



**VENA
ENERGY**

**1H 2021
FINANCIAL
REPORT**



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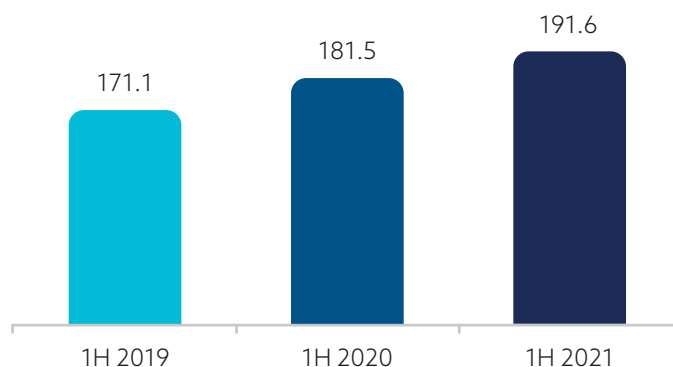
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1. FINANCIALS

1.1. FINANCIAL HIGHLIGHTS

Revenue

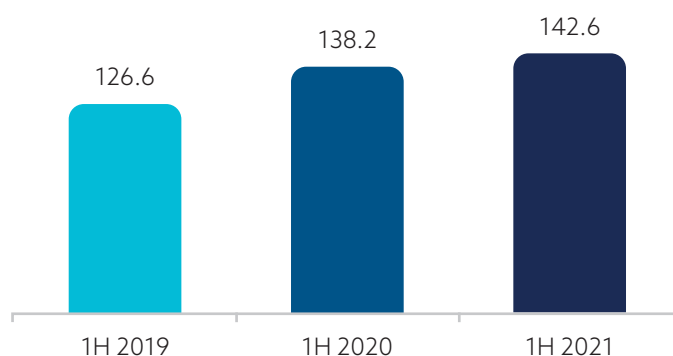
\$192 million  **6%** CAGR



1H 2021 revenue increase of \$10 million was mainly a result of \$5 million revenue contribution from 3 newly commissioned assets in 1H 2021 and projects placed into service in 1H 2020 which generated a full 6-month results in 1H 2021, \$4 million increase from favorable effects of foreign exchange effects and \$1 million increase from operational factors.

EBITDA

\$143 million  **6%** CAGR



EBITDA for 1H 2021 was US\$143 million, an increase of \$4 million from 1H 2020 of which \$3m was contributed by the net results of new assets commissioned in 1H 2021 and projects placed into service in 1H 2020 which generated a full 6-month results and \$3 million attributable to favourable effects of foreign exchange, and offset by higher operating costs for preventive maintenance.

1.2. PROPORTIONATE¹ FINANCIAL RESULTS

Operating Performance		
(USD in millions except margin data)		For six-month period ended
	30 Jun 2021	30 Jun 2020
Total Revenue	191.6	181.5
Operating expenses	(49.0)	(43.3)
EBITDA	142.6	138.2
Depreciation and amortisation	(80.8)	(75.5)
EBIT	61.8	62.7
Net interest costs	(44.0)	(41.8)
Other finance gain (charge)	(7.7)	0.5
Other expenses	(3.3)	(6.9)
Development expenses	(1.8)	(1.5)
Tax	(11.7)	(9.1)
Net Income	(6.7)	3.9
EBITDA margin (%)	74%	76%

Capitalisation		
(USD in millions)		As at
	30 Jun 2021	31 Dec 2020
Euro Medium Term Note ²	500.0	325.0
Foreign currency effect of cross currency swaps ³ ("CCS FX")	(0.5)	23.3
Euro Medium Term Note (including CCS FX)	499.5	348.3
Corporate term loans	-	142.7
Corporate RCF ²	23.1	179.1
Project finance debt	1,758.3	1,701.7
Bank overdrafts	15.2	14.7
Total bank borrowings	2,296.1	2,386.5
Equity	3,525.1	3,664.8
Total Capitalisation	5,821.2	6,051.3

Other Financial Data		
	For last twelve months ended	
	30 Jun 2021	31 Dec 2020
Funds from Operational Assets ⁴	150.4	161.3
	For six-month period ended	
	30 Jun 2021	30 Jun 2020
Capital expenditures	377.6	205.8

¹ Financial results are prepared based on the proportionate accounting method where like items of assets, liabilities, income and expenses of subsidiaries and equity-accounted investees are proportionally aggregated based on Vena Energy's economic share and adjusted to remove the accounting effects of International Financial Reporting Interpretations Committee 12 – Service Concession Arrangements. Reconciliation of key items between the Condensed Combined Interim Financial Statements and Proportionate financial results are included in Appendix A.

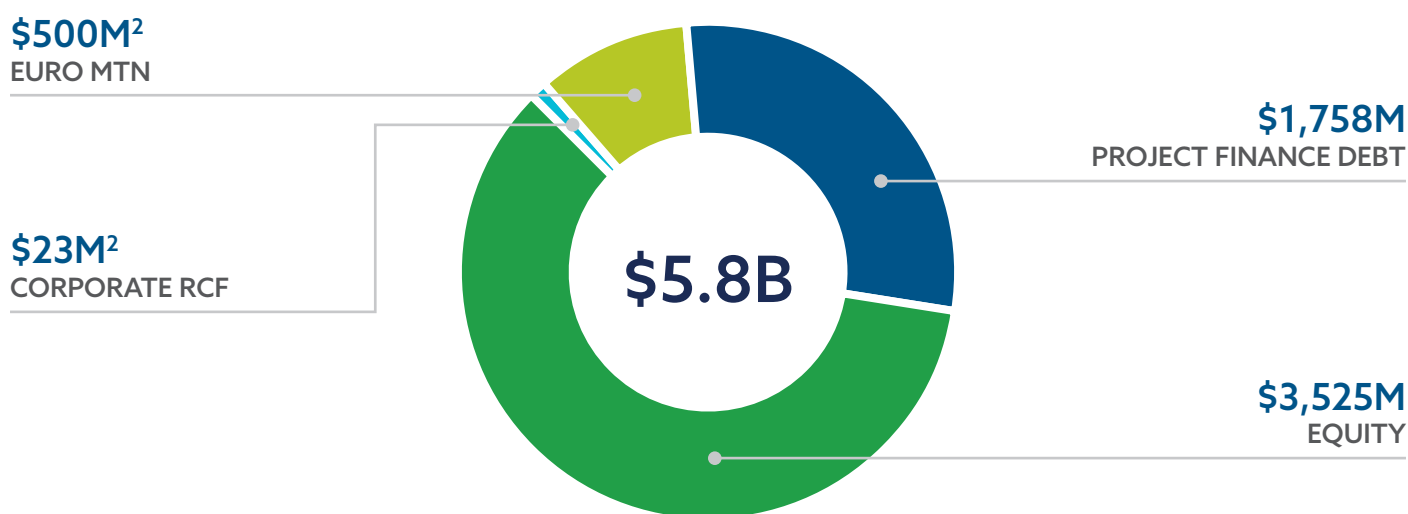
² Expressed Pro-Forma to EMTN bond issuance of \$175 million, priced on 30 June 2021 and settled on 8 July 2021. Bond tap proceeds of \$175 million were fully utilised to repay the corporate RCF by 15 July 2021.

³ The \$325 million EMTN were swapped to JPY via cross currency swaps. Foreign currency effect of cross currency swaps (CCS) is determined using the difference of the JPY notional of the CCS translated to USD at the prevailing FX rate as of the reporting date and the USD notional of the Green Bond.

⁴ Refer to Appendix A for the definition of Funds from Operational Assets ("FFOA") and breakdown of FFOA by jurisdiction.

1.3. CAPITAL MANAGEMENT

CAPITAL STRUCTURE



Euro Medium Term Note (↑\$152 million vs Dec 2020)

In June 2021, Vena Energy priced a \$175 million tap of its 3.133% fixed rate senior unsecured Green Notes maturing in February 2025 ("Green Notes"), achieving a benchmark size of \$500 million. The settlement of the \$175 million tap occurred on 8 July 2021. The Green Notes, rated BBB- by S&P Global Ratings and A- by the Japan Credit Rating Agency, are issued under the Vena Energy's US\$1 billion Euro Medium-Term Note Programme ("EMTN") established in November 2019.

The proceeds of the \$175 million tap issuance were fully utilised to repay the outstanding corporate RCF for the development, construction and operation of Eligible Green Projects in accordance with Vena Energy's Green Financing Framework.

Corporate RCF (↓\$156 million vs Dec 2020)

In May 2021, Vena Energy amended and restated the terms of its committed corporate revolving credit facility ("RCF") and introduced sustainability-linked features in the facility. The size of the JPY denominated RCF was expanded from JPY 33.4 billion (~\$301 million) to JPY 52.8 billion (~\$476 million) and its tenor was extended by 17 months to June 2024. The margin of the RCF was also reduced from 125 basis points to 95 basis points, with the potential to accomplish a further margin reduction if certain sustainability-related key performance indicators ("KPIs") are jointly achieved, or a margin increase in case all the KPIs are jointly missed.

The decrease in drawn Corporate RCF of \$156 million is attributable to its repayment in July 2021 using the proceeds of the \$175 million EMTN tap issuance. Following the repayment, the available commitments of the corporate RCF stand at JPY 49.4 billion (~\$445 million).

Project Finance Debt (↑\$56m vs Dec 2020)

Vena Energy's projects are financed through non-recourse project finance debt, and generally amortising over time with long-term maturities and sculpted repayment profiles based on the projects' long-term contracted cashflows. In 1H 2021, excluding the effects of foreign exchange of \$68 million, Vena Energy has drawn approximately \$200 million project finance debt across various projects in its portfolio in Australia, India, Japan and Taiwan, and repaid approximately \$76m of scheduled amortisation.

Leverage Ratio

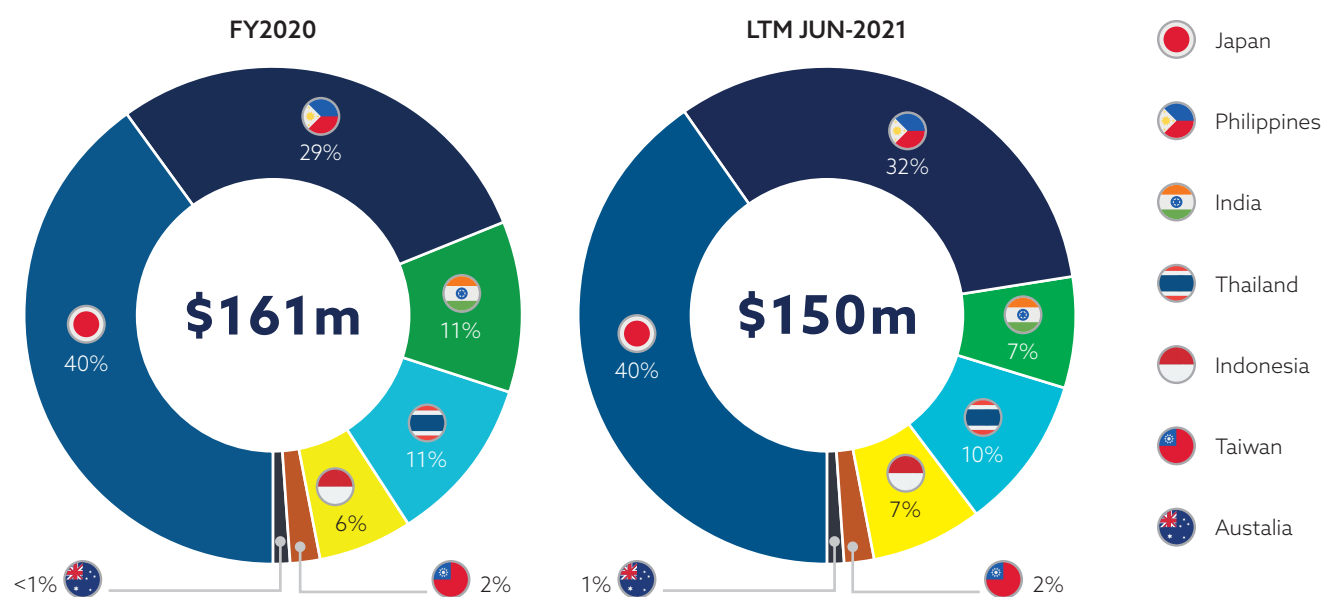
(USD in millions except margin data)

	30 Jun 2021	31 Dec 2020
Funds from Operational Assets ("FFOA")⁵	150.4	161.3
Euro Medium Term Note ²	500	325.0
Foreign currency effect of cross currency swaps ³ ("CCS FX")	(0.5)	23.3
Euro Medium Term Note (including CCS FX)	499.5	348.3
Corporate term loans	-	142.7
Corporate RCF ²	23.1	179.1
Corporate Gross Debt	522.6	670.1
Less: Corporate Cash & Cash Equivalents	(100.1)	(83.2)
Less: Contribution from Equity Holders ⁶	-	(350.0)
Corporate Net Debt	422.5	236.9
Corporate Net Debt to FFOA	2.8x	1.5x

⁵ FFOA is presented as last twelve months ended the relevant period.

⁶ The capital contribution was approved by equity holders in December 2020, and received by Vena Energy in February 2021.

Diversified Funds from Operational Assets



Vena Energy generated an FFOA of \$150 million for the last twelve months ended 30 Jun 2021, diversified across 7 geographies and 61 individual operating assets.

LTM Jun 2021 FFOA of \$150m represents a 7% reduction compared to FY2020 mainly due to:

- performance of the Indian portfolio resulting in 4% reduction in FFOA; and
- non-recurring business interruptions in Japan due to weather and connection disruptions resulting in 3% decrease in FFOA. These business interruptions are undergoing insurance claims and are potentially recoverable, subject to claims approval.

Liquidity Position

(USD in millions)	As at	
	30 Jun 2021	31 Dec 2020
Available Corporate RCF ⁷	445.4	130.9
Corporate Cash & Cash Equivalents	100.1	83.2
Contribution from Equity Holders ⁵	-	350.0
Liquidity	545.5	564.1

⁷ Expressed pro-forma to repayment of corporate RCF in July 2021 using the EMTN tap issuance proceeds of \$175million which was priced on 30 June 2021 and settled on 8 July 2021.

Our liquidity position remains robust, with over \$500 million of total available liquidity, including the committed corporate RCF.

2. LEGAL STATEMENTS

This report does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of Vena Energy Capital Pte. Ltd., Vena Energy Holdings Ltd., Vena Energy (Taiwan) Holdings Ltd., Zenith Japan Holdings Ltd. (together, "Vena Energy") or any of their respective subsidiaries or affiliates in any jurisdiction or an inducement to enter into investment activity. Any decision to purchase securities in the context of a proposed offering to be undertaken in the future by Vena Energy, if any, should be made on the basis of information contained in the offering document published in relation to such an offering. No part of this document, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. None of Vena Energy or any of their affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with the document. This report contains "forward-looking statements", which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or that include forward-looking terms such as "targets", "believes", "expects", "plans", "intends", "anticipates", "projects", "aims", "seeks", "may", "will", "would", "should", "could" or similar expressions or the negative thereof. However, these words are not exclusive means of identifying forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Vena Energy's control that could cause the actual results, performance or achievements of Vena Energy to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, among others, financial forecasts, profit projections, the achievement of anticipated levels of profitability, growth, cost and synergy of recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the economic, political and legal environment of Singapore and other jurisdictions in which Vena Energy operates, volatility in stock markets or in the price of Vena Energy's securities, financial risk management and the impact of general business and global economic conditions. You are cautioned not to place any reliance on these forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Vena Energy's present and future business strategies and the environment in which Vena Energy will operate in the future. Any opinions expressed in this report are subject to change without notice and may differ, or be contrary to, opinions expressed by other business areas or groups of Vena Energy as a result of using different assumptions and criterion.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as at the date as of which they are made, and Vena Energy expressly disclaims any responsibility, and undertakes no obligation, to update or revise any forward-looking statements contained herein to reflect any change in Vena Energy's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. Forward-looking statements contained in this report regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future.

Neither Vena Energy, nor any of their respective agents, employees or advisers intends or has any responsibility, duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this report.

