021.

## 5. **BALANCE SHEETS** (Cont'd)

### 5h. Explanatory notes to other Balance Sheets items

#### (i) Group

##### **Current assets**

"Inventories" increased mainly due to India's coal business maintaining a higher level of inventories and higher consumables across different thermal plants.

"Trade and other receivables" increased mainly due to increase in trade and unbilled receivables, in line with higher revenue in the gas and related business in Singapore and UK caused by the higher gas and power prices, which have also resulted in higher cash collateral placed on deposits.

"Asset held for sale" as at December 31, 2020 related to the net carrying value of the entire 32% stake in joint venture company CSE which was divested in February 2021.

"Cash and cash equivalents" increased mainly due to cashflow from operations net of repayments of borrowings (see Note 7).

##### **Current liabilities**

"Trade and other payables" increased mainly due to higher fuel cost accrued from Singapore and UK businesses. The increase also included an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

"Contract liabilities" decreased mainly due to revenue recognition for the year, offset by advanced cash received from projects from the specialised construction business.

"Provisions" increased mainly from provisions made for remediation of legacy sites, site restorations and maintenance.

##### **Non-current liabilities**

"Deferred tax liabilities" increased mainly from provision made during the year and included recognition of additional deferred tax provision by UK following the change in tax rate to 25% with effect from 2023. The increase also included amount relating to the derivative assets and liabilities for cash flow hedge, taken to equity.

"Provisions" increased mainly from provisions made for remediation of legacy sites.

#### (ii) Company

##### **Current assets**

"Trade and other receivables" increased mainly due to higher turnover resulting from higher gas prices.

"Cash and cash equivalents" increased mainly due to better collection from customers and dividend received net off loan repayment.

##### **Current liabilities**

"Trade and other payables" increase included transformation incentive provision.

"Provisions" increased mainly caused by increase in site restoration and site modification works for one of its wastewater treatment plants.

##### **Non-current liabilities**

"Other long-term payables" decreased mainly due to partial repayment of loan taken from a subsidiary.



## 6. STATEMENTS OF CHANGES IN EQUITY

### 6a. Statement of Changes in Equity of the Group

(S\$ million)	Attributable to Owners of the Company						Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Foreign currency translation reserve	Others	Revenue reserve	Total		
<b>FY2021</b>								
<b>At January 1, 2021</b>	<b>566</b>	<b>(11)</b>	<b>(475)</b>	<b>106</b>	<b>3,153</b>	<b>3,339</b>	<b>137</b>	<b>3,476</b>
Profit for the period	–	–	–	–	46	46	8	54
<b>Other comprehensive income</b>								
Foreign currency translation differences for foreign operations	–	–	16	–	*	16	*	16
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	3	–	–	3	–	3
Net change in fair value of cash flow hedges	–	–	–	123	–	123	1	124
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	(57)	–	(57)	–	(57)
Cost of hedging reserve – changes in fair value	–	–	–	(28)	–	(28)	–	(28)
Cost of hedging reserve – reclassified to profit or loss	–	–	–	26	–	26	–	26
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	(7)	–	(7)	–	(7)
Realisation of reserves upon disposal of asset held for sale	–	–	(3)	–	–	(3)	–	(3)
Defined benefit plan actuarial gains and losses	–	–	–	–	*	*	–	*
Share of other comprehensive income of associates and joint ventures	–	–	–	24	(1)	23	–	23
Total other comprehensive income	–	–	16	81	(1)	96	1	97
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>16</b>	<b>81</b>	<b>45</b>	<b>142</b>	<b>9</b>	<b>151</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>								
Treasury shares transferred to employees	–	9	–	(9)	–	–	–	–
Share-based payments	–	–	–	2	–	2	–	2
Dividend paid / payable	–	–	–	–	(71)	(71)	(10)	(81)
<b>Total transactions with owners</b>	<b>–</b>	<b>9</b>	<b>–</b>	<b>(7)</b>	<b>(71)</b>	<b>(69)</b>	<b>(10)</b>	<b>(79)</b>
<b>At June 30, 2021</b>	<b>566</b>	<b>(2)</b>	<b>(459)</b>	<b>180</b>	<b>3,127</b>	<b>3,412</b>	<b>136</b>	<b>3,548</b>

## 6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

### 6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million) FY2021 (Cont'd)	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Foreign currency translation reserve	Others	Revenue reserve			
Profit for the period	–	–	–	–	233	233	13	246
<b>Other comprehensive income</b>								
Foreign currency translation differences for foreign operations	–	–	65	–	–	65	3	68
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	(2)	–	–	(2)	–	(2)
Net change in fair value of cash flow hedges	–	–	–	13	–	13	1	14
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	67	–	67	–	67
Cost of hedging reserve – changes in fair value	–	–	–	(18)	–	(18)	–	(18)
Cost of hedging reserve – reclassified to profit or loss	–	–	–	21	–	21	–	21
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	(13)	–	(13)	–	(13)
Net change in fair value of cash flow hedges reclassified to cost of investment of a subsidiary	–	–	–	(1)	–	(1)	–	(1)
Transfer of reserves	–	–	(8)	(2)	10	–	–	–
Realisation of reserves upon liquidation of subsidiaries	–	–	3	–	–	3	–	3
Defined benefit plan actuarial gains and losses	–	–	–	–	14	14	–	14
Share of other comprehensive income of associates and joint ventures	–	–	–	11	1	12	–	12
Total other comprehensive income	–	–	58	78	25	161	4	165
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>58</b>	<b>78</b>	<b>258</b>	<b>394</b>	<b>17</b>	<b>411</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>								
Purchase of treasury shares	–	(13)	–	–	–	(13)	–	(13)
Share-based payments	–	–	–	12	–	12	–	12
Acquisition of non-controlling interests	–	–	–	(2)	–	(2)	2	–
Dividend paid / payable	–	–	–	–	(36)	(36)	(4)	(40)
<b>Total transactions with owners</b>	<b>–</b>	<b>(13)</b>	<b>–</b>	<b>10</b>	<b>(36)</b>	<b>(39)</b>	<b>(2)</b>	<b>(41)</b>
<b>At December 31, 2021</b>	<b>566</b>	<b>(15)</b>	<b>(401)</b>	<b>268</b>	<b>3,349</b>	<b>3,767</b>	<b>151</b>	<b>3,918</b>