This report includes measures of financial performance which are not a measure of financial performance under International Financial Reporting Standards ("IFRS"), such as "EBITDA", "LCOE", "Proportionate EBITDA", "Proportionate EBITDA Margins", "Net Debt" and "Funds from Operational Assets" (together, the "Non-IFRS Measures"). These Non-IFRS Measures are presented because Vena Energy believes they are useful measures to reflect its financial condition and historical ability to provide investment returns. The Non-IFRS Measures and other measures of financial performance presented in this report are supplemental financial measures, and should not be considered as an alternative to cash flows from operating activities, a measure of liquidity or an alternative to net profit or indicators of Vena Energy's operating performance on any other measure of performance derived in accordance with IFRS. Because the Non-IFRS Measures are not IFRS measures they may not be comparable to similarly titled measures presented by other companies.

The information contained in this report is provided as at the date of this document and is subject to change without notice.

This report is for information purposes only and may contain data sourced from and the views of independent third parties. In replicating such data in this report, Vena Energy has not independently verified any of such data and there can be no assurance as to the accuracy or completeness of such data. Accordingly, Vena Energy makes no representation (whether express or implied) as to, and no reliance should be placed on, the accuracy or completeness of such data, information or opinions contained in this report. The replication of any views in this report should be not treated as an indication that Vena Energy agrees with or concurs with such views. It is not Vena Energy's intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of Vena Energy's financial or trading position or prospects.

APPENDIX A: SUPPLEMENTARY FINANCIAL INFORMATION



The non-IFRS financial and other operating data set out in “Key Non-IFRS Financial Data” section which has been derived from the Condensed Combined Interim Financial Statements and the Interim Financial Statements¹ of Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Trust (each a “Vena Entity” and together, the “Vena Entities”), and management schedules, where applicable, are supplemental financial measures and are not presented in accordance with International Financial Reporting Standards (“IFRS”) or generally accepted accounting principles in other countries, including the United States. Accordingly, these data should not be considered in isolation from, or as a substitute for, the analysis of the financial condition or results of operations of Vena Energy, as reported under IFRS.

The following non-IFRS financial data, namely Proportionate Revenue, Proportionate EBITDA, Proportionate EBITDA Margin, Corporate Net Debt, Funds from Operational Assets (“FFOA”) and Corporate Net Debt to FFOA, as well as other operating data, are presented below

as Vena Energy believes they are useful supplements to its financial data presented under IFRS, as measures of Vena Energy’s financial and operating performance as well as measures of its assets’ ability to generate cash from operations. In particular, as assets located in the Philippines are defined as associates under IFRS, among other things, revenues from these renewable energy generation assets and project finance debt are not consolidated but are instead accounted for using the equity method of accounting under “share of net profit/(loss) of equity-accounted investees” in the Condensed Combined Interim Financial Statements. Accordingly, the Condensed Combined Interim Financial Statements does not reflect the revenue and debt of these equity-accounted investees, which are however included in the non-IFRS financial and other operating data.

The following non-IFRS financial and other operating data should be read in conjunction with the Condensed Combined Interim Financial Statements and the Interim Financial Statements included in Appendix B.

¹ “Interim Financial Statements” is defined as the condensed interim financial statements of Vena Energy Holdings Ltd and its subsidiaries, the condensed interim financial statements of Vena Energy (Taiwan) Holdings Ltd and its subsidiaries and the condensed interim financial statements of Zenith Japan Holdings Trust and its subsidiaries for the six months period ended 30 June 2021. The Interim Financial Statements for the six month period ended 30 June 2021 were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting issued by the International Accounting Standards Board and reviewed by an independent auditor in accordance with the International Standards on Review Engagements.

Key Non-IFRS Financial Data		
(USD in millions except margin data)	Six Months Ended	
	30 Jun 2021	31 Dec 2020
Proportionate Revenue ^(a)	191.6	181.5
Proportionate EBITDA ^(b)	142.6	138.2
Proportionate EBITDA Margin ^(c)	74%	76%
	As of	
	30 Jun 2021	31 Dec 2020
Corporate Net Debt ^(d)	422.5	236.9
Funds from Operational Assets ("FFOA") ^(e)	150.4	161.3
Corporate Net Debt to FFOA ^(f)	2.8x	1.5x

^(a) Proportionate Revenue is a non-IFRS financial measure and represents total income plus proportionate total income from equity-accounted investees less service concession income and total income attributable to non-controlling interests.

^(b) Proportionate EBITDA is a non-IFRS financial measure and represents Adjusted EBITDA less Adjusted EBITDA of non-controlling interest and share of results of equity-accounted investees, and plus EBITDA of equity-accounted investees. Adjusted EBITDA is a non-IFRS financial measure and represents operating profits before development costs, depreciation and amortisation expense, net finance costs, tax expense and other exceptional items (as itemised in the 'Reconciliation of Profit/(Loss) for the Period to Adjusted EBITDA and Proportionate EBITDA' table).

^(c) Proportionate EBITDA Margin is a non-IFRS financial measure and represents Proportionate EBITDA for the relevant period divided by Proportionate Revenue for the same relevant period.

^(d) Corporate Net Debt is a non-IFRS financial measure and represents the aggregate third party debt of Vena Entities on a consolidated or standalone basis less the aggregated cash & cash equivalents of Vena Entities on a consolidated or standalone basis less the aggregated amount due from Unitholders of Vena Entities on a consolidated or standalone basis.

^(e) FFOA is presented as last twelve months ended the relevant period.

^(f) Corporate Net Debt to FFOA is a non-IFRS financial measure and represents an indicator of the ability of the Vena Entities to cover their outstanding Corporate Net Debt from the funds generated by the Operational Assets. Corporate Net Debt to FFOA is calculated by dividing Corporate Net Debt over FFOA.

Reconciliation of Combined Financial Results to Proportionate Financial Results

Reconciliation of Gross Revenue to Proportionate Revenue		
(USD in millions except margin data)		Six Months Ended
	30 Jun 2021	30 Jun 2020
Revenue	153.5	150.9
Other income	5.3	1.9
Total income	158.8	152.8
Less: Service concession income	-	(1.1)
Less: Total income attributable to non-controlling interest	(7.1)	(7.2)
Add: Total income of equity-accounted investees	39.9	37.0
Proportionate Revenue	191.6	181.5

Reconciliation of Profit/(Loss) for the Period to Adjusted EBITDA and Proportionate EBITDA		
(USD in millions)		Six Months Ended
	30 Jun 2021	30 Jun 2020
Profit/(Loss) for the Period	(1.2)	9.1
Less: Service concession income	-	(1.1)
Add: Cost of service concession income	-	1.1
Add: Development costs	1.4	1.0
Add: Depreciation and amortisation expense	64.6	60.0
Add: Net finance costs	45.8	34.6
Add: Acquisition costs	1.1	5.9
Add: Loss on disposals or write-off of assets	2.2	1.0
Less: Share of net profit of equity-accounted investees, net of tax	(11.3)	(5.6)
Add: Tax expense	11.6	9.1
Adjusted EBITDA	114.2	115.1
Less: Adjusted EBITDA attributable to non-controlling interest	(6.8)	(6.7)
Add: Adjusted EBITDA of equity-accounted investees	35.2	29.8
Proportionate EBITDA	142.6	138.2

Funds from Operational Assets

The following tables present the Funds from Operational Assets of Vena Energy for the last twelve months ended 30 June 2021 and 31 December 2020.

Funds from Operational Assets represents an indicator of recurring funds generated by the Operational Assets that can be used for servicing the corporate net debt, committed and discretionary capital expenditure, development costs and working capital. "Operational Asset" means a subsidiary or equity-accounted investee of Vena Energy which holds the legal and economic interest in a renewable generation facility that is commissioned and capable of generating electricity.

Funds from Operational Assets is a non-IFRS financial measure and represents proportionate results from Operational Assets

attributable to Vena Energy plus cash flows received from proportionate interest income and after deducting cash flows to (a) repay any proportionate scheduled principal amounts under any debt or financing arrangement of the Operational Assets, (b) pay any proportionate interest or any other financing expense on any debt or financing arrangement of the Operational Assets, (c) pay any proportionate obligations in connection with the hedging arrangements for the debt or financing arrangement, (d) pay any lease liabilities obligations and (e) pay any proportionate corporate income taxes.

In compiling the Funds from Operational Assets, selected items of income, expenses and cash flows of each Operational Asset within the same geography were aggregated and presented in the following tables.

(USD in millions)	Australia	India	Indonesia	Japan	Philippines	Taiwan	Thailand	Total
LAST TWELVE MONTHS ENDED 30 JUNE 2021								
Revenue	13.9	88.9	36.2	98.4	87.2	17.3	47.3	389.3
Less: Operating Expenses								
- Operation and maintenance costs	(1.2)	(10.5)	(2.2)	(6.4)	(4.4)	(1.0)	(1.3)	(27.0)
- Asset management & shared service fees	(0.3)	(3.7)	(2.1)	(3.7)	(2.1)	(3.1)	(1.1)	(16.1)
- Business related taxes	-	(0.1)	(0.1)	(6.6)	(3.8)	-	-	(10.7)
- Land rent and occupancy costs	-	(0.1)	(0.4)	(0.4)	(0.2)	(0.1)	-	(1.2)
- General and administrative expenses	(0.6)	(5.5)	(3.3)	(4.1)	(4.9)	(1.3)	(1.5)	(21.2)
Results from Operational Assets^(a)	11.8	69.0	28.1	77.2	71.8	11.8	43.4	313.1
Less: Share of economic interest attributable to other shareholder ^(b)	-	-	-	-	(0.9)	-	(13.1)	(14.0)
Proportionate results from Operational Assets	11.8	69.0	28.1	77.2	70.9	11.8	30.3	299.1
Add: Interest income received ^(c)	-	2.6	-	-	0.1	-	-	2.7
Less: Debt service ^(d) and tax payments	(10.5)	(61.0)	(17.1)	(16.6)	(22.8)	(8.8)	(14.6)	(151.4)
Funds from Operational Assets^(e)	1.3	10.6	11.0	60.6	48.2	3.0	15.7	150.4

(USD in millions)	Australia	India	Indonesia	Japan	Philippines	Taiwan	Thailand	Total
YEAR ENDED 31 DECEMBER 2020								
Revenue	12.6	85.1	35.5	98.2	86.2	15.4	47.4	380.4
Less: Operating Expenses								
- Operation and maintenance costs	(1.1)	(10.1)	(2.1)	(5.8)	(5.1)	(0.9)	(1.3)	(26.4)
- Asset management & shared service fees	(0.3)	(3.4)	(2.1)	(4.0)	(3.1)	(3.2)	(1.1)	(17.2)
- Business related taxes	-	-	(0.1)	(5.6)	(3.8)	-	-	(9.5)
- Land rent and occupancy costs	-	(0.1)	(0.4)	(0.3)	(0.1)	(0.1)	-	(1.0)
- General and administrative expenses	(1.3)	(4.8)	(3.3)	(3.8)	(4.3)	(1.4)	(1.5)	(20.4)
Results from Operational Assets^(a)	9.9	66.7	27.5	78.7	69.8	9.8	43.5	305.9
Less: Share of economic interest attributable to other shareholder ^(b)	-	-	-	-	(0.8)	-	(13.1)	(13.9)
Proportionate results from Operational Assets	9.9	66.7	27.5	78.7	69.0	9.8	30.4	292.0
Add: Interest income received ^(c)	-	2.2	-	-	0.4	-	-	2.6
Less: Debt service ^(d) and tax payments	(9.6)	(50.8)	(17.4)	(14.2)	(22.1)	(6.0)	(13.2)	(133.3)
Funds from Operational Assets^(e)	0.3	18.1	10.1	64.5	47.3	3.8	17.2	161.3

^(a) "Results from Operational Assets" is defined as revenue (which includes other income but excludes service concession income, if any) less operating expenses but excludes cost of service concession income, depreciation and amortisation expense, finance income, finance costs, change in fair value of financial derivatives, foreign exchange gain or loss, impairment loss, loss on disposal of property plant and equipment and tax expense of all Operational Assets. Results from Operational Assets excludes the major income statement items: (1) service concession income, (2), cost of service concession income, (3) depreciation and amortisation expense, (4) finance income and finance costs, (5) change in fair value of financial derivatives, (6) foreign exchange gain/(loss) and (7) tax expense.

^(b) Share of economic interest attributable to other shareholder represents the results from Operational Assets attributable to the other equity holder(s) who is unrelated to Vena Energy based on its effective economic interest in the relevant subsidiaries or associates of Vena Energy.

^(c) Interest income received represents the Vena Entities' proportionate economic share of cash received by the Operational Assets from interest income. Such interest income comprises mainly interest income from bank deposits and/or mutual funds placements.

^(d) Debt service payments represents the Vena Entities' proportionate economic share of cash paid by the Operational Assets for interest expense of project finance debt, any obligations in connection with the hedging arrangements related to project finance debt and repayment of scheduled amortisation of project finance debt. Cash paid in connection with prepayment of project finance debt for refinancing purposes and one-off transaction costs related to project finance debt are excluded.

^(e) Funds from Operational Assets has been compiled based on the group reporting package of each Operational Asset (as defined above) used for the purposes of preparing the Interim Financial Statements, or management schedules, where applicable. Funds from Operational Assets excludes the following major cash flow items: (1) changes in working capital, (2) cash prepayment of project finance debt which was refinanced or restructured, (3) proceeds from drawdown of project finance debt, (4) transaction costs related to project finance debt and (5) contribution from and distribution to equity holders.

APPENDIX B: 1H 2021 INTERIM FINANCIAL STATEMENTS



The Condensed Combined Interim Financial Statements (as defined herein) included in this document has been prepared in order to present the (a) combined statements of financial position of Vena Entities as at 30 Jun 2021, (b) combined statements of comprehensive income of Vena Entities for the six-month period ended 30 June 2021, and (c) combined statements of cash flows of Vena Entities for the six-month period ended 30 June 2021 (together with the notes comprising a summary of significant accounting policies and other explanatory information, the "Condensed Combined Interim Financial Statements").

The Condensed Combined Interim Financial Statements has been prepared to fulfil our obligations under paragraph 5(b) under the "Terms and Conditions of the Notes" pursuant to our US\$1,000,000,000 Guaranteed Euro Medium Term Note Programme and our obligations under Rule 323 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Condensed Combined Interim Financial Statements is intended to supplement, and should be read in conjunction with, the Interim Financial Statements of Vena Energy Holdings Ltd and its subsidiaries, consolidated financial statements of Vena Energy (Taiwan) Holdings Ltd and its subsidiaries and the consolidated financial statements of Zenith Japan Holdings Trust and its subsidiaries for the six-month ended 30 June 2021, which were prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by

the International Accounting Standards Board and included in this document. Readers of the Condensed Combined Interim Financial Statements who are not familiar with International Financial Reporting Standards are urged to consult with their own professional advisers. The Condensed Combined Interim Financial Statements reflects certain estimates, assumptions and judgements made by Vena Energy. These estimates, assumptions and judgements affect the reported amounts of assets and liabilities as of the dates presented as well as revenue and expenses reported for the periods presented. As a result, the Condensed Combined Interim Financial Statements is not necessarily indicative of what Vena Energy's actual results of operations, financial position and cash flow would have been on or as of such dates, nor does it purport to project Vena Energy's results of operations, financial position or cash flows for any future period or date.

The Condensed Combined Interim Financial Statements has been prepared for illustrative purposes only and does not represent Vena Energy's actual consolidated financial condition or results of operations, and is not intended to be indicative of Vena Energy's future financial condition and results of operations, and is not intended to be indicative of Vena Energy's future financial condition and results of operations. The adjustments set forth in the Condensed Combined Interim Financial Statements are based upon available information and assumptions that Vena Energy's management believes to be reasonable.



**Vena Energy Holdings Ltd and its subsidiaries
Vena Energy (Taiwan) Holdings Ltd and its subsidiaries
Zenith Japan Holdings Trust and its subsidiaries**

Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021



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Independent auditors' report

Board of Directors
 Vena Energy Pte Ltd

Report on review of Condensed Combined Interim Financial Statements

Introduction

We have reviewed the accompanying Condensed Combined Interim Financial Statements of Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Trust and their subsidiaries ("Vena Energy Group"), the condensed combined statement of financial position as at 30 June 2021 and the condensed combined statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and significant accounting policies and other explanatory notes (the Condensed Combined Interim Financial Statements). Management of Vena Energy Pte Ltd is responsible for the preparation and presentation of the Condensed Combined Interim Financial Statements in accordance with the basis of preparation set out in Note 3 of the Condensed Combined Interim Financial Statements (the "Basis of Preparation"). Our responsibility is to express a conclusion on the Condensed Combined Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Combined Interim Financial Statements as at and for the six months ended 30 June 2021 are not prepared, in all material respects, in accordance with the Basis of Preparation.



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Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Combined Interim Financial Statements for the purpose of reporting to external counterparties for existing bonds issued and for no other purpose. Our report will be made available by Vena Energy Group to the existing bond holders and potential bond investors for their information only. We do not assume responsibility to anyone other than the Vena Energy Group for our work, for our report, or for the conclusions we have reached in our report.

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KPMG LLP

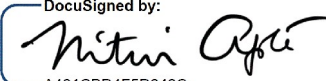
Public Accountants and
Chartered Accountants

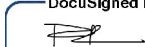
Singapore
8 September 2021

Vena Energy Holdings Ltd and its subsidiaries
Vena Energy (Taiwan) Holdings Ltd and its subsidiaries
Zenith Japan Holdings Trust and its subsidiaries
Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

Condensed combined statement of financial position
As at 30 June 2021

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Assets			
Property, plant and equipment	7	2,184,941	1,954,001
Right-of-use assets	8	334,611	326,729
Intangible assets	9	2,343,002	2,475,047
Equity-accounted investees	10	504,966	493,918
Other investments		6,405	2,433
Deferred tax assets		8,949	9,197
Loans receivables	11	27,559	40,594
Derivative assets	13	166,238	176,353
Prepayments and other assets	14	27,798	16,108
Trade and other receivables	15	46,613	31,210
Non-current assets		5,651,082	5,525,590
Loans receivables	11	19,469	20,152
Trade and other receivables	15	154,972	487,700
Prepayments and other assets	14	16,094	17,711
Derivative assets	13	8,394	7,379
Cash and cash equivalents	12	332,358	340,469
Current assets		531,287	873,411
Total assets		6,182,369	6,399,001
Equity			
Equity contribution and units in issue		3,404,399	3,404,399
Retained earnings		58,881	65,565
Reserves	28	61,824	194,818
Equity attributable to owners of the Holding Companies		3,525,104	3,664,782
Non-controlling interests		83,122	84,593
Total equity		3,608,226	3,749,375
Liabilities			
Loans and borrowings	16	1,909,899	1,951,458
Lease liabilities	16	318,249	306,626
Employee benefits		695	716
Trade and other payables	17	1,916	2,082
Derivative liabilities	13	25,743	41,865
Asset retirement obligation		35,650	37,486
Deferred tax liabilities		23,524	17,613
Non-current liabilities		2,315,676	2,357,846
Loans and borrowings	16	111,276	150,889
Lease liabilities	16	13,307	11,014
Derivative liabilities	13	3,049	6,957
Trade and other payables	17	130,165	121,078
Current tax liabilities		670	1,842
Current liabilities		258,467	291,780
Total liabilities		2,574,143	2,649,626
Total equity and liabilities		6,182,369	6,399,001

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Nitin Srinivas Apte
Director, Vena Energy Pte Ltd

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Rupert Charles Collinson Hall
Director, Vena Energy Pte Ltd

The accompanying notes form an integral part of the condensed combined interim financial statements.

Vena Energy Holdings Ltd and its subsidiaries
Vena Energy (Taiwan) Holdings Ltd and its subsidiaries
Zenith Japan Holdings Trust and its subsidiaries
Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

Condensed combined statements of profit or loss and other comprehensive income
For the six months ended 30 June 2021

	Note	Six months period ended 30 June 2021 US\$'000	30 June 2020 US\$'000
Sale of energy		153,468	145,545
Service concession income		–	1,119
Fee income		3,937	4,249
Total revenue	18	157,405	150,913
Other income	19	1,399	1,872
Cost of service concession income		–	(1,119)
Operating costs	20	(25,843)	(21,622)
Shared services costs	21	(18,761)	(14,976)
Development costs	22	(1,440)	(963)
Depreciation expense	7,8	(36,968)	(34,104)
Amortisation expense	9	(27,576)	(25,897)
Results from operating activities		(110,588)	(98,681)
Finance income	23	6,763	6,483
Finance costs	23	(44,993)	(40,780)
Change in fair value of financial derivatives	24	(16,063)	15,630
Foreign exchange gain/(loss)		8,461	(15,902)
Net finance costs		(45,832)	(34,569)
Acquisition costs		(1,131)	(5,938)
Loss on disposal of investments		–	(443)
Loss on disposal of interest in equity-accounted investee		–	(435)
Write-off of project costs previously capitalised		(1,992)	–
Write-off of property, plant and equipment		–	(95)
Gain on disposal of property, plant and equipment		5	–
Impairment loss on financial assets		(181)	(30)
Share of net profit of equity-accounted investees, net of tax	10	11,342	5,638
Profit before tax	25	10,427	18,232
Tax expense		(11,616)	(9,122)
(Loss)/Profit for the period		(1,189)	9,110
(Loss)/Profit attributable to:			
Owners of the Holding Companies		(6,684)	3,917
Non-controlling interests		5,495	5,193
		(1,189)	9,110
Other comprehensive (loss)/income			
Items that are or may be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		(19)	–
Foreign currency translation differences		(151,871)	22,442
Effective portion of hedge of net investment in foreign operation		23,780	(11,653)
Equity-accounted investees – share of OCI	10	(7,757)	6,709
Other comprehensive (loss)/income for the period		(135,867)	17,498
Total comprehensive (loss)/income for the period		(137,056)	26,608
Total comprehensive (loss)/income attributable to:			
Owners of the Holding Companies		(139,678)	23,012
Non-controlling interests		2,622	3,596
		(137,056)	26,608

The accompanying notes form an integral part of the condensed combined interim financial statements.

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Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

Condensed combined statement of changes in equity
For the six months ended 30 June 2021

	Attributable to owners of the Holding Companies					
	Equity contribution and units in issue US\$'000	Capital reserves US\$'000	Retained earnings US\$'000	Translation reserves US\$'000	Other reserves US\$'000	Total equity US\$'000
At 1 January 2021	3,404,399	50,000	65,565	144,845	(27)	3,749,375
Total comprehensive (loss)/income for the period (Loss)/Profit for the period	-	-	(6,684)	-	-	(1,189)
Other comprehensive (loss)/income						
Foreign currency translation differences	-	-	-	(148,998)	-	(151,871)
Equity-accounted investees – share of OCI	-	-	-	(7,757)	-	(7,757)
Remeasurement of defined benefit plan	-	-	-	-	(19)	(19)
Effective portion of hedge of net investment in foreign operation	-	-	-	23,780	-	23,780
Total comprehensive (loss)/income for the period	-	-	(6,684)	(132,975)	(19)	(137,056)
Transactions with owners, recognised directly in equity						
Repurchase of shares	-	-	-	-	-	(4,093)
Total transactions with owners	-	-	-	-	-	(4,093)
At 30 June 2021	3,404,399	50,000	58,881	11,870	(46)	3,608,226

The accompanying notes form an integral part of the condensed combined interim financial statements.

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Condensed combined statement of changes in equity (cont'd)
For the six months ended 30 June 2021

	Attributable to owners of the Holding Companies							
	Equity contribution and units in issue US\$'000	Capital reserves US\$'000	Retained earnings US\$'000	Translation reserves US\$'000	Other reserves US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
At 1 January 2020	3,232,919	79,980	34,930	6,199	82	3,354,110	82,528	3,436,638
Total comprehensive income for the period								
Profit for the period	-	-	3,917	-	-	3,917	5,193	9,110
Other comprehensive income/(loss)								
Foreign currency translation differences	-	-	-	24,039	-	24,039	(1,597)	22,442
Equity-accounted investees – share of OCI	-	-	-	6,709	-	6,709	-	6,709
Effective portion of hedge of net investment in foreign operation	-	-	-	(11,653)	-	(11,653)	-	(11,653)
Total comprehensive income for the period	-	-	3,917	19,095	-	23,012	3,596	26,608
Transactions with owners, recognised directly in equity								
Issuance of shares/units	29,980	-	-	-	-	29,980	-	29,980
Conversion of advance from immediate holding company/unitholder	-	(29,980)	-	-	-	(29,980)	-	(29,980)
Repurchase of shares	(208,500)	-	-	-	-	(208,500)	-	(208,500)
Dividends paid	-	-	-	-	-	-	(3,612)	(3,612)
Total transactions with owners	(178,520)	(29,980)	-	-	-	(208,500)	(3,612)	(212,112)
At 30 June 2020	3,054,399	50,000	38,847	25,294	82	3,168,622	82,512	3,251,134

The accompanying notes form an integral part of the condensed combined interim financial statements.

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Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

Condensed combined statement of cash flows
For the six months ended 30 June 2021

		For the six months ended	
	Note	30 June 2021 US\$'000	30 June 2020 US\$'000
Cash flows from operating activities			
Profit before tax		10,427	18,232
Adjustments for:			
Depreciation expense	7,8	36,968	34,104
Amortisation expense	9	27,576	25,897
Gain on disposal of property, plant and equipment		5	95
Write off of project costs previously capitalised		1,992	–
Impairment losses on financial assets		181	30
Loss on disposal of interest in equity-accounted investee	10	–	435
Finance income	23	(6,763)	(6,483)
Finance costs	23	44,993	40,780
Net changes in fair value of financial instruments	24	16,063	(15,630)
Unrealised foreign exchange (gain)/loss		(14,541)	15,867
Share of net profit of equity-accounted investees, net of tax	10	(11,342)	(5,637)
		<u>105,559</u>	<u>107,690</u>
Changes in:			
- Trade and other receivables		(31,729)	(1,748)
- Prepayments and other assets		(9,905)	10,128
- Trade and other payables		8,944	(39,980)
Cash generated from operating activities		<u>72,869</u>	<u>76,090</u>
Tax paid		<u>(6,705)</u>	<u>(3,397)</u>
Net cash generated from operating activities		<u>66,164</u>	<u>72,693</u>
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		–	(36,264)
Acquisition of interest in equity-accounted investees		(12,385)	(7,357)
Drawdown of loan by equity-accounted investees		–	(4,900)
Repayment of loan from equity-accounted investees		13,770	2,179
Distributions from equity-accounted investees	10	4,923	8,088
Proceeds from disposal of equity-accounted investees		–	300
Purchase of property, plant and equipment	7	(358,691)	(123,437)
Additions of project-related agreements and licences	9	(1,962)	(5,648)
Proceeds from disposal of property, plant and equipment		5	211
Purchase of financial instruments		(1,995)	–
Disposal of financial instruments		(3,455)	–
Proceeds from disposal of financial assets		–	1,800
Proceeds from maturity of fixed deposit		–	10,400
Interest received		2,619	1,545
Purchase of other investments		(4,340)	–
Net cash used in investing activities		<u>(361,511)</u>	<u>(153,083)</u>

The accompanying notes form an integral part of the condensed combined interim financial information.

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For the six months ended 30 June 2021

Condensed combined statement of cash flows
For the six months ended 30 June 2021

	Note	For the six months ended 30 June 2021 US\$'000	30 June 2020 US\$'000
Cash flows from financing activities			
Proceeds from issuance of units		350,000	–
Repurchase of ordinary shares and units		–	(208,500)
Proceeds from issuance of Euro Medium Term Note	16	–	325,000
Proceeds from drawdown of project finance debts		185,171	296,597
Proceeds from drawdown of revolving credit facility		161,548	326,749
Proceeds from drawdown of working capital loans		16,493	–
Repayment of project finance debts		(97,385)	(62,588)
Repayment of revolving credit facility		(263,157)	(408,700)
Repayment of working capital loans		(15,899)	–
Repayment of corporate term loan		(7,510)	(328,797)
Payment of lease liabilities		(10,950)	(3,088)
Transaction costs related to project finance debts		(6,156)	(4,465)
Transaction costs related to refinancing of revolving credit facility		(2,737)	–
Transaction costs related to issuance of Euro Medium Term Note		–	(4,003)
Interest paid on project finance debts		(30,539)	(31,435)
Interest paid on Term loan and revolving credit facility		(3,112)	(2,605)
Interest paid on Euro Medium Term Note		(5,091)	–
Net interest received for derivatives		2,881	–
Dividends paid to non-controlling interest		(4,093)	(3,612)
Deposits (pledged)/unpledged		(18,012)	310,348
Net cash generated from financing activities		<u>251,452</u>	<u>200,901</u>
Net (decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at 1 January	12	260,369	263,090
Effect of exchange rate fluctuations on cash held		17,978	12,559
Cash and cash equivalents at 30 June	12	<u>234,452</u>	<u>396,160</u>

The accompanying notes form an integral part of the condensed combined interim financial information.

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Vena Energy (Taiwan) Holdings Ltd and its subsidiaries
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Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

Notes to the condensed combined interim financial information

1 Domicile and activities

Reporting entity	Incorporation/ Establishment date	Place of incorporation/ Establishment	Registered address
Vena Energy Holdings Ltd	13 October 2017	Cayman Islands	Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
Vena Energy (Taiwan) Holdings Ltd	13 October 2017	Cayman Islands	
Zenith Japan Holdings Trust *	18 October 2017	Island of Guernsey	N/A

* Zenith Japan Holdings Ltd, a company incorporated under the laws of Guernsey who registered office is at 1st Floor, Les Echelons Court, Les Echelons, St Peter Port, Guernsey GY1 6JB, is appointed as Trustee of the Zenith Japan Holdings Trust.

Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Trust are each known as a “Holding Company” and collectively the “Holding Companies”. The Holding Companies along with their subsidiaries are collectively known as the “Combined Group”. The Combined Group is not an existing legal entity for period presented in the unaudited condensed combined interim financial statements (“Condensed Combined Interim Financial Statements”).

The principal activity of the Combined Group is that of developer, owner and operator of renewable energy assets in the Asia-Pacific region.

Vena Energy Holdings Ltd, together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) (collectively called “Guarantors”) act as guarantors on a joint and several basis for notes listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) under a \$1 billion Global Medium Term Note Programme (the “Notes”) by Vena Energy Capital Pte Ltd, a subsidiary of Vena Energy Holdings Ltd.

On 19 January 2018, the Holding Companies acquired a portfolio of renewable energy assets from Equis Pte Ltd and its affiliates for a total consideration of US\$5.0 billion (including assumed liabilities of US\$1.3 billion), (the “Acquisition”). As part of the Acquisition, Vena Energy Holdings Ltd acquired, economic interests in renewable energy assets in Australia, India, Indonesia, Philippines and Thailand, as well as the asset management capabilities of Equis Energy. Zenith Japan Holdings Trust acquired economic interests in renewable energy assets in Japan and Vena Energy (Taiwan) Holdings Ltd acquired economic interests in renewable energy assets in the Philippines and Taiwan.

Vena Energy Holdings Ltd and Vena Energy (Taiwan) Holdings Ltd have identical board of directors through the periods presented in the condensed combined interim financial statements, but the two entities did not form a legal group during any period presented. Zenith Japan Holdings Ltd (as trustee of Zenith Japan Holdings Trust) is the beneficiary of Zenith Japan Trust acting by its trustee of Zenith Japan Ltd, which has entered into numerous tokumei kumiai arrangements that gives Zenith Japan Trust an economic interest in the Combined Group’s assets in Japan (the “Japanese Assets”). The Japanese Assets have entered into asset management agreements with certain Japanese companies owned by Vena Energy Holdings Ltd.

2 Basis of combination

The condensed combined interim financial statements consists of the historical condensed interim financial statements of Vena Energy Holdings Ltd and its subsidiaries, Vena Energy (Taiwan) Holdings Ltd and its subsidiaries and Zenith Japan Holdings Trust and its subsidiaries for the six months period then ended 30 June 2021 on a combined basis.