## 6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

### 6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million)	Attributable to Owners of the Company									Total equity
	Share capital	Reserve for own shares	Foreign currency translation reserve	Others	Revenue reserve	Perpetual securities	Total	Non-controlling interests		
<b>FY2020</b>										
<b>At January 1, 2020</b>	<b>566</b>	<b>(4)</b>	<b>(482)</b>	<b>163</b>	<b>5,827</b>	<b>6,070</b>	<b>801</b>	<b>6,871</b>	<b>1,008</b>	<b>7,879</b>
Loss for the period	–	–	–	–	(131)	(131)	–	(131)	(70)	(201)
<b>Other comprehensive income</b>										
Foreign currency translation differences for foreign operations	–	–	(7)	–	–	(7)	–	(7)	14	7
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	(2)	–	–	(2)	–	(2)	–	(2)
Net change in fair value of cash flow hedges	–	–	–	(107)	–	(107)	–	(107)	(16)	(123)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	(16)	–	(16)	–	(16)	1	(15)
Cost of hedging reserve – changes in fair value	–	–	–	(21)	–	(21)	–	(21)	–	(21)
Cost of hedging reserve – reclassified to profit or loss	–	–	–	15	–	15	–	15	–	15
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	*	–	*	–	*	–	*
Defined benefit plan actuarial gains and losses	–	–	–	*	*	*	–	*	*	*
Share of other comprehensive income of associates and joint ventures	–	–	–	(31)	–	(31)	–	(31)	–	(31)
<b>Total other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>(9)</b>	<b>(160)</b>	<b>*</b>	<b>(169)</b>	<b>–</b>	<b>(169)</b>	<b>(1)</b>	<b>(170)</b>
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>(9)</b>	<b>(160)</b>	<b>(131)</b>	<b>(300)</b>	<b>–</b>	<b>(300)</b>	<b>(71)</b>	<b>(371)</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>										
New share issues by a subsidiary to employee	–	–	–	(1)	–	(1)	–	(1)	2	1
Capital reduction / distribution to non-controlling interests	–	–	–	–	–	–	–	–	*	*
Share-based payments	–	–	–	6	–	6	–	6	*	6
Purchase of treasury shares	–	(7)	–	–	–	(7)	–	(7)	–	(7)
Treasury shares transferred to employees	–	7	–	(7)	–	–	–	–	–	–
Perpetual securities distribution paid	–	–	–	–	–	–	(818)	(818)	–	(818)
Accrued perpetual securities distribution	–	–	–	–	(17)	(17)	17	–	–	–
Transfer of reserves	–	–	–	*	*	*	–	*	–	*
Dividend paid / payable	–	–	–	–	(54)	(54)	–	(54)	(8)	(62)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2)</b>	<b>(71)</b>	<b>(73)</b>	<b>(801)</b>	<b>(874)</b>	<b>(6)</b>	<b>(880)</b>
<b>At June 30, 2020</b>	<b>566</b>	<b>(4)</b>	<b>(491)</b>	<b>1</b>	<b>5,625</b>	<b>5,697</b>	<b>–</b>	<b>5,697</b>	<b>931</b>	<b>6,628</b>

## 6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

### 6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million)	Attributable to Owners of the Company									
	Share capital	Reserve for own shares	Foreign currency translation reserve	Others	Revenue reserve	Perpetual securities	Total	Non-controlling interests	Total equity	
<b>FY2020</b> (Cont'd)										
Loss for the period	–	–	–	–	(866)	(866)	–	(866)	(54)	(920)
<b>Other comprehensive income</b>										
Foreign currency translation differences for foreign operations	–	–	(15)	–	–	(15)	–	(15)	(9)	(24)
Net change in fair value of cash flow hedges	–	–	–	(8)	–	(8)	–	(8)	3	(5)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	102	–	102	–	102	4	106
Cost of hedging reserve – changes in fair value	–	–	–	(22)	–	(22)	–	(22)	–	(22)
Cost of hedging reserve – reclassified to profit or loss	–	–	–	27	–	27	–	27	–	27
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	(14)	–	(14)	–	(14)	–	(14)
Realisation of reserves upon distribution	–	–	–	(125)	–	(125)	–	(125)	–	(125)
Realisation of reserves upon disposal of subsidiaries / assets held for sale	–	–	31	4	–	35	–	35	1	36
Defined benefit plan actuarial gains and losses	–	–	–	*	(9)	(9)	–	(9)	*	(9)
Share of other comprehensive income of associates and joint ventures	–	–	–	15	–	15	–	15	–	15
<b>Total other comprehensive income</b>	–	–	16	(21)	(9)	(14)	–	(14)	(1)	(15)
<b>Total comprehensive income</b>	–	–	16	(21)	(875)	(880)	–	(880)	(55)	(935)
<b>Transactions with owners of the Company, recognised directly in equity</b>										
New share issues by a subsidiary to employee	–	–	–	1	–	1	–	1	(2)	(1)
Contribution by non-controlling interests	–	–	–	125	–	125	–	125	474	599
Capital reduction / distribution to non-controlling interests	–	–	–	–	–	–	–	–	*	*
Disposal of non-controlling interest in subsidiaries	–	–	–	–	–	–	–	–	(1,208)	(1,208)
Share-based payments	–	–	–	2	–	2	–	2	*	2
Purchase of treasury shares	–	(9)	–	–	–	(9)	–	(9)	–	(9)
Treasury shares transferred to employees	–	2	–	(2)	–	–	–	–	–	–
Transfer of reserves	–	–	–	–	*	*	–	*	–	*
Dividend paid / payable	–	–	–	–	–	–	–	–	(3)	(3)
Dividend distribution in specie	–	–	–	–	(1,597)	(1,597)	–	(1,597)	–	(1,597)
<b>Total transactions with owners</b>	–	(7)	–	126	(1,597)	(1,478)	–	(1,478)	(739)	(2,217)
<b>At December 31, 2020</b>	<b>566</b>	<b>(11)</b>	<b>(475)</b>	<b>106</b>	<b>3,153</b>	<b>3,339</b>	<b>–</b>	<b>3,339</b>	<b>137</b>	<b>3,476</b>

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6b. Statement of Changes in Equity of the Company

(S\$ million)	Attributable to Owners of the Company						
	Share capital	Reserve for own shares	Others	Revenue reserve	Total equity	Perpetual securities	Total equity
<b>FY2021</b>							
<b>At January 1, 2021</b>	<b>566</b>	<b>(11)</b>	<b>*</b>	<b>654</b>	<b>1,209</b>	<b>–</b>	<b>1,209</b>
Profit for the period	–	–	–	94	94	–	94
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>94</b>	<b>94</b>	<b>–</b>	<b>94</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>							
Treasury shares transferred to employees	–	9	(9)	–	–	–	–
Share-based payments	–	–	2	–	2	–	2
Dividend paid / payable	–	–	–	(71)	(71)	–	(71)
<b>Total transactions with owners</b>	<b>–</b>	<b>9</b>	<b>(7)</b>	<b>(71)</b>	<b>(69)</b>	<b>–</b>	<b>(69)</b>
<b>At June 30, 2021</b>	<b>566</b>	<b>(2)</b>	<b>(7)</b>	<b>677</b>	<b>1,234</b>	<b>–</b>	<b>1,234</b>
Profit for the period	–	–	–	185	185	–	185
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>185</b>	<b>185</b>	<b>–</b>	<b>185</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>							
Purchase of treasury shares	–	(13)	–	–	(13)	–	(13)
Share-based payments	–	–	12	–	12	–	12
Dividend paid / payable	–	–	–	(36)	(36)	–	(36)
<b>Total transactions with owners</b>	<b>–</b>	<b>(13)</b>	<b>12</b>	<b>(36)</b>	<b>(37)</b>	<b>–</b>	<b>(37)</b>
<b>At December 31, 2021</b>	<b>566</b>	<b>(15)</b>	<b>5</b>	<b>826</b>	<b>1,382</b>	<b>–</b>	<b>1,382</b>

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6b. Statement of Changes in Equity of the Company (Cont'd)

(S\$ million)	Attributable to Owners of the Company						
	Share capital	Reserve for own shares	Others	Revenue reserve	Total equity	Perpetual securities	Total equity
<b>FY2020</b>							
<b>At January 1, 2020</b>	<b>566</b>	<b>(4)</b>	<b>–</b>	<b>2,585</b>	<b>3,147</b>	<b>801</b>	<b>3,948</b>
Profit for the period	–	–	–	83	83	–	83
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>83</b>	<b>83</b>	<b>–</b>	<b>83</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>							
Share-based payments	–	–	5	–	5	–	5
Purchase of treasury shares	–	(7)	–	–	(7)	–	(7)
Treasury shares transferred to employees	–	7	(7)	–	–	–	–
Perpetual securities distribution paid	–	–	–	–	–	(818)	(818)
Accrued perpetual securities distribution	–	–	–	(17)	(17)	17	–
Dividend paid / payable	–	–	–	(54)	(54)	–	(54)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(2)</b>	<b>(71)</b>	<b>(73)</b>	<b>(801)</b>	<b>(874)</b>
<b>At June 30, 2020</b>	<b>566</b>	<b>(4)</b>	<b>(2)</b>	<b>2,597</b>	<b>3,157</b>	<b>–</b>	<b>3,157</b>
Loss for the period	–	–	–	(346)	(346)	–	(346)
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(346)</b>	<b>(346)</b>	<b>–</b>	<b>(346)</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>							
Share-based payments	–	–	4	–	4	–	4
Purchase of treasury shares	–	(9)	–	–	(9)	–	(9)
Treasury shares transferred to employees	–	2	(2)	–	–	–	–
Dividend distribution in specie	–	–	–	(1,597)	(1,597)	–	(1,597)
<b>Total transactions with owners</b>	<b>–</b>	<b>(7)</b>	<b>2</b>	<b>(1,597)</b>	<b>(1,602)</b>	<b>–</b>	<b>(1,602)</b>
<b>At December 31, 2020</b>	<b>566</b>	<b>(11)</b>	<b>*</b>	<b>654</b>	<b>1,209</b>	<b>–</b>	<b>1,209</b>

## 6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

### 6c. Changes in the Company's share capital

#### Issued share capital and treasury shares

	Number of shares	
	Issued share capital	Treasury shares
At January 1, 2021	1,787,547,732	6,238,773
Treasury shares transferred pursuant to restricted share plan	–	(5,322,618)
At June 30, 2021	1,787,547,732	916,155
Treasury shares purchased	–	6,780,700
Treasury shares transferred pursuant to restricted share plan	–	(181,329)
At December 31, 2021	1,787,547,732	7,515,526

#### Issued and paid up capital

As at December 31, 2021, the Company's issued and paid up capital excluding treasury shares comprised 1,780,032,206 (December 31, 2020: 1,781,308,959) ordinary shares.

#### Treasury shares

During 2H2021, the Company acquired 6,780,700 (2H2020: 5,284,100) ordinary shares by way of on-market purchases. 181,329 (2H2020: 1,018,129) treasury shares were re-issued pursuant to Restricted Share Plan (RSP).

As at December 31, 2021, there were 7,515,526 (December 31, 2020: 6,238,773) treasury shares held that may be re-issued upon the vesting of performance shares and restricted shares under the Performance Share Plan (PSP) and RSP respectively.

#### Performance shares

	Number of shares
At January 1, 2021	7,682,784
Performance shares awarded	3,434,491
Performance shares lapsed due to under-achievement of targets	(3,604,282)
Performance shares lapsed	(1,243,285)
At June 30, 2021	6,269,708
Performance shares awarded	8,145,000
Performance shares lapsed	(117,280)
At December 31, 2021	14,297,428

To accelerate the Group's transformation from Brown to Green, the Board has approved a long term 5-year Transformation Incentive plan (PSP-TI). The PSP-TI's performance targets are aligned to the execution of the Environmental, Social, and Governance (ESG) transformation targets laid out in the 2025 Strategy Plan.