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Condensed Combined Interim Financial Statements
For the six months ended 30 June 2021

2 Basis of combination (cont'd)

The condensed combined interim financial statements have been derived from the aggregation of the consolidated assets, consolidated liabilities, consolidated income, consolidated expenses and consolidated cash flows of Vena Energy Holdings Ltd and its subsidiaries, Vena Energy (Taiwan) Holdings Ltd and its subsidiaries and Zenith Japan Holdings Trust and its subsidiaries, and prepared in accordance with the Combined Group's accounting policies as set out in Note 5. All balances, income, expenses and unrealised gains and losses arising from transactions between entities of the combining entities were eliminated when preparing the combined financial statements.

3 Basis of preparation

The condensed combined interim financial statements have been prepared in accordance with accounting policy of the Combined Group as set out in Note 5 below.

The purpose of the combined interim financial statements is to show the condensed combined financial position, financial performance, changes in equity and cash flows of the Combined Group as a single performance unit as at and for the six months period then ended 30 June 2021.

4 Seasonality in operations

Seasonality in operations for the Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Combined Group's operating results are impacted by external factors, such as resource availability. For example, the amount of electricity that solar plants produce is dependent on the irradiation of a given project location and wind plants are impacted by wind conditions which vary across seasons.

5 Significant accounting policies

The Combined Group has applied the same accounting policies and methods of computation in the condensed combined interim financial statements for the current reporting period as that of the last annual financial information for the year ended 31 December 2020, including the policies described below.

Financial Instruments

Derivative Financial Instruments and Hedge Accounting

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Combined Group designates certain derivatives as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Combined Group documents the risk management objective and strategy for undertaking the hedge. The Combined Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Net Investment hedges

The Combined Group designates certain derivatives as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of the changes in the fair value of the hedging instrument is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

6 Use of judgements and estimates

The preparation of the combined financial statements in conformity with Combined Group's accounting policies requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management applied critical judgement in assessing if Power Purchase Agreements ('PPAs') entered into by The Combined Group falls within the scope of *Combined Group accounting policy on Service Concession Arrangements*, including:

- whether the counterparty of the PPA controls or regulates what services the Combined Group Entity must provide with the infrastructure, to whom it must provide them, and at what price; and
- whether the counterparty of the PPA controls — through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the PPA.

Information about critical estimates in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Measurement of fair values

A number of the Combined Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Combined Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Combined Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 26 Financial instruments.

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7 Property, plant and equipment

	Land US\$'000	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Vehicles US\$'000	Computer, fitting and fixture and office equipment US\$'000	Assets under construction US\$'000	Total US\$'000
Cost							
At 1 January 2020	67,508	20,208	1,290,949	296	4,090	267,843	1,650,894
Acquisition through business combinations	–	–	55,220	–	–	–	55,220
Acquisition through asset acquisition of subsidiaries	–	–	–	–	–	42,280	42,280
Additions	8,442	1,776	11,077	167	1,255	306,866	329,583
Disposal/write-off	52	–	(324)	–	(22)	(1,097)	(1,391)
Reclassification	–	–	166,014	–	–	(192,402)	(26,388)
Reclassification from right-of-use assets	–	–	–	–	–	5,228	5,228
Effect of exchange rate changes	3,196	781	36,733	15	133	21,470	62,328
At 31 December 2020	79,198	22,765	1,559,669	478	5,456	450,188	2,117,754
At 1 January 2021	79,198	22,765	1,559,669	478	5,456	450,188	2,117,754
Additions	998	116	1,246	56	180	356,095	358,691
Disposal/write-off	(21)	–	(144)	–	(13)	(1,651)	(1,829)
Reclassification	1,891	–	67,321	–	7	(69,219)	–
Reclassification from right-of-use assets	–	–	–	–	–	4,200	4,200
Reclassification to intangible assets	–	–	–	–	–	(1,804)	(1,804)
Effect of exchange rate changes	(4,452)	(1,256)	(58,794)	(23)	(189)	(41,329)	(106,043)
At 30 June 2021	77,614	21,625	1,569,298	511	5,441	696,480	2,370,959

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7 Property, plant and equipment (cont'd)

	Land US\$'000	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Vehicles US\$'000	Computer, fitting and fixture and office equipment US\$'000	Assets under construction US\$'000	Total US\$'000
Accumulated depreciation							
At 1 January 2020	-	(2,176)	(94,861)	(88)	(1,815)	-	(98,940)
Depreciation charge for the year	-	(827)	(59,339)	(69)	(1,109)	-	(61,344)
Impairment loss	-	-	(593)	-	-	-	(593)
Disposal/write-off	-	-	79	-	12	-	91
Effect of exchange rate changes	-	(341)	(2,551)	(9)	(66)	-	(2,967)
At 31 December 2020	-	(3,344)	(157,265)	(166)	(2,978)	-	(163,753)
At 1 January 2021	-	(3,344)	(157,265)	(166)	(2,978)	-	(163,753)
Depreciation charge for the period	-	(883)	(30,765)	(27)	(580)	-	(32,255)
Disposal/write-off	-	-	144	-	13	-	157
Effect of exchange rate changes	-	386	9,268	17	152	-	9,823
At 30 June 2021	-	(3,841)	(178,618)	(176)	(3,393)	-	(186,028)
Carrying amounts							
At 1 January 2020	67,508	18,032	1,196,088	208	2,275	267,843	1,551,954
At 31 December 2020	79,198	19,421	1,402,404	312	2,478	450,188	1,954,001
At 30 June 2021	77,614	17,784	1,390,680	335	2,048	696,480	2,184,941

As at reporting date, some property, plant and equipment of the Combined Group were pledged as collateral to secure project finance debits (see note 16).

At 31 December 2020, the Combined Group recognised an impairment loss of US\$593,000 with respect to electric generator equipment. These relates to solar panels which were damaged during a flood in Thailand and these solar panels were impaired to reflect its recoverable amount based on an external vendor quotation.

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8 Right-of-use assets

	Land and buildings \$'000	Office lease \$'000	Others \$'000	Total \$'000
Cost				
At 1 January 2020	163,878	8,077	765	172,720
Acquisition through business combinations	14,349	–	–	14,349
Acquisition through asset acquisition of subsidiaries	4,554	–	–	4,554
Additions	128,209	11,711	865	140,785
Disposal/write-off	–	(3,200)	(91)	(3,291)
Effect of exchange rate changes	17,635	967	267	18,869
At 31 December 2020	328,625	17,555	1,806	347,986
At 1 January 2021	328,625	17,555	1,806	347,986
Additions	32,252	2,060	282	34,594
Effect of exchange rate changes	(18,959)	(1,575)	240	(20,294)
At 30 June 2021	341,918	18,040	2,328	362,286
Accumulated depreciation				
At 1 January 2020	(4,919)	(2,761)	(255)	(7,935)
Depreciation expense	(4,283)	(4,602)	(748)	(9,633)
Reclassification to property, plant and equipment	(5,228)	–	–	(5,228)
Disposal/write-off	–	2,851	28	2,879
Effect of exchange rate changes	(551)	(643)	(146)	(1,340)
At 31 December 2020	(14,981)	(5,155)	(1,121)	(21,257)
At 1 January 2021	(14,981)	(5,155)	(1,121)	(21,257)
Depreciation expense	(2,266)	(1,926)	(521)	(4,713)
Reclassification to property, plant and equipment	(4,200)	–	–	(4,200)
Effect of exchange rate changes	877	1,185	433	2,495
At 30 June 2021	(20,570)	(5,896)	(1,209)	(27,675)
Carrying amounts				
At 1 January 2020	158,959	5,316	510	164,785
At 31 December 2020	313,644	12,400	685	326,729
At 30 June 2021	321,348	12,144	1,119	334,611

As at reporting date, some right-of-use assets of the Combined Group were pledged as collateral to secure project finance debts (see note 16).

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9 Intangible assets

	Goodwill	Project-related	Service	
	US\$'000	agreements &	concession	
		licences	intangible	Total
		US\$'000	assets	US\$'000
			US\$'000	
Cost				
At 1 January 2020	776,841	1,453,331	174,368	2,404,540
Acquisitions through business combination	8,677	14,366	–	23,043
Acquisition through asset acquisition of subsidiaries	–	65,756	–	65,756
Additions	–	21,308	303	21,611
Effect of exchange rate changes	35,585	55,986	–	91,571
At 31 December 2020	821,103	1,610,747	174,671	2,606,521
At 1 January 2021	821,103	1,610,747	174,671	2,606,521
Additions	–	1,962	–	1,962
Reclassification from property, plant and equipment	–	1,804	–	1,804
Write off	–	(341)	–	(341)
Effect of exchange rate changes	(23,548)	(80,712)	(1,365)	(105,625)
At 30 June 2021	797,555	1,533,460	173,306	2,504,321
Accumulated amortisation				
At 1 January 2020	–	(69,280)	(4,715)	(73,995)
Amortisation expense	–	(47,871)	(7,060)	(54,931)
Effect of exchange rate changes	–	(2,548)	–	(2,548)
At 31 December 2020	–	(119,699)	(11,775)	(131,474)
At 1 January 2021	–	(119,699)	(11,775)	(131,474)
Amortisation expense	–	(24,258)	(3,318)	(27,576)
Effect of exchange rate changes	–	(2,671)	402	(2,269)
At 30 June 2021	–	(146,628)	(14,691)	(161,319)
Carrying amounts				
At 1 January 2020	776,841	1,384,051	169,653	2,330,545
At 31 December 2020	821,103	1,491,048	162,896	2,475,047
At 30 June 2021	797,555	1,386,832	158,615	2,343,002

Amortisation of project related agreements and licences and service concession intangible assets begins on the commercial operation date of the renewable asset as defined in the respective power purchase agreements.

As at reporting date, Service concession intangible assets of the Combined Group were pledged as collateral to secure project finance debts (Note 16).

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10 Equity-accounted investees

	30 June 2021 US\$'000	31 December 2020 US\$'000
Interests in joint venture	53,045	46,147
Interests in associates	451,921	447,771
Total interests in equity-accounted investees	504,966	493,918

Investment in joint venture

During the six months period ended 30 June 2021, the Combined Group acquired 49% economic interest in Wind Power Energy Co., Ltd. ("WPE"). The remaining economic interest is substantially owned by a third party, Prominet Power K.K. and decisions in relation to key relevant activities of WPE require unanimous consent. The Combined Group has assessed that it has joint control over WPE, and that its investment in WPE meets the definition of a joint venture (as defined by the Combined Group's accounting policy). WPE is based in Japan, and principally engaged in development and operation of renewable energy assets

The following summarises the financial information of the Combined Group's joint venture based on the financial statements prepared in accordance with the Combined Group's accounting policy:

30 June 2021	Nanao US\$'000	KK Kyudenko US\$'000	WPE US\$'000
<u>Statement of financial position</u>			
Property, plant and equipment	41,399	44,849	34,166
Right-of-use assets	15,862	52,660	11,619
Intangible assets	1,433	38,126	–
Prepayments and other assets	1,786	197	–
Trade and other receivables	198	–	–
Non-current assets	60,678	135,832	45,785
Prepayments and other assets	–	144	3
Trade and other receivables	–	32,755	3
Cash and cash equivalents	2,886	5,865	8,666
Current assets	2,886	38,764	8,672
Total assets	63,564	174,596	54,457
Loans and borrowings	31,645	77,228	15,707
Lease liabilities	6,199	57,321	11,202
Derivative liabilities	378	2,623	–
Non-current liabilities	38,222	137,172	26,909
Loans and borrowings	–	–	57
Lease liabilities	380	225	409
Trade and other payables	7	2	2,663
Current liabilities	387	227	3,129
Total liabilities	38,609	137,399	30,038
Net assets	24,955	37,197	24,419

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10 Equity-accounted investees (cont'd)

Investment in joint venture (cont'd)

The following summarises the financial information of the Combined Group's joint venture based on the financial statements prepared in accordance with the Combined Group's accounting policy:

30 June 2021	Nanao US\$'000	KK Kyudenko US\$'000	WPE US\$'000
<u>Statement of comprehensive income</u>			
Other income	–	1	1
Operating expenses	(10)	(91)	(16)
Change in fair value of financial derivatives	1,214	(701)	–
Profit/(loss) before tax	1,204	(791)	(15)
Tax expense	(1)	–	–
Profit/(loss) for the period	1,203	(791)	(15)
Foreign currency translation differences	(1,435)	(2,783)	(1)
Total comprehensive losses for the period	(232)	(3,574)	(16)

31 December 2020	Nanao US\$'000	KK Kyudenko US\$'000
<u>Statement of financial position</u>		
Property, plant and equipment	43,658	16,131
Intangible asset	1,538	40,920
Right-of-use assets	17,393	57,921
Prepayments and other assets	1,917	97
Non-current assets	64,506	115,069
Prepayments and other assets	–	246
Trade and other receivables	221	33,177
Cash and cash equivalents	3,792	10,513
Current assets	4,013	43,936
Total assets	68,519	159,005
Loans and borrowings	33,684	48,699
Lease liabilities	7,129	61,578
Derivative liabilities	1,709	2,063
Non-current liabilities	42,522	112,340
Loans and borrowings	–	–
Lease liabilities	405	56
Trade and other payables	100	5,837
Current liabilities	505	5,893
Total liabilities	43,027	118,233
Net assets	25,492	40,772

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10 Equity-accounted investees (cont'd)

Investment in joint venture (cont'd)

30 June 2020	Nanao US\$'000	KK Kyudenko US\$'000
<u>Statement of comprehensive income</u>		
Other income	—	—
Operating expenses	(993)	(72)
Finance costs	—	—
Loss before tax	(993)	(72)
Tax expense	—	—
Loss for the period	(993)	(72)
Foreign currency translation differences	495	51
Total comprehensive losses for the period	(498)	(21)

	Nanao US\$'000	KK Kyudenko US\$'000	WPE US\$'000	Total US\$'000
30 June 2021				
Carrying amount of interest in joint venture at 1 January 2021	17,378	28,769	—	46,147
Combined Group's acquisition of share capital during the period	—	—	9,565	9,565
Share of profit/(loss) of joint venture	800	(555)	—	245
Share of other comprehensive income of joint ventures	(991)	(1,921)	—	(2,912)
Carrying amount of interest in joint venture at 30 June 2021	17,187	26,293	9,565	53,045
31 December 2020				
Carrying amount of interest in joint venture at 1 January 2020		28,151	—	28,151
Combined Group's acquisition of share capital during the year	18,156	—	—	18,156
Share of losses of joint venture	(1,204)	(966)	—	(2,170)
Share of other comprehensive income of joint venture	426	1,584	—	2,010
Carrying amount of interest in joint venture at 31 December 2020	17,378	28,769	—	46,147

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Equity-accounted investees (cont'd)***Interests in associates***

The Combined Group has 6 (2020: 6) material associates and 11 (2020: 11) immaterial associates which are equity accounted for. The following are the material associates:

Associate entity name	Hangin ng Amihan Holdings, Inc. and its subsidiaries ("HANGIN")	Vena Energy Wind (Phil) Holdings Inc ("VEWPHI")	Helios Solar Energy Holdings Inc. and its subsidiaries ("HSEHI")	First Soleq Holdings Philippines Inc. ("FSHP")	One Bukidnon Project Holdings Inc. ("OBPHI")	RA Solar Energy Holdings Inc. and its subsidiaries ("RSEHI")
Nature of Associate	Investment holdings entity for Alternergy Corporation ("Project Pililia")	Investment holdings entity for Alternergy Wind One Corporation ("Project Pililia")	Investment holdings entity for Helios Solar Energy Corp. ("Project Pollo")	Investment holding entity for First Soleq Energy Corp. ("Project Ironman")	Investment holding entity for Asian Green energy Corp. ("Project Zorro")	Investment holding entity for Mirae Asia Energy Corp. ("Project Garcia")
Sector	54.0 MW wind	54.0 MW wind	132.5 MW solar	30.4 MW solar	10.5 MW solar	20.1 MW solar
Principal place of business/ Country of incorporation	Philippines	Philippines	Philippines	Philippines	Philippines	Philippines
Direct economic interest held in associate by the Combined Group (%)	99.84%	100%	99.56%	99.82%	99.86%	99.91%
Effective economic interest held on the underlying project (%)	55.03% ¹	39.97% ¹	99.56%	99.82%	99.86%	99.97%
Direct Voting rights held in the associate by the Combined Group (%)	38.51%	37.29%	22.16%	21.62%	23.76%	40%

¹ HANGIN held 55.2% and VEWPHI held 39.8% direct voting rights in Project Pililia. Through the investment in HANGIN & VEWPHI, the Combined Group aggregate economic interest in Project Pililia (54Mw Wind) is 94.91%.

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

30 June 2021

Statement of financial position

Property, plant and equipment
Intangible assets
Equity-accounted investees
Other receivables
Right-of-use assets
Prepayment and other assets
Non-current assets

Trade and other receivables
Prepayment and other assets
Cash and cash equivalents
Current assets
Total assets

Loans and borrowings
Employee benefits
Asset retirement obligation
Deferred tax liabilities
Non-current liabilities

Loans and borrowings
Trade and other payables
Current liabilities
Total liabilities
Net Assets

Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000
89,234	–	145,216	31,621	12,087	27,009
730	–	–	–	–	–
–	14,941	–	–	–	4,925
2,345	65	138	3,772	110	280
141	–	641	230	163	230
36	–	89	130	33	35
92,486	15,006	146,084	35,753	12,393	32,479
13,701	–	20,979	5,409	2,697	3,864
286	–	635	102	18	76
13,101	40	11,957	1,013	984	980
27,088	40	33,571	6,524	3,699	4,920
119,574	15,046	179,655	42,277	16,092	37,399
68,340	–	108,835	13,058	8,433	15,740
39	–	–	–	–	–
3,300	–	1,109	261	88	184
177	–	271	–	22	105
71,856	–	110,215	13,319	8,543	16,029
4,585	–	5,494	3,481	589	2,338
1,975	3	962	1,445	1,719	822
6,560	3	6,456	4,926	2,308	3,160
78,416	3	116,671	18,245	10,851	19,189
41,158	15,043	62,984	24,032	5,241	18,210

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Equity-accounted investees (cont'd)***Interests in associates (cont'd)***

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

30 June 2021**Statement of comprehensive income**

Sale of energy

Other income

Revenue

Operating costs

Shared services costs

Depreciation expense

Finance income

Finance costs

Net foreign exchange gain/(loss)

Share of net profits of associate

Profit before tax

Income tax expense

Profit from continuing operations**Other comprehensive income**

Foreign operations - foreign currency translation differences

Total comprehensive income

	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000
	12,676	—	18,606	4,095	1,416	3,733
	—	—	2,044	—	—	637
	12,676	—	20,650	4,095	1,416	4,370
	(2,000)	(3)	(2,385)	(602)	(470)	(569)
	(538)	—	(138)	(34)	(11)	(26)
	(2,345)	—	(3,770)	(956)	(354)	(793)
	(4,883)	(3)	(6,293)	(1,592)	(835)	(1,388)
	73	—	104	32	9	16
	(2,190)	—	(3,701)	(450)	(283)	(493)
	(9)	—	10	(240)	1	(62)
	(2,126)	—	(3,587)	(658)	(273)	(539)
	—	2,261	—	—	—	—
	5,667	2,258	10,770	1,845	308	2,443
	—	—	—	—	—	—
	5,667	2,258	10,770	1,845	308	2,443
	(176)	(127)	(839)	(324)	(70)	(173)
	5,491	2,131	9,931	1,521	238	2,270

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Equity-accounted investees (cont'd)***Interests in associates (cont'd)***

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

31 December 2020***Statement of financial position***

Property, plant and equipment
Intangible assets
Equity-accounted investees
Other receivables
Right-of-use assets
Prepayments and other assets
Non-current assets

Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000
92,826	–	151,006	33,011	12,603	28,171
740	–	–	–	–	–
–	12,681	–	–	–	4,433
1,649	64	125	3,764	93	227
2	–	5	2	4	3
37	–	90	102	34	127
95,254	12,745	151,226	36,879	12,734	32,961
13,074	–	14,711	4,458	2,501	2,960
646	–	1,061	209	57	144
12,036	45	24,753	1,114	1,102	989
25,756	45	40,525	5,781	3,660	4,093
121,010	12,790	191,751	42,660	16,394	37,054
72,002	–	125,403	14,602	8,702	14,955
40	–	–	–	–	–
3,290	–	1,124	265	90	187
179	–	275	–	22	106
75,511	–	126,802	14,867	8,814	15,248
4,570	–	5,836	3,365	579	4,784
4,892	4	1,511	1,914	1,757	1,072
–	–	–	2	21	10
9,462	4	7,347	5,281	2,357	5,866
84,973	4	134,149	20,148	11,171	21,114
36,037	12,786	57,602	22,512	5,223	15,940

10**Equity-accounted investees (cont'd)****Interests in associates (cont'd)**

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

30 June 2020

Sale of energy

Other income

Revenue

Operating costs

Shared services costs

Depreciation expenses

Finance income

Finance costs

Foreign exchange gain/(loss)

Net finance income/(costs)

Share of profits of associate

Profit before tax

Income tax expenses

Profit from continuing operations**Other comprehensive income**

Foreign operations - foreign currency translation differences

Total comprehensive income

Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000
10,199	–	18,018	3,935	1,371	3,191
–	–	2,627	–	–	155
10,199	–	20,645	3,935	1,371	3,346
(2,338)	(3)	(2,289)	(469)	(416)	(518)
(568)	–	(569)	(212)	(176)	(246)
(2,258)	–	(3,604)	(906)	(340)	(760)
(5,164)	(3)	(6,462)	(1,587)	(932)	(1,524)
61	–	197	3	–	59
(2,169)	–	(5,017)	(532)	(286)	(601)
4	–	(31)	309	16	465
(2,104)	–	(4,851)	(220)	(270)	(77)
–	1,180	–	–	–	–
2,931	1,177	9,332	2,128	169	1,745
–	–	–	–	–	(4)
2,931	1,177	9,332	2,128	169	1,741
276	3	816	329	73	–
3,207	1,180	10,148	2,457	242	1,741

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

30 June 2021	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000	Immaterial associates US\$'000	Total associates US\$'000
Carrying amount of interest in associates at start of period	59,063	42,839	219,109	45,794	11,792	63,975	5,199	447,771
Combined Group's share of amortisation of intangible asset acquired through business combinations	(1,457)	(1,050)	(4,476)	(786)	(166)	(1,567)	—	(9,502)
Combined Group's share of profit/(loss) from continuing operations	3,128	2,258	10,749	1,842	308	2,442	(127)	20,600
Effect of exchange rate changes from project-related agreements & licences	(553)	(399)	(1,876)	(306)	(69)	(646)	(1)	(3,850)
Combined Group's share of other comprehensive (income)/loss	(176)	(127)	426	(323)	(70)	(160)	(565)	(995)
Combined Group's share of total comprehensive income/(loss)	942	682	4,823	427	3	69	(693)	6,253
Combined Group's contribution during the period	—	—	—	—	—	—	2,820	2,820
Distribution during the period	—	—	(4,756)	—	(167)	—	—	(4,923)
Carrying amount of interest in associates at end of the period	60,005	43,521	219,176	46,221	11,628	64,044	7,326	451,921

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial information of the Combined Group's material associates prepared in accordance with the Combined Group's accounting policy:

31 December 2020		Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Wawa HPHPI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Garcia RSEHI US\$'000	Immaterial associates US\$'000	Total associates US\$'000
Carrying amount of interest in associates at start of the year		55,381	40,176	7,638	212,787	42,542	11,029	59,103	5,086	433,742
Combined Group's share of amortisation of intangible asset acquired through business combinations		(2,824)	(2,036)	–	(8,782)	(1,524)	(322)	(3,057)	–	(18,545)
Combined Group's share of profit/(loss) from continuing operations		3,660	2,647	(30)	19,737	6,361	878	4,311	(559)	37,005
Effect of exchange rate changes from project-related agreements & licences		2,284	1,647	–	7,828	1,262	283	2,677	–	15,981
Combined Group's share of other comprehensive income		562	405	97	2,954	1,210	269	941	(71)	6,367
Combined Group's share of total comprehensive income		3,682	2,663	67	21,737	7,309	1,108	4,872	(630)	40,808
Combined Group's contribution during the year		–	–	–	–	–	–	–	743	743
Distribution during the year		–	–	–	(15,415)	(4,057)	(345)	–	–	(19,817)
Disposal of interests in associate		–	–	(7,705)	–	–	–	–	–	(7,705)
Carrying amount of interest in associates at end of the year		59,063	42,839	–	219,109	45,794	11,792	63,975	5,199	447,771

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11 Loans receivables

	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current		
Loan receivables from:		
- Equity-accounted investees	16,175	29,016
- Other third parties	3,611	3,550
Promissory note receivables	7,910	8,329
	<u>27,696</u>	<u>40,895</u>
Less: Impairment loss on loans receivables	(137)	(301)
Total non-current loans receivables	<u>27,559</u>	<u>40,594</u>
Current		
Interest receivables from:		
- Equity-accounted investees	698	644
- Promissory note	465	441
- Cross currency swap	3,705	3,677
- Other third parties	1,169	1,194
Loan receivables from:		
- Equity-accounted investees	6,575	7,503
- Other third parties	6,860	6,860
	<u>19,472</u>	<u>20,319</u>
Less: Impairment loss on loans receivables	(3)	(167)
Total current loans receivables	<u>19,469</u>	<u>20,152</u>
	<u>47,028</u>	<u>60,746</u>

Terms and conditions of loan receivables are as follows:

	Currency	Maturity date	Principal amount		Interest rate	
			2021 \$'000	2020 \$'000	2021 %	2020 %
Equity-accounted investees ^(a)	USD	2021 to 2026	22,749	36,519	3 - 5	3 - 5
Other third parties ^(b)	USD	2021	6,860	6,860	17	17
Other third parties ^(c)	USD	On demand	827	1,206	1.5	1.5
Other third parties ^(c)	USD	On demand	1,880	1,894	4.62	4.62
Other third parties ^(c)	USD	On demand	450	450	5.5	5.5
Promissory notes receivable ^(d)	THB	2027	7,910	8,329	-	-
			<u>40,676</u>	<u>55,258</u>		

- (a) Loan receivables from equity-accounted investees are unsecured, with 3-5% (2020: 3-5%) interest and repayable quarterly with maturity dates from 2021 to 2026.
- (b) The loan receivables of US\$6,860,000 (2020: US\$6,860,000) from San Lorenzo Ruiz Builders & Developers Group Inc. are secured, with 17% (2020: 17%) interest and repayable within 4 to 6 months.
- (c) The Combined Group does not intend to demand these unsecured loans for repayment in the next 12 months.
- (d) Promissory notes receivable are zero coupon, non-transferable and redeemable, with maturity date of 3 August 2027. At redemption date, the Combined Group is entitled to receive a redemption amount equal to 1% of the principal amount plus accrued redemption fee per annum.

As at reporting date, some loan receivables of the Combined Group were pledged as collateral to secure project finance debts (see note 16).

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12 Cash and cash equivalents

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Bank balances		312,143	286,689
Short term deposits		20,433	53,817
Less: Impairment loss		(218)	(37)
Cash and cash equivalents in the statement of financial position		332,358	340,469
Restricted bank balances and deposits	(a)	(97,906)	(80,100)
Cash and cash equivalents in the statement of cash flows		234,452	260,369

- (a) As at reporting date, some cash and cash equivalents were pledged as collateral to secure project finance debts (see note 16). Included US\$79 million (2020: US\$78 million) of the Combined Group's cash and cash equivalents were held under debt service reserve accounts which represents a reserve account used for debt service of project finance debt when cash flow available for debt services is inadequate to service the project finance debt. The remaining US\$19 million (2020: Nil) were deposits pledged to secure bank loans.

13 Derivative assets and liabilities

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Derivative assets			
Non-current			
Electricity derivative		153,379	176,353
Interest rate swaps		926	—
Cross currency swaps	(a)	11,933	—
		166,238	176,353
Current			
Interest rate swaps		252	—
Forward exchange contract		937	1,350
Electricity derivative		7,205	6,029
		8,394	7,379
Total derivative assets		174,632	183,732
Derivative liabilities			
Non-current			
Interest rate swaps		25,743	30,664
Cross currency swaps	(a)	—	11,201
		25,743	41,865
Current			
Forward exchange contract		33	3,718
Interest rate swaps		3,016	3,239
		3,049	6,957
Total derivative liabilities		28,792	48,822

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13 Derivative assets and liabilities (cont'd)

- (a) During the financial year ended 31 December 2020, the Combined Group entered into cross currency swaps which matures in 2025 and with an aggregate notional amount of JPY 36.0 billion, whereby the Combined Group is required to make semi-annual interest payments calculated at fixed interest rates between 1.215% to 1.265%.

These cross currency swaps are designated as hedging instruments for giving effect to hedge accounting applied at the Combined Group level. The Combined Group's accounting policy for this hedge is set out in Note 5 and the hedge effectiveness is illustrated in Note 27.

14 Prepayments and other assets

	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current		
Other prepayments	4,720	4,730
Other assets	23,078	11,378
	<u>27,798</u>	<u>16,108</u>
Current		
Prepaid insurance	493	689
Other prepayments	12,401	13,706
Other assets	3,200	3,316
	<u>16,094</u>	<u>17,711</u>
Total prepayments and other assets	<u>43,892</u>	<u>33,819</u>

As at reporting date, some prepayments and other assets of the Combined Group were pledged as collateral to secure project finance debts (see note 16).

15 Trade and other receivables

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current			
Deposits		549	582
Tax receivables	(a)	44,600	29,006
Others	(e)	1,464	1,622
Total non-current other receivables		<u>46,613</u>	<u>31,210</u>
Current			
Trade receivables		78,070	72,942
Contract assets		31,136	20,357
Total trade receivables and contract assets		<u>109,206</u>	<u>93,299</u>

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15 Trade and other receivables (cont'd)

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Amount due from:			
- Unitholder	(b)	–	350,000
- Equity-accounted investees	(c)	1,720	2,652
- Other third parties	(d)	16,053	15,944
Deposits		26,626	15,724
Tax receivables	(a)	12,013	19,566
Others	(e)	396	1,299
Total current other receivables		<u>56,808</u>	<u>405,185</u>
Less: Impairment loss			
- Trade receivables and contract assets		(4,052)	(3,820)
- Other receivables		(6,990)	(6,964)
Total current trade and other receivables		<u>154,972</u>	<u>487,700</u>

- (a) Non-current other tax receivables of US\$44 million (2020: US\$29 million) relate to value-added tax receivables which will be refunded upon completion of construction of the projects while current other tax receivables relate to value-added tax receivables that are expected to be refunded within the next one year.
- (b) Amount due from unitholder is unsecured, non-trade in nature, non-interest bearing and repayable on demand. This amount was subsequently received in February 2021.
- (c) The amount due from equity-accounted investees of US\$1.7 million (2020: US\$2.6 million) is non-trade, unsecured, non-interest bearing and repayable on demand.
- (d) Included in the amounts due from other third parties are proceeds from sale of interest in equity accounted associate (Project Wawa) of US\$6.7 million due from San Lorenzo Ruiz Builders & Developers Group Inc. The Combined Group made a provision for impairment loss amounting to 100% of such receivables.
- (e) Included in non-current and current other receivables are delayed liquidated damages receivable from EPC contractors in Indonesia of US\$1.8 million (2020: US\$2.9 million).

Disaggregation of trade receivables

A summary of the Combined Group's exposure to credit risk for trade receivables by geographic region is as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
India	70,183	66,901
Indonesia	3,458	1,603
Thailand	4,424	4,391
Others	5	47
	<u>78,070</u>	<u>72,942</u>

As at reporting date, some trade and other receivables were pledged as collateral to secure project finance debts (see note 16).

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16 Loans and borrowings and lease liabilities

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current			
Loans and borrowings:			
- Project finance debt		1,392,544	1,308,264
- Corporate Term loan		125,949	142,689
- Revolving credit facility		69,568	179,090
- Euro Medium term note	(a)	321,838	321,415
		<u>1,909,899</u>	<u>1,951,458</u>
Lease liabilities		<u>318,249</u>	<u>306,626</u>
Current			
Loans and borrowings:			
- Project finance debt		87,626	126,918
- External party loan		2,480	2,479
- Working capital loans		15,163	14,740
- Interest payable		6,007	6,752
		<u>111,276</u>	<u>150,889</u>
Lease liabilities		<u>13,307</u>	<u>11,014</u>
		<u>2,352,731</u>	<u>2,419,987</u>

- (a) On 27 February 2020, a related party, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer") US\$325,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under the \$1 billion Global Medium Term Note Programme (the "Notes"). The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2020, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2020. The Notes will mature on 26 February 2025.