During 2H2021, 8,145,000 (2H2020: nil) performance shares were awarded under the Company's PSP and 117,280 (2H2020: 612,333) performance shares lapsed. During 2H2020, in connection with the Distribution, an additional 3,825,317 shares were proposed to be released, assuming the full achievement of the requisite pre-determined performance conditions and targets over the performance period.

The total number of performance shares in Awards granted conditionally and representing 100% of targets to be achieved but not released as at December 31, 2021 was 14,297,428 (December 31, 2020: 7,682,784). Based on the achievement factor, the actual release of the Awards could range from zero to a maximum of 22,348,888 (December 31, 2020: 11,524,176) performance shares.

6. **STATEMENTS OF CHANGES IN EQUITY** (Cont'd)

6c. **Changes in the Company's share capital** (Cont'd)

**Restricted shares**

	<b>Number of shares</b>			
	<b>2017 &amp; before</b>	<b>2019 and 2020</b>	<b>2021 onwards</b>	<b>Total</b>
At January 1, 2021	860,700	9,652,048	–	10,512,748
Restricted shares awarded	–	–	2,792,383	2,792,383
Restricted shares released	(834,340)	(3,702,394)	(1,104,850)	(5,641,584)
Restricted shares lapsed	(20,644)	(935,894)	(14,918)	(971,456)
At June 30, 2021	5,716	5,013,760	1,672,615	6,692,091
Restricted shares awarded	–	–	181,329	181,329
Restricted shares released	–	(78,969)	(203,850)	(282,819)
Restricted shares lapsed	–	(211,590)	(71,287)	(282,877)
At December 31, 2021	5,716	4,723,201	1,578,807	6,307,724

For the grant awarded in 2021, a third (2019 and 2020: a quarter) of the SCI RSP awards granted will vest immediately with the remaining two-thirds (2019 and 2020: three quarters) of the awards vesting over the following two (2019 and 2020: three) years in equal tranches subject to individual performance and fulfilment of service conditions at vesting.

During 2H2021, 181,329 (2H2020: 508,475) restricted shares were awarded under the RSP, 282,819 (2H2020: 1,029,025) restricted shares were released and 282,877 (2H2020: 92,099) restricted shares lapsed. Of the restricted shares released, 181,329 (2H2020: 1,018,129) were settled by way of issuance of treasury shares and 101,490 (2H2020: 10,896) were cash-settled.

The total number of restricted shares outstanding for Awards achieved but not released as at December 31, 2021 was 6,307,724 (December 31, 2020: 10,512,748).

With the change in the remuneration structure effective from 2019 Awards granted, the RSP balances represent 100% of targets achieved but not released, subject to individual performance and fulfillment of service conditions at vesting. The actual release of the conditional awards is a maximum of 6,307,724 (December 31, 2020: 10,512,748) restricted shares.

For details of the 2020 Share Plan, please refer to the last audited financial statements.



## 7. CONSOLIDATED STATEMENT OF CASH FLOWS

(S\$ million)	Note	GROUP		GROUP	
		2H2021	2H2020	FY2021	FY2020
<b>Cash Flows from Operating Activities</b>					
Profit / (Loss) for the period / year:					
Continuing operations		246	213	300	179
Discontinued operation		–	(1,133)	–	(1,300)
Adjustments for:					
Dividend income		(2)	(2)	(2)	(2)
Finance income		(12)	(24)	(26)	(73)
Finance costs		208	276	423	569
Depreciation and amortisation		234	262	457	579
Amortisation of deferred income and capital grants		(2)	(3)	(4)	(4)
Share of results of associates and joint ventures, net of tax		(102)	(114)	(206)	(233)
Gain on disposal of property, plant and equipment, intangible assets and other financial assets		(14)	(6)	(21)	(9)
Gain on disposal of assets held for sale		–	31	(3)	30
Loss / (Gain) on disposal and liquidation of subsidiaries		3	(20)	3	(20)
Changes in fair value of financial instruments and other financial assets		(31)	(39)	(29)	25
Inventories written-down, written off and allowance for stock obsolescence, net		2	35	2	134
Impairment of investment in an associate and a joint venture	2c(xvi)	–	2	212	113
Equity settled share-based compensation expenses		12	2	14	8
Impairment of goodwill		–	27	–	27
Impairment of intangible assets		*	6	*	6
Allowance made for impairment loss in value of assets and assets written off, net		8	68	11	70
Negative goodwill	7b	–	(11)	–	(17)
Allowance for expected credit loss		12	7	19	11
Impairment of assets held for sale		1	–	1	4
Provision for remediation of legacy sites		30	4	30	4
Loss on distribution		–	970	–	970
Tax expense / (credit)		66	(21)	123	(25)
Operating profit before working capital changes		659	530	1,304	1,046
Changes in working capital:					
Inventories		44	(19)	(28)	(50)
Receivables		(398)	(88)	(489)	(51)
Payables		424	(130)	498	(301)
Contract costs		*	13	*	(5)
Contract assets		(12)	7	(13)	(163)
Contract liabilities		30	19	(17)	118
		747	332	1,255	594
Tax paid		(8)	(47)	(36)	(103)
Net cash from operating activities		739	285	1,219	491

## 7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(S\$ million)	Note	GROUP		GROUP	
		2H2021	2H2020	FY2021	FY2020
<b>Cash Flows from Investing Activities</b>					
Dividend received		71	145	95	198
Interest received		14	21	30	68
Proceeds from disposal of assets held for sale		–	46	30	47
Proceeds from sale of other financial assets and business		175	9	311	150
Proceeds from sale of property, plant and equipment		16	14	17	14
Proceeds from sale of intangible assets		–	–	*	*
Proceeds from sale of investment properties		–	*	*	*
Proceeds from disposal of interests in subsidiaries, net of cash disposed		–	54	–	54
Loan repayments from related parties		–	–	–	1
Non-trade balances with related corporations, net of repayment		(5)	6	–	5
Acquisition of subsidiaries, business and intangible assets, net of cash acquired	7b	–	–	–	(9)
Acquisition of additional investments in joint ventures and associates		4	(1)	*	(2)
Acquisition of other financial assets		(178)	(27)	(293)	(165)
Purchase of property, plant and equipment and investment properties		(135)	(177)	(282)	(318)
Purchase of intangible assets		(5)	(8)	(8)	(15)
Net cash outflow on distribution		–	(1,309)	–	(1,309)
Net cash used in investing activities		(43)	(1,227)	(100)	(1,281)
<b>Cash Flows from Financing Activities</b>					
Proceeds from shares issued to non-controlling interests of subsidiaries		–	597	–	599
Proceeds from share issuance		–	–	–	(1)
Purchase of treasury shares		(13)	(8)	(13)	(15)
Proceeds from borrowings		1,290	1,947	3,403	5,241
Repayment of borrowings		(1,589)	(2,456)	(3,752)	(4,351)
Payment on lease liabilities		(9)	(13)	(15)	(28)
Capital reduction paid to non-controlling interests		–	–	–	*
Dividends paid to owners of the Company		(36)	–	(107)	(54)
Dividends paid to non-controlling interests of subsidiaries		(7)	*	(17)	(8)
(Payment) / Receipt in restricted cash held as collateral		(28)	(11)	(24)	5
Redemption of perpetual securities and distribution paid		–	–	–	(818)
Interest paid		(162)	(248)	(330)	(515)
Net cash (used in) / from financing activities		(554)	(192)	(855)	55
Net increase / (decrease) in cash and cash equivalents		142	(1,134)	264	(735)
<b>Cash and cash equivalents at beginning of the period / year</b>		<b>1,140</b>	<b>2,139</b>	<b>1,009</b>	<b>1,740</b>
Effect of exchange rate changes on balances held in foreign currency		15	4	24	4
<b>Cash and cash equivalents at end of the period / year</b>	7a	<b>1,297</b>	<b>1,009</b>	<b>1,297</b>	<b>1,009</b>

## 7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

### 7a. Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of cash flows comprise the following balance sheet amounts:

	GROUP	
	As at December 31, 2021	As at December 31, 2020
<i>(S\$ million)</i>		
Fixed deposits with banks	549	301
Cash and bank balances	795	731
Cash and cash equivalents in the balance sheets	1,344	1,032
Restricted bank balances held as collateral by banks	(47)	(23)
Cash and cash equivalents in the consolidated statement of cash flows	1,297	1,009

### 7b. Cash flow on acquisition of subsidiary and business, net of cash acquired

On June 30, 2020, the Group acquired a 100% equity stake in SES and the public cleaning business of Veolia ES Singapore Industrial Pte Ltd (VESSI).

<i>(S\$ million)</i>	FY2020
<b>Effect on cash flows of the Group</b>	
Cash paid	18
Less: Cash and cash equivalents in subsidiaries acquired	(9)
Cash outflow on acquisition	9
Net identifiable assets	35
Less: Negative goodwill	(17)
Consideration transferred for the business	18

The above are inclusive of fair value adjustments. Negative goodwill of S\$6 million was recognised in 1H2020, and an additional S\$11 million was recognised in 2H2020 upon finalisation of the purchase price allocation.

### 7c. Cash flow on sale of subsidiary, net of cash disposed

In 2H2020, the Group divested 100% of its interests in the water business in Panama.

<i>(S\$ million)</i>	FY2020
Net assets derecognised	37
Realisation of foreign currency translation and other reserves upon disposal	1
Gain on disposal	20
Consideration received, net of withholding tax	58
Less: Cash and cash equivalents disposed of	(4)
Net cash inflow	54

## 7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

### 7d. Discontinued operation

The Company subscribed to S\$1.5 billion of the Rights Shares by setting off the S\$1.5 billion outstanding loan extended to SCM. On September 11, 2020, the Company demerged SCM via a distribution of the Company's shares in SCM to its ordinary shareholders and SCM ceased to be a subsidiary. The results of SCM are reported in 2H2020 and FY2020 as a discontinued operation.

#### Loss from discontinued operation

The loss from discontinued operation, net of tax of S\$1,300 million included SCM's net loss of S\$330 million (of which the Group's share was S\$184 million) as well as loss on distribution of S\$970 million.

The financial effects arising from the demerger of the discontinued operation at the date of the distribution are as follows:

<i>(S\$ million)</i>	<b>September 11, 2020</b>
Net assets distributed	3,894
Less: Non-controlling interest	(1,208)
Less: Realisation of capital reserves upon distribution	(125)
	<hr/> 2,561
Distribution in specie (less transaction costs of S\$6 million)	(1,591)
Loss on distribution	(970)
Consideration received	–
Less: Cash of subsidiary distributed	(1,309)
Net cash outflow on distribution in specie	<hr/> <hr/> <b>(1,309)</b>

The cash flows attributable to the discontinued operation for the period from January 1, 2020 to September 11, 2020 (Sep 2020) are as follows:

<i>(S\$ million)</i>	<b>Group Sep 2020</b>
Net cash used in operating activities	(357)
Net cash used in investing activities	(63)
Net cash from financing activities	1,341
Net increase in cash and cash equivalents	<hr/> <hr/> <b>921</b>

### 7e. Explanatory notes to Consolidated Statement of Cash Flows

#### (i) Six months ended December 31

Net cash from operating activities before changes in working capital stood at S\$659 million while net cash from operating activities was S\$739 million. The change in working capital was mainly due to the high fuel oil prices which resulted in higher receivables and payables. The higher payables also included an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

Net cash used in investing activities was S\$43 million, mainly for the purchase of property, plant and equipment (PPE), partially offset by dividend and interest received as well as proceeds from sale of PPE.

Net cash used in financing activities was S\$554 million, mainly for loan and interest repayments.