The Holding Companies jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

The below table show the notional amount of outstanding loans and borrowings not including transaction costs.

Gross debt

	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current		
Project finance debt	1,412,935	1,329,040
Corporate Term loan	125,949	142,689
Revolving credit facility	72,157	179,090
Euro Medium Term Note	325,000	325,000
	<u>1,936,041</u>	<u>1,975,819</u>
Current		
Project finance debt	89,615	128,486
External party loan	2,480	2,479
Bank overdrafts	15,163	14,740
	<u>107,258</u>	<u>145,705</u>
	<u>2,043,299</u>	<u>2,121,524</u>

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16 Loans and borrowings and lease liabilities (cont'd)

Terms and conditions of loans and borrowings are as follows:

	Currency	Maturity date	Principal amount		Interest rate	
			2021 US\$'000	2020 US\$'000	2021 %	2020 %
Project finance debt	AUD	2021-2044	123,066	126,554	BBSY+1.2	BBSY+1.65
Project finance debt	AUD	2025	68,503	18,300	BBSY+0.1765	BBSY + 0.1765
Project finance debt	INR	2035	98,104	98,401	10.25	10.25
Project finance debt	INR	2033	16,775	17,454	9.55	9.55
Project finance debt	INR	2033	20,262	21,473	9.50	9.5
Project finance debt	INR	2028	11,316	11,972	10.90	10.9
Project finance debt	INR	2033	45,548	47,865	10.05 - 10.09	10.05-10.09
Project finance debt	INR	2033	11,908	11,908	MCLR+1.5	MCLR +1.5%
Project finance debt	INR	2035	61,068	63,176	9.25	10.75
Project finance debt	INR	2035	27,170	28,384	10.20	10.2
Project finance debt	INR	2035	71,555	74,149	10.22	10.22
Project finance debt	INR	2035	61,636	35,504	7.39	7.39
Project finance debt	THB	2027	77,873	92,636	4.2 & MLR-2.8	4.2 & MLR-2.8
Project finance debt	USD	2037	104,896	107,298	3.9 - 5.721	3.9 - 5.721
Project finance debt	USD	2037	12,238	12,654	3 - 5.7060	3 - 5.7060
Project finance debt	USD	2037	6,253	6,466	1.1 - 5.7060	1.1 - 5.7060
Project finance debt	USD	2037	16,934	17,510	1.5 - 5.7060	1.5 - 5.7060
Project finance debt	NTD	2033 to 2038	96,192	92,352	TAIBOR+1.5	TAIBOR+1.5
Project finance debt	JPY	2035 - 2039	570,455	573,470	1-month to 6-month of TIBOR + 0.5% to 1.0%	3-month TIBOR + 0.62 to 0.70 & LIBOR + 0.62% to 0.7%
External party loan	USD	2021	2,480	2,479	Interest free	Interest free
Term loan	JPY	2024	15,163	142,689	10.9-11.45%	LIBOR+1.75
Revolving credit facility	JPY	2024	198,106	179,090	LIBOR+1.25	LIBOR+1.25
Euro Medium term note	JPY	2025	325,000	325,000	3.133	3.133%
			<u>2,042,501</u>	<u>2,106,784</u>		

Debt covenant

The loans and borrowings contain debt covenants which are tested on a regular basis. A future breach of these covenants may require the Combined Group to repay the loans and borrowings earlier than indicated in the table above.

The Combined Group has a secured bank loan with a carrying amount of US\$4.7 million as at 30 June 2021 (2020: US\$4.8 million). This loan is repayable in tranches within 5 years. However, the loan contains a covenant stating that at the end of each quarter, the debt to equity ratio shall be less than 4 times and the ratio of the aggregate of all of the Combined Group's liabilities to the Combined Group's liabilities paid in capital does not exceed the ratio of 82:18 at any time throughout the duration of the agreement, otherwise the loan will be repayable on demand.

The Combined Group exceeded its maximum leverage threshold as at 30 June 2021. The Combined Group had obtained a waiver letter in August 2021 from the bank and this bank loan has been reclassified from non-current to current as at 30 June 2021.

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16 Loans and borrowings and lease liabilities (cont'd)

Leverage ratio

Pursuant to the amendment and restatement agreement dated 21 May 2021 relating to the existing facilities agreement between Vena Energy Holdings Ltd., Vena Energy (Taiwan) Holdings Ltd. ("VETHL"), Zenith Japan Holdings Trust ("ZJHT") and Credit Agricole Corporate and Investment Bank acting as agent and issuing bank (the "RCF Facility Agreement"), Vena Energy Holdings Ltd. has complied with all covenants as at 30 June 2021.

Pledges for facilities agreements

The Combined Group has entered into several Facilities agreements with various financial institutions. Under these agreements, these financial institutions provide project financing debts of US\$1,503 million (2020: US\$1,458 million) to the Combined Group on a combination of fixed and floating rates.

The obligations of the Combined Group to the banks are collateralised by the pledges of all the shares of the project entities and liens on and security interests in substantially all of the project entities' assets, its rights under various agreements, all of the project entities' revenues and all insurance proceeds payable to the project entities and require the project entities to comply with various administrative requirements.

As at 30 June 2021 and 31 December 2020, the assets of the project entities pledged in relation to the facilities agreements are as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Property, plant and equipment	1,524,037	1,444,885
Right-of-use assets	98,495	111,208
Intangible assets	176,083	180,522
Prepayments and other assets	5,915	6,989
Trade and other receivables	205,348	180,276
Deferred tax assets	1,954	4,933
Cash and cash equivalents	178,209	208,783
Loan receivables	58,090	61,782
Other investment	204	205
	<u>2,248,335</u>	<u>2,199,583</u>

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17 Trade and other payables

	Note	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current			
Deferred income	(a)	1,916	2,082
Current			
Trade payables		9,508	10,124
Payables to EPC contractors		28,549	19,257
Accrued operating expenses		60,268	56,446
Accrued staff costs		1,988	1,793
Deferred income	(b)	6,111	5,912
Other tax payable		7,474	12,254
Amount due to:			
- Equity-accounted investees	(c)	141	351
- Other third parties	(d)	16,126	14,941
		<u>130,165</u>	<u>121,078</u>

- (a) Non-current deferred income relates to advanced mobilization payments received from non-related parties, amortised over period with regards to operations and maintenance agreements.
- (b) Included in current deferred income is contract liabilities of US\$0.8 million (2020: US\$0.3 million) which relates to advances received from customers for services yet to be fulfilled, US\$4.7 million (2020: US\$4.9 million) which relates to government grants on project, amortized over PPA period of 25 years, US\$0.2 million (2020: US\$0.2 million) which relates to government grants on bond issuance, amortized over bond life of 5 years.
- (c) The amount due to equity-accounted investees of US\$141,000 (2020: US\$351,000) is non-trade, unsecured, non-interest bearing and repayable on demand.
- (d) Included in amounts due to other third parties are due to seller of a subsidiary of Zenith Japan Holdings Trust upon acquisition of US\$6 million (2020: US\$6 million).

18 Revenue

The Combined Group's revenue comprises:

	Six months period ended 30 June 2021 US\$'000	30 June 2020 US\$'000
Sale of energy	153,468	145,545
Service concession income	—	1,119
Fee income		
- Shared services fee income from equity-accounted investees	3,937	4,249
	<u>157,405</u>	<u>150,913</u>

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18 Revenue (cont'd)

Sale of energy

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Nature of goods or services	Sale of renewable energy
When revenue is recognised	Revenue from sale of electricity is recognised in profit or loss when the electricity generated is dispatched to the customer. Revenue is determined based on the units of sales delivered at the applicable tariff rates.
Payment terms	15 – 90 days

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets.

	Six months period ended	
	30 June 2021 US\$'000	30 June 2020 US\$'000
Japan	52,394	51,379
Taiwan	8,626	7,467
Thailand	24,334	24,478
India	46,834	42,700
Australia	7,040	5,766
Indonesia	14,240	13,755
Total Revenue	<u>153,468</u>	<u>145,545</u>

Contract balances

Please refer to note 15 for contract assets primarily relating to the Combined Group's right to consideration for sale of renewable energy but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Combined Group invoices the customer.

Please refer to note 17 for contract liabilities primarily relating to advance consideration received from customers for performance of service contracts.

19 Other income

	Six months period ended	
	30 June 2021 US\$'000	30 June 2020 US\$'000
Insurance claim	148	1,412
Government grants	199	197
Others	1,052	263
	<u>1,399</u>	<u>1,872</u>

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20 Operating costs

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Operations and maintenance costs	14,034	11,790
Utilities and transmission costs	2,090	2,606
Asset related insurance	2,368	1,777
Professional fees	2,212	1,898
Rental - land & site office	347	203
IT expenses	4	4
Asset related tax and levies	3,614	2,391
Other general and administrative costs	1,174	953
	<u>25,843</u>	<u>21,622</u>

Staff costs of US\$2.4 million (2020: US\$2.3 million) is included within operations and maintenance costs.

21 Shared services costs

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Staff costs	26,204	20,651
Directors and Investment Committee members fee	351	320
Occupancy costs	536	576
IT expenses	1,002	902
Professional fees	3,356	2,352
Secondment fee	—	161
Insurance	306	220
Travel and entertainment expenses	906	796
Other general and administrative costs	1,240	1,955
	<u>33,901</u>	<u>27,933</u>
Less: shared service costs capitalised	<u>(15,140)</u>	<u>(12,957)</u>
	<u>18,761</u>	<u>14,976</u>

22 Development costs

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Staff costs	2	1
Professional fees	693	300
Travel and entertainment expenses	91	127
Occupancy costs	40	110
Other general and administrative costs	614	425
	<u>1,440</u>	<u>963</u>

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23 Finance income and finance costs

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Finance income		
Interest income from:		
- Loan to third party	657	1,374
- Bank deposits	987	1,545
- Cross currency swap	5,119	3,564
Total finance income	6,763	6,483
Finance costs		
Interest expense on:		
- Project finance debt	(29,518)	(26,135)
- Term loan	(1,656)	(2,220)
- Lease liabilities	(1,059)	(1,088)
- Bond issued	(5,119)	(3,564)
- Cross currency swap	(2,104)	(1,448)
- Interest rate swaps	(2,955)	(3,565)
Other finance costs	(2,582)	(2,760)
Total finance costs	(44,993)	(40,780)

24 Change in fair value of financial instrument at FVTPL

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Gain/(loss) on change in fair value:		
- Equity investment	-	(1,824)
- Electricity derivatives	(21,250)	8,314
- Forward contract	(191)	(139)
- Interest swaps	6,024	(9,048)
- Cross currency swaps not qualifying as hedges	-	2,177
Hedge ineffectiveness of cross currency interest rate swaps	(646)	16,150
	(16,063)	15,630

25 Profit before tax

The following items have been included in arriving at profit before tax:

	Six months period ended	
	30 June	30 June
	2021	2020
	US\$'000	US\$'000
Staff costs		
Wages and salaries	18,799	15,408
Ordinary bonus	4,153	3,492
Contributions to defined contribution plans	442	366
Employee insurance	1,237	727
Recruitment fee	833	363
Staff benefits, allowances and others	3,439	2,685
	28,903	23,041

26 Fair value of financial instruments

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Combined Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Combined Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Combined Group measures instruments quoted in an active market at mid-price.

If there is no quoted price in an active market, then the Combined Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Combined Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

The Combined Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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Fair value of financial instruments (cont'd)**Accounting classification and fair value**

The table below summarises the classification of the financial assets and liabilities of the Combined Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. At the reporting date, the fair values of trade and other receivables, cash and cash equivalents and trade and other payables are equivalent to the carrying amounts shown in the statement of financial position due to the short-term maturity of these financial instruments

	Carrying amount			Fair value			
	Mandatorily at FVTPL	Amortised cost	Other financial liabilities	Total	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
30 June 2021							
Trade and other receivables*	–	137,535	–	137,535	–	–	–
Cash and cash equivalents	–	332,358	–	332,358	–	–	–
Other investments	6,405	–	–	6,405	–	–	6,405
Derivative assets	174,632	–	–	174,632	–	–	174,632
Loans receivables	–	47,028	–	47,028	–	45,564	–
Loans and borrowings	–	–	(2,021,175)	(2,021,175)	–	(2,049,306)	–
Derivative liabilities	(28,792)	–	–	(28,792)	–	(28,792)	–
Trade and other payables*	–	–	(116,580)	(116,580)	–	–	–
	152,245	516,921	(2,137,755)	(1,468,589)	–	–	–

* Excludes non-financial assets and liabilities

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Fair value of financial instruments (cont'd)

Accounting classification and fair value (cont'd)

The table below summarises the classification of the financial assets and liabilities of the Combined Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. At the reporting date, the fair values of trade and other receivables, cash and cash equivalents and trade and other payables are equivalent to the carrying amounts shown in the statement of financial position due to the short-term maturity of these financial instruments

	Carrying amount			Fair value				
	Mandatorily at FVTPL US\$'000	Amortised cost US\$'000	Other financial liabilities US\$'00	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
31 December 2020								
Trade and other receivables	—	470,338	—	470,338	—	—	—	—
Cash and cash equivalents	—	340,469	—	340,469	—	—	—	—
Other investments	2,433	—	—	2,433	—	—	2,433	2,433
Derivative assets	183,732	—	—	183,732	—	1,350	182,382	183,732
Loan receivables	—	60,746	—	60,746	—	61,214	—	61,214
Derivative liabilities	(48,822)	—	—	(48,822)	—	(48,822)	—	(48,822)
Loans and borrowings	—	—	(2,102,347)	(2,102,347)	—	(2,128,276)	—	(2,128,276)
Trade and other payables*	—	—	(100,830)	(100,830)	—	—	—	—
	137,343	871,553	(2,203,177)	(1,194,281)				

* Excludes non-financial assets and liabilities

26 Fair value of financial instruments (cont'd)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Other investments: Equity investments – at FVTPL	<i>Discounted cash flows:</i> The valuation model considers the present value of expected cash flows from the projects, discounted using a risk-adjusted discount rate.	Discount rate	The estimated fair value would increase (decrease) if the discount rates was lower (higher).
Other investments: Debt investments – at FVTPL	<i>Market comparison:</i> The fair value is estimated considering current or recent quoted prices for identical securities in markets that are not active.	Not applicable.	Not applicable.
Electricity derivative	<i>Discounted cash flows:</i> The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the expectation of spot rates for the duration of the contract.	Electricity spot rates Discount rate	The estimated fair value would increase (decrease) if: • The electricity spot rate was lower (higher); • The discount rate was lower (higher).
Interest rate swaps	<i>Swap models:</i> The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not applicable.	Not applicable.
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward rates at the reporting date and present value calculations based on yield curves in respective currencies.	Not applicable.	Not applicable.

26 Fair value of financial instruments (cont'd)

Valuation techniques and significant unobservable inputs (cont'd)

Financial instruments measured at fair value (cont'd)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Cross currency swaps	<i>Swap models:</i> Cross currency swaps are measured using quoted forward exchange rates and yield curves from quoted interest rates of the respective currencies, matching maturities of the swaps.	Not applicable.	Not applicable.

Financial instruments not measured at fair value

Type	Valuation technique
Loans and borrowings / Loans receivables	<i>Discounted cash flows:</i> The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	30 June 2021		31 December 2020	
	Equity investments – at FVTPL US\$'000	Electricity derivative US\$'000	Equity investments – at FVTPL US\$'000	Electricity derivative US\$'000
Beginning balance	2,433	182,382	3,262	117,992
Purchases	4,870	–	–	–
Total unrealised gains and losses recognised in profit or loss	–	(20,872)	(829)	48,101
Foreign currency translation recognised in OCI	(898)	(926)	–	16,289
Ending balance	6,405	160,584	2,433	182,382

27 Hedge Accounting

Net investment hedges

A foreign currency exposure arises from the Combined Group's net investment in its Japan subsidiaries that has a JPY functional currency. The risk arises from the fluctuation in spot exchange rates between the JPY and the USD, which causes the amount of the net investment to vary.

The hedged risk in the net investment hedge is the risk of a weakening JPY against the USD that will result in a reduction in the carrying amount of the Combined Group's net investment in the Japan subsidiaries.