## **7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)**

### **7e. Explanatory notes to Consolidated Statement of Cash Flows (Cont'd)**

#### **(ii) Full year ended December 31**

Net cash from operating activities before changes in working capital stood at S\$1,304 million while net cash from operating activities was S\$1,219 million compared to FY2020 of S\$1,046 million and S\$491 million, respectively. FY2020 amount included S\$357 million outflow from the discontinued operation. Improvement in FY2021 included the better operating performance and improved working capital of the continuing operations. The change in working capital was mainly due to the high fuel oil prices which resulted in higher receivables and payables. The higher payables also included an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

Net cash used in investing activities was S\$100 million mainly for the purchase of fixed assets for the renewable business, partially offset by proceeds from dividend, interest and divestments received.

Net cash used in financing activities was S\$855 million, mainly for repayment of borrowings and interest.

#### **(iii) Significant non-cash transactions**

There were no material non-cash transactions other than those disclosed in the cash flow statement.

## **8. ACCOUNTING POLICIES**

### **8a. Basis of preparation**

The financial statements for the second half and full year ended December 31, 2021 are prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 Interim Financial Reporting. The financial statements do not include all of the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements as at and for the year ended December 31, 2020.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current half-year as the last audited financial statements, except for the adoption of new and amended standards as set out in Note 8b.

Certain comparative amounts have been re-presented resulting from changes to the operating segments.

### **8b. Changes in accounting policies**

The Group has applied the following amendments to SFRS(I)s which became effective on January 1, 2021:

#### **Amendments to SFRS(I) 16 Covid-19-Related Rent Concessions beyond 30 June 2021**

The Group applied the practical expedient not to assess a rent concession occurring as a direct consequence of the COVID-19 pandemic as a lease modification.

#### **Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

The Group applied the practical expedient that any change arising from the renegotiation with the lenders and hedging banks for a new alternative reference rate on an 'economically equivalent' basis will be accounted for by updating the effective interest rate.

The Group's exposure to SOR and LIBOR designated in a hedging relationship that is directly affected by the interest rate benchmark reform approximates nominal amount of S\$1,109 million (December 31, 2020: S\$1,377 million).

The Group has started to engage its lenders and hedging banks to transition its affected loans and hedges into its respective alternative reference rates. Given that GBP LIBOR will be discontinued by end of this year, priority has been given to transition its GBP loan and hedges.

### **8c. Accounting estimates and judgements**

The COVID-19 pandemic has impacted and will continue to impact the Group's earnings, cash flow and financial position. The financial statements have been prepared based on assumptions and conditions prevalent as at December 31, 2021. Given the ongoing significant uncertainty, these assumptions could change in the future.

The determination of the recoverable amounts of goodwill, intangible assets as well as associates and joint ventures involves a high degree of judgement and is subject to significant estimation uncertainties, principally the discount rates, gross margin forecasts and plant load factors. The gross margin forecasts and plant load factors take into account expected customer demand, forecasted tariff rates and fuel costs. These are inherently subject to estimation uncertainties as well as political and regulatory developments.

## 9. RELATED PARTIES

### 9a. Related party transactions

The balances due from related parties arose from the usual trade transactions, reimbursements and for financing capital expansion.

### 9b. Compensation of Key Management Personnel

#### Key Management Personnel

In 2H2021, in line with setting the transformation target and plan, the Group has redefined the key management personnel. As of December 31, 2021, the key management personnel are Wong Kim Yin, Eugene Cheng, Robert Chong, Koh Chiap Khiong, Vipul Tuli, Andrew Koss, Alex Tan and Kelvin Teo.

During the year, the Board has approved a long-term 5-year PSP-TI (Note 6c).

## 10. FAIR VALUE MEASUREMENTS

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1 – Using quoted prices (unadjusted) from active markets for identical financial instruments.
- Level 2 – Using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices).
- Level 3 – Using inputs not based on observable market data (unobservable input).

#### **Securities**

The fair value of financial assets is based on quoted market prices (bid price) in an active market at the balance sheet date without any deduction for transaction costs. If the market for a quoted financial asset is not active, and for unquoted financial assets, the Group establishes fair value by using other valuation techniques.

#### **Derivatives**

The Group uses derivatives for hedging and enhancement of performance purposes. These derivatives are mainly foreign exchange contracts, foreign exchange swaps, interest rate swaps, cross currency swaps, fuel oil swaps and electricity futures market contracts. They are accounted on a basis consistent with that disclosed in the most recent annual financial report.

1. The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price.
2. The fair values of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.
3. The fair value of fuel oil swaps contracts is accounted for based on the difference between the contractual strike price with the counterparty and the current market price.
4. Contracts for differences (CFDs) are accounted for based on the difference between the contracted price entered into with the counterparty and the reference price. The CFDs are measured at cost since the fair value cannot be measured reliably as there have been insufficient trades made in the electricity future market. Upon settlement, the gains and losses for CFDs are taken to profit or loss.

## 10. FAIR VALUE MEASUREMENTS (Cont'd)

For financial instruments not actively traded in the market, fair value is determined by independent third party or by various valuation techniques, with assumptions based on existing market conditions at each balance sheet date.

*Financial assets and liabilities carried at fair value*

(\$ million)	Fair value measurement using:			Total
	Level 1	Level 2	Level 3	
<b>Group</b>				
<b>As at December 31, 2021</b>				
Financial assets at FVOCI	–	–	53	53
Financial assets at FVTPL	85	–	28	113
Derivative financial assets	–	291	–	291
	<u>85</u>	<u>291</u>	<u>81</u>	<u>457</u>
Derivative financial liabilities	–	(143)	–	(143)
	<u>85</u>	<u>148</u>	<u>81</u>	<u>314</u>
<b>As at December 31, 2020</b>				
Financial assets at FVOCI	–	–	71	71
Financial assets at FVTPL	90	–	26 <sup>†</sup>	116
Derivative financial assets	–	98	–	98
	<u>90</u>	<u>98</u>	<u>97</u>	<u>285</u>
Derivative financial liabilities	–	(138)	–	(138)
	<u>90</u>	<u>(40)</u>	<u>97</u>	<u>147</u>

<sup>†</sup> The level 3 financial assets at FVTPL as at December 31, 2020 included S\$8 million fair value, post repayment of shareholder's loan of SJW and in May 2021, the Group divested its interests in SJW.

Financial asset at FVOCI in Level 3 of the fair value hierarchy include unquoted equity shares. The fair value of the unquoted equity shares is determined by reference to the investment's net asset values as stated in the unaudited financial statements.

During the year ended December 31, 2021 and December 31, 2020, there have been no transfers between the different levels of the fair value hierarchy.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements of financial assets at FVOCI and FVTPL in Level 3 of the fair value hierarchy:

(\$ million)	Financial assets at FVOCI	Financial assets at FVTPL
<b>Group</b>		
<b>As at January 1, 2021</b>	71	26
Net change in fair value	(7)	7
Disposal <sup>†</sup>	–	(8)
<b>As at June 30, 2021</b>	<u>64</u>	<u>25</u>
Addition	–	5
Net change in fair value	(11)	*
Disposal	–	(2)
<b>As at December 31, 2021</b>	<u>53</u>	<u>28</u>
<b>As at January 1, 2020</b>	87	25
Translation adjustments	–	*
Net change in fair value	*	*
<b>As at June 30, 2020</b>	<u>87</u>	<u>25</u>
Addition	–	4
Translation adjustments	1	–
Repayment of shareholder's loan <sup>†</sup>	–	(5)
Net change in fair value	(14)	2
Distribution of a subsidiary	(3)	–
<b>As at December 31, 2020</b>	<u>71</u>	<u>26</u>

## 10. FAIR VALUE MEASUREMENTS (Cont'd)

### Non-derivative financial assets and liabilities

#### Non-current

Carrying amount of non-derivative non-current financial assets and liabilities on floating interest rate terms are assumed to approximate their fair value because of the short period to repricing. Fair values for the remaining non-derivative non-current financial assets and liabilities are calculated using discounted expected future principal and interest cash flows at the market rate of interest at the reporting date.

#### Current

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

The fair value of financial assets and financial liabilities measured at amortised cost for the Group and Company approximate their carrying amounts, except for service concession receivables and non-current borrowings of the Group.

<i>(S\$ million)</i>	<b>Financial assets at amortised costs</b>	<b>Other financial liabilities</b>	<b>Total carrying amount</b>	<b>Fair value</b>
<b>Group</b>				
<b>As at December 31, 2021</b>				
Service concession receivables	956	–	956	1,501
Interest-bearing borrowings:				
– Non-current borrowings	–	(6,637)	(6,637)	(6,654)
<b>As at December 31, 2020</b>				
Service concession receivables	974	–	974	1,334
Interest-bearing borrowings:				
– Non-current borrowings	–	(7,135)	(7,135)	(7,175)
<b>Company</b>				
<b>As at December 31, 2021</b>				
Amounts due to related parties	–	(1,445)	(1,445)	(1,451)
<b>As at December 31, 2020</b>				
Amounts due to related parties	–	(1,595)	(1,595)	(1,603)



## 11. CONTINGENT LIABILITIES

### Group

As at the balance sheet date, the Group had the following contingent liabilities:

<i>(S\$ million)</i>	<b>As at December 31, 2021</b>	<b>As at December 31, 2020</b>
Guarantees given to banks to secure banking facilities provided to:		
- Joint ventures	27	41
- Commodities traders	54	–
- Others	*	1
Performance guarantees to external parties	260	362
The periods in which the financial guarantees expire are as follows:		
- Less than 1 year	78	33
- Between 1 year to 5 years	3	9
- More than 5 years	–	*
	81	42

The Group's subsidiaries are involved in certain tax disputes, where the amount of potential exposure has been estimated to be approximately S\$39 million (December 31, 2020: S\$38 million). Due to the nature of these tax disputes, the potential outcome and obligation is uncertain. No provisions have been recorded in this regard.

### Company

- a. The Company has provided guarantees to banks to secure banking facilities provided to a wholly owned subsidiary, SFS. These financial guarantee contracts are accounted for as insurance contracts. The intra-group financial guarantees granted by the Company amounted to S\$7,849 million (December 31, 2020: S\$7,950 million) with S\$3,513 million (December 31, 2020: S\$3,525 million) drawn down as at balance sheet date. The periods in which the financial guarantees expire are as follows:

<i>(S\$ million)</i>	<b>As at December 31, 2021</b>	<b>As at December 31, 2020</b>
The periods in which the financial guarantees expire are as follows:		
- Less than 1 year	–	100
- Between 1 to 5 years	1,847	3,175
- More than 5 years	1,666	250
	3,513	3,525

- b. The Company has provided corporate guarantees of S\$110 million (December 31, 2020: S\$93 million) to a subsidiary, Sembcorp Cogen Pte Ltd (SembCogen) for the following:
- (i) Two long-term agreements entered in 2010 for the purchase of a total 42 BBtud (Billion British thermal units per day) of liquefied natural gas (LNG) from Shell Gas Marketing Pte Ltd (Shell) (formerly known as BG Singapore Gas Marketing Pte Ltd). With a start date on May 7, 2013 and September 1, 2015 respectively, the agreements have a term of 10 years and SembCogen has an option to extend the term by two successive periods of five years each subject to fulfilment of conditions set in the agreements. The obligations of SembCogen under the LNG purchase agreements are currently secured by corporate guarantees issued by the Company in favour of Shell.

## 12. COMMITMENTS

Commitments not provided for in the financial statements are as follows:

<i>(S\$ million)</i>	<b>Note</b>	<b>As at December 31, 2021</b>	<b>As at December 31, 2020</b>
Commitments in respect of acquisition of investments	(a)	1,020	–
Commitments in respect of contracts placed for property, plant and equipment		152	215
Commitments in respect of a civil settlement in China	(b)	45	45
Uncalled commitments to subscribe for additional shares in joint ventures and other investments		52	52
		1,269	312

(a) Commitments in respect of acquisition of investments:

- (i) In November 2021, the Group signed an agreement to acquire a 98% interest in a portfolio of operational wind and solar photovoltaic assets for RMB 3.3 billion (approximately S\$700 million).
- (ii) In December 2021, the Group signed an equity transfer agreement for a 35% interest in SDIC New Energy Investment Co., Ltd for an equity consideration of approximately RMB 1.5 billion (approximately S\$320 million). The acquisition was completed on January 28, 2022.