Part of the Combined Group's net investment in its Japan subsidiaries is hedged by a derivative instrument which is the JPY/USD cross currency interest rate swap, which mitigates the foreign currency risk arising from the subsidiaries' net assets. The derivative instrument is designated as a hedging instrument for the changes in the value of the net investment that is attributable to changes in the USD/JPY spot rate.

To assess hedge effectiveness, the Combined Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the notional amount of the cross currency interest rate swap that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method).

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For the six months ended 30 June 2021

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Hedge Accounting (cont'd)**Net investment hedges (cont'd)**

The amounts related to items designated as hedging instruments were as follows.

		During the six months ended 30 June 2021					During the year ended 31 December 2020				
		30 June 2021		Line item in the statement of financial position where the hedging instrument is included			31 December 2020		Line item in the statement of financial position where the hedging instrument is included		
		Nominal amount \$'000	Carrying amount – assets \$'000	Carrying amount – liabilities \$'000	Change in value used for calculating hedge ineffectiveness for 2021 \$'000	Change in value of hedging instrument recognised in OCI \$'000	Hedge ineffectiveness recognised in profit or loss \$'000	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss \$'000	Line item affected in profit or loss because of the reclassification	
Cross Currency Interest Rate Swap		35,978,150	23,134	–	(23,780)	23,780	–	Change in fair value of financial instrument at FVTPL	–	Not applicable	
Cross Currency Interest Rate Swap		35,978,150	(11,201)		23,288	(23,288)	–	Change in fair value of financial instrument at FVTPL	–	Not applicable	

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27 Hedge Accounting (cont'd)

The amounts related to items designated as hedged items were as follows.

	30 June 2021	During the six months ended 30 June 2021
		Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied \$'000
Change in value used for calculating hedge ineffectiveness \$'000	(23,780)	23,780
JPY net investment		Not applicable
	31 December 2020	During the year ended 31 December 2020
		Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied \$'000
Change in value used for calculating hedge ineffectiveness \$'000	23,288	(23,288)
JPY net investment		Not applicable

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Condensed Combined Interim Financial Statements
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28 Reserves

The reserves of the Combined Group comprises the following balances:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Capital reserve	50,000	50,000
Translation reserve	11,870	144,845
Defined benefit reserve	(46)	(27)
	<u>61,824</u>	<u>194,818</u>

Capital reserve

The capital reserves comprise equity injections by shareholders for which ordinary shares have yet to be issued.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Defined benefit reserve

The defined benefit reserve comprises actuarial gains and losses and the return on plan assets (excluding interest).

29 Commitments

Acquisition

On April 2020, the Combined Group entered into a share purchase agreement to acquire 100% of Yokji. As part of the purchase consideration, the Combined Group has committed to contingent payments upon achieving of the project milestones.

In May 2021, the Combined Group made the contingent payment amounting to KRW2,200 million upon the execution of the grid connection agreement, and is recognised as part of the Combined Group's project-related agreements and licenses in Note 9 Intangible assets.

The Combined Group commits to pay the remaining contingent payment, amounting to KRW5,000 million, upon the submission of final and effective notice of the commencement of construction work to the competent Governmental Authority in relation to the project.

30 Related parties

During the period, other than those disclosed elsewhere in the combined financial statements, there were no other significant transactions with related parties.

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31 Contingent liability

Stand-by letter of credit

As at 30 June 2021, the stand-by letter of credit ("SBLC") totalled to USD 8.1 million and expires over the period from September 2021 to April 2022. The SBLC bears an interest of LIBOR + 0.95% per annum (2020: LIBOR + 1.25% per annum).

32 Subsequent events

Bonds issuance

On 8 July 2021, a direct subsidiary, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer"), issued US\$175,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under the US\$1,000,000,000 Global Medium Term Note Programme (the "Notes"). The Notes is to be consolidated and form a single series with the US\$325,000,000 3.133% per annum notes issued on 26 February 2020. The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2021, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2021. The Notes will mature on 26 February 2025.

The bond proceeds were allocated to the Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) through intercompany loans.

Vena Energy Holdings Ltd together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.



**Vena Energy Holdings Ltd
and its subsidiaries**

Condensed Interim Financial Statements
For the six months ended 30 June 2021

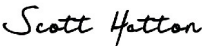
Statement by Directors

In our opinion:

- (a) the accompanying condensed interim financial statements set out on pages FS1 to FS44 comprising the condensed statements of financial position of the Group and the Company as at 30 June 2021, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the Group and for the Company for the six months period then ended, and notes to the condensed interim financial statements, including significant accounting policies as set out on pages FS1 to FS44, are prepared, in all material respects, in accordance with the International Accounting Standard ("IAS") 34 *Interim Financial Reporting*; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the condensed interim financial statements for issue.

On behalf of the Board of Directors,

DocuSigned by:

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Director

8 September 2021



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Independent auditors' report

Member of the Company
 Vena Energy Holdings Ltd

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying Condensed Interim Financial Statements of Vena Energy Holdings Ltd ("the Company") and its Subsidiaries (collectively the "Group"), which comprise the condensed statement of financial position of the Group and of the Company as at 30 June 2021, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the Group and for the Company for the six months period then ended, and significant accounting policies and other explanatory notes (the Condensed Interim Financial Statements). Management is responsible for the preparation and presentation of the Condensed Interim Financial Statements in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on the Condensed Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Statements as at and for the six months ended 30 June 2021 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



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Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Statements for the purpose of reporting to external counterparties for existing bonds issued and for no other purpose. Our report will be made available by you to the existing bond holders and the potential bond investors for their information only. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in black ink, appearing to be 'KPMG LLP', written over the printed name 'KPMG LLP'.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
8 September 2021

Vena Energy Holdings Ltd
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statements of financial position
As at 30 June 2021

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Assets					
Property, plant and equipment	6	888,426	832,765	—	—
Right-of-use assets	7	48,476	34,834	—	—
Intangible assets	8	1,060,007	1,089,835	—	—
Investment in subsidiaries	9	—	—	1,873,132	1,857,956
Equity-accounted investees	10	387,878	383,796	—	—
Other investments	11	30,872	26,340	—	—
Deferred tax assets		7,882	8,508	—	—
Loans receivables	12	280,517	419,908	94,473	213,098
Derivative assets	13	166,238	176,353	—	—
Trade and other receivables	14	1,464	1,622	—	—
Prepayments and other assets	15	27,900	16,200	—	—
Non-current assets		2,899,660	2,990,161	1,967,605	2,071,054
Loans receivables	12	21,449	23,167	1,394	2,224
Trade and other receivables	14	161,195	157,336	3,517	2,287
Prepayments and other assets	15	8,486	7,817	2	5
Derivative assets	13	8,394	7,379	937	1,350
Cash and cash equivalents	16	227,326	208,841	98,149	75,603
Current assets		426,850	404,540	103,999	81,469
Total assets		3,326,510	3,394,701	2,071,604	2,152,523
Equity					
Equity contribution	17	1,566,719	1,566,719	1,566,719	1,566,719
Accumulated profits		61,854	63,718	31,580	5,358
Reserves	18	44,967	67,050	50,000	50,000
Equity attributable to owner of the Company		1,673,540	1,697,487	1,648,299	1,622,077
Non-controlling interests		79,054	81,020	—	—
Total equity		1,752,594	1,778,507	1,648,299	1,622,077
Liabilities					
Loans and borrowings	19	1,320,690	1,367,218	401,826	502,075
Employee benefits		700	716	—	—
Derivative liabilities	13	11,071	28,342	—	—
Lease Liabilities	19	37,425	24,462	—	—
Asset retirement obligation		9,766	9,883	—	—
Trade and other payables	20	3,006	3,223	—	—
Deferred tax liabilities		22,668	17,186	—	—
Non-current liabilities		1,405,326	1,451,030	401,826	502,075
Loans and borrowings	19	81,648	78,362	13,274	18,227
Derivative liabilities	13	3,049	6,957	33	3,718
Lease Liabilities	19	5,273	4,132	—	—
Trade and other payables	20	78,476	75,223	8,172	6,426
Current tax liabilities		144	490	—	—
Current liabilities		168,590	165,164	21,479	28,371
Total liabilities		1,573,916	1,616,194	423,305	530,446
Total equity and liabilities		3,326,510	3,394,701	2,071,604	2,152,523

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed statements of profit or loss and other comprehensive income
For the six months ended 30 June 2021**

		Group		Company	
	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Dividend income		–	–	9,214	9,916
Sale of energy		92,448	86,699	–	–
Service concession income		–	1,119	–	–
Fee income		27,676	26,043	–	–
Total revenue	21	120,124	113,861	9,214	9,916
Other income	22	1,404	1,071	–	–
Cost of service concession income		–	(1,119)	–	–
Operating costs	23	(19,095)	(16,374)	–	–
Shared services costs	24	(33,131)	(27,354)	(143)	(304)
Development costs	25	(301)	(199)	–	–
Depreciation expense	6,7	(20,819)	(18,894)	–	–
Amortisation expense	8	(14,361)	(14,235)	–	–
Results from operating activities		(87,707)	(78,175)	(143)	(304)
Finance income	26	8,955	8,419	898	1,213
Finance costs	26	(40,328)	(36,893)	(3,783)	(3,716)
Change in fair value of financial instruments at FVTPL	27	9,627	8,151	(191)	(140)
Net foreign exchange (loss)/gain		(11,751)	(10,481)	20,227	(3,745)
Net finance (costs)/income		(33,497)	(30,804)	17,151	(6,388)
Write off of property, plant and equipment		–	(1)	–	–
Writeback of impairment loss on financial assets		77	917	–	1,662
Gain on disposal of property, plant and equipment		5	–	–	–
Expenses relating to acquisition of subsidiaries		–	(442)	–	–
Loss on disposal of interest in equity-accounted investees	10	–	(435)	–	–
Share of net profit of equity-accounted investees, net of tax	10	10,223	6,469	–	–
Profit before tax	28	10,629	12,461	26,222	4,886
Tax expense		(7,615)	(7,875)	–	–
Profit for the period		3,014	4,586	26,222	4,886
Profit attributable to:					
Owner of the Company		(1,864)	(204)		
Non-controlling interests		4,878	4,790		
		3,014	4,586		

The accompanying notes form an integral part of the condensed interim financial statements.

Condensed statements of profit or loss and other comprehensive income (cont'd)
For the six months ended 30 June 2021

	Group		Company	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Other comprehensive income				
<i>Items that will not be reclassified to profit/(loss)</i>				
Remeasurement of defined benefit plan	(3)	—	—	—
	(3)	—	—	—
<i>Items that are or may be reclassified subsequently to profit/(loss)</i>				
Foreign currency translation differences	(21,473)	(17,477)	—	—
Equity-accounted investees – share of OCI	(3,503)	5,244	—	—
Foreign currency translation differences on disposal of equity-accounted investees reclassified to profit/(loss)	—	27	—	—
Other comprehensive loss for the period	(24,979)	(12,206)	—	—
Total comprehensive (loss)/income for the period	(21,965)	(7,620)	26,222	4,886
Total comprehensive (loss)/income attributable to:				
Owner of the Company	(23,947)	(11,228)		
Non-controlling interests	1,982	3,608		
	(21,965)	(7,620)		

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed consolidated statement of changes in equity
For the six months ended 30 June 2021**

At 1 January 2021

Total comprehensive income for the period
Profit/(Loss) for the period

Other comprehensive income/(loss)

Foreign currency translation differences

Equity-accounted investees – share of OCI

Defined benefit plan remeasurements

Total comprehensive income/(loss) for the period

Transactions with owner, recognised directly in equity

Contributions by and distributions to owner

Dividends declared

Total contributions by and distributions to owner

At 30 June 2021

Attributable to owner of the Company						
Equity contribution US\$'000	Accumulated profits US\$'000	Translation reserves US\$'000	Other reserves US\$'000	Total US\$'000	Non- controlling interest US\$'000	Total equity US\$'000
1,566,719	63,718	17,077	49,973	1,697,487	81,020	1,778,507
–	(1,864)	–	–	(1,864)	4,878	3,014
–	–	(18,577)	–	(18,577)	(2,896)	(21,473)
–	–	(3,503)	–	(3,503)	–	(3,503)
–	–	–	(3)	(3)	–	(3)
–	(1,864)	(22,080)	(3)	(23,947)	1,982	(21,965)
–	–	–	–	–	(3,948)	(3,948)
–	–	–	–	–	(3,948)	(3,948)
1,566,719	61,854	(5,003)	49,970	1,673,540	79,054	1,752,594

The accompanying notes form an integral part of the condensed interim financial statements.

Condensed consolidated statement of changes in equity (cont'd)
For the six months ended 30 June 2020

	Attributable to owner of the Company						
Note	Equity contribution US\$'000	Accumulated profits US\$'000	Translation reserves US\$'000	Other reserves US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
At 1 January 2020	1,690,245	17,343	(35,772)	65,756	1,737,572	79,620	1,817,192
Total comprehensive income for the period Profit/(Loss) for the period	–	(204)	–	–	(204)	4,790	4,586
Other comprehensive income/(loss) Foreign currency translation differences Equity-accounted investees – share of OCI Foreign currency translation differences on disposal of equity-accounted investees reclassified to profit/(loss)	– – –	– – –	(16,295) 5,244	– –	(16,295) 5,244	(1,182) –	(17,477) 5,244
Total comprehensive income/(loss) for the period	–	–	27	–	27	–	27
	–	(204)	(11,024)	–	(11,228)	3,608	(7,620)
Transactions with owner, recognised directly in equity Contributions by and distributions to owner							
17 Issuance of shares	15,674	–	–	–	15,674	–	15,674
17 Conversion of advance from immediate holding company	–	–	–	(15,674)	(15,674)	–	(15,674)
17 Repurchase of shares	(139,200)	–	–	–	(139,200)	–	(139,200)
Dividends declared	–	–	–	–	–	(3,612)	(3,612)
Total contributions by and distributions to owner	(123,526)	–	–	(15,674)	(139,200)	(3,612)	(142,812)
At 30 June 2020	1,566,719	17,139	(46,796)	50,082	1,587,144	79,616	1,666,760

The accompanying notes form an integral part of the condensed interim financial statements.

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Condensed company statement of changes in equity
For the six months ended 30 June 2021

	Note	Equity contribution US\$'000	Other reserves US\$'000	Accumulated profits US\$'000	Total US\$'000
At 1 January 2021		1,566,719	50,000	5,358	1,622,077
Total comprehensive income for the period					
Profit for the period		–	–	26,222	26,222
At 30 June 2021		<u>1,566,719</u>	<u>50,000</u>	<u>31,580</u>	<u>1,648,299</u>
At 1 January 2020		1,690,245	65,674	(2,084)	1,753,835
Total comprehensive income for the period					
Profit for the period		–	–	4,886	4,886
Transactions with owner, recognised directly in equity					
Distributions to owner					
Issuance of shares	17	15,674	–	–	15,674
Conversion of advance from immediate holding company	17	–	(15,674)	–	(15,674)
Repurchase of shares	17	(139,200)	–	–	(139,200)
Total distributions to owner/Total transactions with owner		<u>(123,526)</u>	<u>(15,674)</u>	<u>–</u>	<u>(139,200)</u>
At 30 June 2020		<u>1,566,719</u>	<u>50,000</u>	<u>2,802</u>	<u>1,619,521</u>

The accompanying notes form an integral part of the condensed interim financial statements.