(b) As part of the settlement relating to the discharge of off-specification wastewater by its 98.42% (2020: 95%) owned joint venture wastewater treatment company, Sembcorp Nanjing Suiwu Company Limited, the Group is committed to investments of S\$45 million over four years (by December 2023) to develop projects and initiatives to support environmental protection in China. As at December 31, 2021, the Group has commenced on these investments and completed certain projects including upgrading of wastewater treatment plants in China, where the actual investment spend of completed projects is subject to audit and confirmation by the Nanjing Procuratorate and court.

## 13. AUDIT

The figures have not been audited or reviewed by the Company's auditors.

## 14. AUDITORS' REPORT

Not applicable.

## 15. VARIANCE FROM PROSPECT STATEMENT

There is no material change from the previous prospect statement except that the Conventional Energy segment benefited from market volatility that resulted in higher energy and commodities prices in 4Q2021.

## 16. PROSPECTS

This release contains forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, availability and cost of fuel and materials, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy, directives and changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the management on future events and impact on the Group.

### **Group**

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.

## 17. SUBSEQUENT EVENTS

On January 28, 2022, the Group announced the completion of the acquisition of a 35% interest in an associated company, SDIC New Energy Investment Co., Ltd. The equity consideration was RMB1.5 billion (approximately S\$320 million). The acquisition is expected to be earnings accretive commencing from financial year ending December 31, 2022.

On February 21, 2022, the Group entered into a conditional sale and purchase agreement to divest its entire 30% interest in an associated company, Subic Water and Sewage Co, Inc for USD9.7 million (approximately S\$13 million).

## 18. DIVIDEND

### (a) Current Financial Year Reported On

Name of Dividend	2021	Proposed 2021	2021 Total
	Interim Ordinary Exempt-1-Tier	Final Ordinary Exempt-1-Tier	
Dividend Type	Cash	Cash	Cash
Dividend Amount (cents per shares)	2.0	3.0	5.0

### (b) Corresponding Year of the Immediately Preceding Financial Year

Name of Dividend	Proposed 2020		2020 Total
	Final Ordinary Exempt-1-Tier		
Dividend Type		Cash	Cash
Dividend Amount (cents per shares)		4.0	4.0

### (c) Date Payable

The proposed final tax-exempt 1-Tier dividend of 3.0 cents per ordinary share, if approved at the AGM to be held on April 21, 2022, will be paid on May 10, 2022.

### (d) Notice of Record Date

Notice is hereby given that the Register of Members and Share Transfer Books of the Company will be closed on April 28, 2022 to determine members' entitlements to the proposed dividend. Duly completed transfers of shares received by the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, up to 5.00 p.m. on April 27, 2022 (the "Record Date") will be registered to determine members' entitlements to the proposed dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on the Record Date will be entitled to the proposed dividend.

### (e) Total Annual Dividend and Capital Distribution (in Dollar Value)

(S\$ million)	FY2021	FY2020
<b>Name of Dividend</b>		
Interim ordinary dividend	36	–
Final ordinary dividend *	53	71
Total	89	71

\*FY2021 dividend is estimated based on the share capital, excluding treasury shares, of 1,780,032,206 ordinary shares at the end of the financial year.

## 19. INTERESTED PERSON TRANSACTIONS

For the purposes of Chapter 9 of the SGX-ST Listing Manual, shareholders' approval is required for any interested person transaction of a value equal to, or more than 5% of the Group's latest audited consolidated net tangible assets (NTA) or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than 5% of the Group's latest NTA. For FY2021, 5% of the Group's consolidated NTA, as at December 31, 2020 was S\$149 million.

Chapter 9 however permits the Company to obtain a shareholders' mandate for recurrent transaction of a revenue or trading nature or those necessary for its day-to-day operations. At the Annual General Meeting held on April 2021, the Company obtained approval for such shareholders' mandate.

<i>(S\$ million)</i>	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) FY2021	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2021
<b>Sale of goods and services</b>			
Mapletree Investments Pte Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company ↓	3.2	–
PSA International Pte Ltd and its Associates		5.1	–
Singapore Power Limited and its Associates		2.4	–
Olam International Ltd and its Associates		2.5	–
SATS Ltd and its Associates		0.2	–
Singapore Telecommunications Ltd and its Associates		173.9	–
Sembcorp Marine Ltd and its Associates		29.2	–
Capitaland Ltd and its Associates		2.9	–
Singapore Technologies Telemedia Pte Ltd and its Associates		0.2	–
Singapore Technologies Engineering and its Associates		1.0	–
SMRT Corporation and its Associates		3.6	–
			224.2
<b>Purchase of goods and services</b>			
Singapore Power Limited and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company ↓	8.3	–
Singapore Telecommunications Ltd and its Associates		2.1	–
Surbana-Jurong Private Limited and its Associates		3.1	–
Starhub Ltd and its Associates		1.5	–
Temus Pte Ltd and its Associates		0.4	–
		15.4	–

## 19. INTERESTED PERSON TRANSACTIONS (Cont'd)

<i>(S\$ million)</i>	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) FY2021	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2021
<b>Obtaining support services</b>			
Temasek International Pte Ltd	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	0.7	–
<b>Receipt of grant for feasibility study</b>			
Temasek Capital Management Pte Ltd	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	–	1.0
<b>Joint Development Agreement</b>			
Singapore Technologies Telemedia Pte Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	–	0.6
		240.3	1.6

## 20. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

## 21. REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, the chief executive officer or substantial shareholder of the Company.

### BY ORDER OF THE BOARD

**Tan Yen Hui (Ms)**  
Company Secretary  
February 23, 2022