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Condensed consolidated statement of cash flows
For the six months ended 30 June 2021

<u>Group</u>	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit before tax		10,629	12,461
Adjustments for:			
Depreciation expense	6,7	20,819	18,894
Amortisation expense	8	14,361	14,235
Finance income	26	(8,955)	(8,419)
Finance costs	26	40,328	36,893
Change in fair value of financial instruments at FVTPL	27	(9,627)	(8,151)
Unrealised foreign exchange loss		4,105	1,895
Property, plant and equipment written off	6	–	1
Gain on disposal of property, plant and equipment	6	(5)	–
Writeback of impairment loss on financial assets		(77)	(917)
Loss on disposal of interest in equity-accounted investees		–	435
Share of net profit of equity-accounted investees, net of tax	10	(10,223)	(6,469)
		61,355	60,858
Changes in:			
- Trade and other receivables		1,152	(11,815)
- Prepayments and other assets		(11,678)	(3,646)
- Trade and other payables		1,141	(23,691)
- Provisions and employee benefits		–	4
Cash generated from operating activities		51,970	21,710
Tax paid		(1,790)	(2,007)
Net cash generated from operating activities		50,180	19,703
Cash flows from investing activities			
Purchase of property, plant and equipment		(97,931)	(25,442)
Proceeds from sale of property, plant and equipment		5	–
Acquisition of interest in equity-accounted investees	10	(2,820)	(857)
Proceeds from disposal of interest in equity-accounted investees		–	300
Additions of project-related agreements and licences	8	(1,952)	(516)
Purchase of equity investments		(4,353)	(241)
Disposal of debt instruments		–	1,800
Disposal of financial instruments		(3,455)	–
Purchase of financial instruments		(1,995)	–
Proceeds from repayment of loans receivables from related parties		291,011	609,535
Disbursement of loans to related parties		(185,415)	(379,398)
Proceeds from repayment of loans receivables from equity-accounted investees		13,770	2,179
Distributions from equity-accounted investees	10	4,923	8,088
Interest received		4,444	2,953
Net cash generated from investing activities		16,232	218,401

The accompanying notes form an integral part of the condensed interim financial statements.

Condensed consolidated statement of cash flows (cont'd)
For the six months ended 30 June 2021

<u>Group</u>	<u>Note</u>	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from financing activities			
Repurchase of ordinary shares		–	(139,200)
Proceeds from drawdown of loans and borrowings			
- Revolving credit facility		161,548	326,749
- Project finance debt		84,854	21,047
- Working capital loans		16,493	–
- Intercompany loans		38,234	–
Proceeds from issuance of Euro Medium Term Note	19	–	325,000
Repayment of loans and borrowings			
- Revolving credit facility		(263,157)	(408,700)
- Corporate term loan		(7,510)	(328,797)
- Project finance debt		(34,042)	(18,021)
- Working capital loans		(15,899)	–
Payment of transaction costs			
- Project finance debt		(3,838)	(1,894)
- Revolving credit facility		(2,737)	–
Payment of transaction costs related to Euro Medium Term Note		–	(4,003)
Payment of lease liabilities		(8,199)	(2,343)
Interest paid on			
- Revolving credit facility		(846)	(299)
- Corporate term loan		(1,483)	(2,306)
- Project finance debt		(26,822)	(26,888)
- Working capital loans		(783)	–
- Euro Medium Term Note		(5,091)	–
Net interest received for derivatives		2,881	–
Dividends paid to non-controlling interests		(3,948)	(3,612)
Deposits pledged	16	(769)	(2,218)
Net cash used in financing activities		<u>(71,114)</u>	<u>(265,485)</u>
Net decrease in cash and cash equivalents		(4,702)	(27,381)
Cash and cash equivalents at 1 January	16	146,705	154,029
Effect of exchange rate fluctuations on cash held		22,423	9,916
Cash and cash equivalents at 30 June	16	<u>164,426</u>	<u>136,564</u>

Significant non-cash transaction

On 21 May 2021, the corporate term loan amounted to USD \$129 million is deemed repaid and converted to revolving credit facilities of the same amount.

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Condensed company statement of cash flows
For the six months ended 30 June 2021

<u>Company</u>	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit before tax		26,222	4,886
Adjustments for:			
Finance income	26	(898)	(1,213)
Dividend income		(9,214)	(9,916)
Finance costs	26	3,783	3,716
Change in fair value of financial derivatives		191	140
Writeback of impairment loss on financial assets		–	(1,662)
Unrealised foreign exchange (gain)/loss		(19,739)	10,185
		<u>345</u>	<u>6,136</u>
Changes in:			
- Trade and other receivables		(1,227)	(3,855)
- Trade and other payables		169	(48)
Net cash (used in)/generated from operating activities		<u>(713)</u>	<u>2,233</u>
Cash flows from investing activities			
Capital injection on subsidiaries		(35,574)	(22,489)
Distribution from subsidiaries			
- Dividend received		9,214	9,916
- Return of capital		20,398	15,158
Proceeds from repayment of loans receivables from related parties		291,011	639,478
Disbursement of loans to related parties		(181,015)	(251,396)
Disposal of financial instruments		(3,461)	161
Interest received		1,644	32
Net cash generated from investing activities		<u>102,217</u>	<u>390,860</u>
Cash flows from financing activities			
Repurchase of ordinary shares		–	(139,200)
Proceeds from drawdown of loan and borrowings			
- Revolving credit facility		161,548	326,749
- Intercompany loans		43,232	171,705
Repayment of loan and borrowings			
- Revolving credit facility		(263,157)	(408,700)
- Corporate term loan		(7,510)	(328,797)
- Intercompany loans		(7,656)	–
Payment of transaction costs related to loans and borrowings		(3,305)	(2,436)
Interest paid on			
- Revolving credit facility		(846)	(994)
- Corporate term loan		(1,483)	(1,599)
- Intercompany loans		(1,271)	–
Net cash used in financing activities		<u>(80,448)</u>	<u>(383,272)</u>
Net increase in cash and cash equivalents		21,056	9,821
Cash and cash equivalents at 1 January	16	75,603	23,318
Effect of exchange rate fluctuations on cash held		1,490	216
Cash and cash equivalents at 30 June	16	<u>98,149</u>	<u>33,355</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the condensed interim financial statements

1 Domicile and activities

Vena Energy Holdings Ltd (the 'Company') is incorporated in the Cayman Islands and has its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The condensed interim financial statements of the Group as at and for the six months ended 30 June 2021 comprised the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in equity-accounted investees.

The principal activity of the Group is that of developer, owner and operator of renewable energy assets in Asia Pacific region.

The immediate holding company and ultimate controlling company of the Group as at 30 June 2021 are GIP Zenith Ltd and Global Infrastructure Investors III, LLC respectively, of which the former is incorporated in the Cayman Islands and the latter is incorporated in Delaware, U.S.A.

2 Basis of preparation

2.1 Purpose of the condensed interim financial statements

The condensed interim financial statements were drawn up for the purpose of a potential bond issuance and reporting to external counterparties for existing bonds issued.

2.2 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the last annual financial statements as at and for the year ended 31 December 2020. They do not include all of the information required for a complete set of International Financial Reporting Standards ('IFRS') financial statements.

3 Seasonality in operations

Seasonality in operations for the Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Group's operating results are impacted by external factors, such as resource availability. For example, the amount of electricity that solar plants produce is dependent on the irradiation of a given project location and wind plants are impacted by wind conditions which vary across seasons.

4 Significant accounting policies

New standards and amendments

The Group has applied the following amendments to and interpretations of the Group accounting policies for the first time for the period beginning on 1 January 2021:

- *Covid-19-Related Rent Concessions* (Amendment to IFRS 16)
- *Interest Rate Benchmark Reform – Phase 2* (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

5 Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management applied critical judgement in assessing if Power Purchase Agreements (“PPAs”) entered into by Group Entities falls within the scope of *IFRIC 12 – Service Concession Arrangements*, including:

- whether the counterparty of the PPA controls or regulates what services the Group Entity must provide with the infrastructure, to whom it must provide them, and at what price; and
- whether the counterparty of the PPA controls — through ownership, beneficial entitlement or otherwise—any significant residual interest in the infrastructure at the end of the term of the PPA.

Information about critical estimates in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 29 Fair value of Financial instruments.

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6 Property, plant and equipment

Group Cost	Land US\$'000	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Vehicles US\$'000	Computers, fittings and fixture and office equipment US\$'000	Assets under construction US\$'000	Total US\$'000
At 1 January 2020	21,308	20,149	772,403	296	3,945	11,836	829,937
Additions	23,359	1,772	8,358	82	1,228	58,555	93,354
Disposals/write-offs	(82)	–	(141)	–	(22)	–	(245)
Reclassification	–	–	32,697	–	–	(32,697)	–
Effect of exchange rate changes	1,017	774	(3,251)	14	124	1,791	469
At 31 December 2020	45,602	22,695	810,066	392	5,275	39,485	923,515
At 1 January 2021	45,602	22,695	810,066	392	5,275	39,485	923,515
Additions	4,113	115	1,065	15	180	92,443	97,931
Disposals/write-offs	–	–	(144)	–	(13)	–	(157)
Reclassification	1,891	–	34,375	–	7	(36,273)	–
Reclassification from right-of-use assets	–	–	–	–	–	43	43
Effect of exchange rate changes	(2,285)	(1,255)	(16,004)	(23)	(202)	(9,548)	(29,317)
At 30 June 2021	49,321	21,555	829,358	384	5,247	86,150	992,015

6 Property, plant and equipment (cont'd)

Group	Land US\$'000	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Vehicles US\$'000	Computers, fittings and fixture and equipment US\$'000	Assets under construction US\$'000	Total US\$'000
Accumulated depreciation							
At 1 January 2020	–	2,144	53,668	88	1,793	–	57,693
Depreciation charge for the year	–	975	31,047	66	1,070	–	33,158
Impairment loss	–	–	593	–	–	–	593
Disposals/write-offs	–	–	(64)	–	(12)	–	(76)
Effect of exchange rate changes	–	188	(879)	9	64	–	(618)
At 31 December 2020	–	3,307	84,365	163	2,915	–	90,750
At 1 January 2021	–	3,307	84,365	163	2,915	–	90,750
Depreciation charge for the period	–	883	16,470	16	570	–	17,939
Disposals/write-offs	–	–	(144)	–	(13)	–	(157)
Effect of exchange rate changes	–	(386)	(4,389)	(17)	(151)	–	(4,943)
At 30 June 2021	–	3,804	96,302	162	3,321	–	103,589
Carrying amounts							
At 1 January 2020	21,308	18,005	718,735	208	2,152	11,836	772,244
At 31 December 2020	45,602	19,388	725,701	229	2,360	39,485	832,765
At 30 June 2021	49,321	17,751	733,056	222	1,926	86,150	888,426

As at reporting date, some property, plant and equipment of the were pledged as collateral to secure project finance debts (see note 19).

At 31 December 2020, the Group recognised an impairment loss of US\$593,000 with respect to electric generator equipment. These relates to solar panels which were damaged during a flood in Thailand and these solar panels were impaired to reflect its recoverable amount based on an external vendor quotation.

7 Right-of-use assets

Group	Land and buildings US\$'000	Office lease US\$'000	Others US\$'000	Total US\$'000
Cost				
At 1 January 2020	22,213	8,077	765	31,055
Additions	80	11,711	865	12,656
Lease modification	—	(3,200)	(91)	(3,291)
Effect of exchange rate changes	1,290	967	267	2,524
At 31 December 2020	23,583	17,555	1,806	42,944
At 1 January 2021	23,583	17,555	1,806	42,944
Additions	17,959	2,060	282	20,301
Effect of exchange rate changes	(3,355)	(1,725)	(122)	(5,202)
At 30 June 2021	38,187	17,890	1,966	58,043
Accumulated depreciation				
At 1 January 2020	845	2,761	255	3,861
Depreciation expense	915	4,602	748	6,265
Lease modification	—	(2,851)	(26)	(2,877)
Effect of exchange rate changes	73	643	145	861
At 31 December 2020	1,833	5,155	1,122	8,110
At 1 January 2021	1,833	5,155	1,122	8,110
Depreciation expense	433	1,926	521	2,880
Reclassification to property, plant and equipment	43	—	—	43
Effect of exchange rate changes	(105)	(977)	(384)	(1,466)
At 30 June 2021	2,204	6,104	1,259	9,567
Carrying amounts				
At 1 January 2020	21,368	5,316	510	27,194
At 31 December 2020	21,750	12,400	684	34,834
At 30 June 2021	35,983	11,786	707	48,476

As at reporting date, some right-of-use assets were pledged as collateral to secure project finance debts (see note 19).

8 Intangible assets

Group	Goodwill US\$'000	Project-related agreements & licences US\$'000	Service concession intangible assets US\$'000	Total US\$'000
Cost				
At 1 January 2020	488,284	485,457	174,368	1,148,109
Additions	—	569	303	872
Effect of exchange rate changes	17,868	(3,432)	—	14,436
At 31 December 2020	506,152	482,594	174,671	1,163,417
At 1 January 2021	506,152	482,594	174,671	1,163,417
Addition	—	1,952	—	1,952
Effect of exchange rate changes	(4,848)	(14,631)	(992)	(20,471)
At 30 June 2021	501,304	469,915	173,679	1,144,898

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8 Intangible assets (cont'd)

Group	Goodwill US\$'000	Project-related agreements & licences US\$'000	Service concession intangible assets US\$'000	Total US\$'000
Accumulated amortisation				
At 1 January 2020	–	40,661	4,715	45,376
Amortisation expense	–	21,128	7,060	28,188
Effect of exchange rate changes	–	18	–	18
At 31 December 2020	–	61,807	11,775	73,582
At 1 January 2021	–	61,807	11,775	73,582
Amortisation expense	–	11,043	3,318	14,361
Effect of exchange rate changes	–	(3,023)	(29)	(3,052)
At 30 June 2021	–	69,827	15,064	84,891
Carrying amounts				
At 1 January 2020	488,284	444,796	169,653	1,102,733
At 31 December 2020	506,152	420,787	162,896	1,089,835
At 30 June 2021	501,304	400,088	158,615	1,060,007

Amortisation of project related agreements and licences and service concession intangible assets begins on the commercial operation date of the renewable asset as defined in the respective power purchase agreements.

As at reporting date, Service concession intangible assets were pledged as collateral to secure project finance debts (see note 19).

9 Investment in subsidiaries

	Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Equity investment, at cost	1,873,132	1,857,956

The table below provides a reconciliation of the movement in investment in subsidiaries:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Balance at start of period	1,857,956	1,906,256
Reduction in share premium	(18,394)	(122,892)
Reduction in par value	(2,004)	–
Capital injection into subsidiaries	35,574	74,592
Balance at end of period	1,873,132	1,857,956

10 Equity-accounted investees

Interests in associates

	Group	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Interests in associates	387,878	383,796

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The Group has 5 (2020: 5) material associates and 11 immaterial associates which are equity accounted. The following are the material associates:

Associate entity name	Hangin ng Amihan Holdings, Inc. and its subsidiaries ('HANGIN')	Vena Energy Wind Phil. Holdings Inc ('VEWPHI')	Helios Solar Energy Holdings Inc. and its subsidiaries ('HSEHI')	First Soleq Holdings Philippines Inc. ('FSHPI')	One Bukidnon Project Holdings Inc. ('OBPHI')
Nature of Associate	Investment holdings entity for Alternergy Wind One Corporation ("Project Pililia")	Investment holdings entity for Alternergy Wind One Corporation ("Project Pililia")	Investment holdings entity for Helios Solar Energy Corp. ("Project Pollo")	Investment holding entity for First Soleq Energy Corp. ("Project Ironman")	Investment holding entity for Asian Green energy Corp. ("Project Zorro")
Sector	54.0 MW wind	54.0 MW wind	132.5 MW solar	30.4 MW solar	10.5 MW solar
Principal place of business/ Country of incorporation	Philippines	Philippines	Philippines	Philippines	Philippines
Direct economic interest held in associate by the Group (%)	99.84%	100%	99.56%	99.82%	99.86%
Effective economic interest held on the underlying project (%)	55.03%	39.97%	99.56%	99.82%	99.86%
Direct Voting rights held in the associate by the Group (%)	38.51%	37.29%	22.16%	21.62%	23.76%

HANGIN held 55.2% and VEWPHI held 39.8% direct voting rights in Project Pililia. Through investment in HANGIN & VEWPHI, the Group aggregate economic interest in Project Pililia (54Mw Wind) is 94.91%.

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial statements of the Group's material associates based on the financial statements prepared in accordance with IFRS:

30 June 2021

Statement of financial position

Property, plant and equipment
Intangible assets
Equity-accounted investees
Other receivables
Right-of-use assets
Prepayments and other assets
Non-current assets

Trade and other receivables
Prepayments and other assets
Cash and cash equivalents
Current assets
Total assets

Loans and borrowings
Employee benefits
Asset retirement obligation
Deferred tax liabilities
Non-current liabilities
Loans and borrowings
Trade and other payables
Current liabilities
Total liabilities
Net Assets

	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000
	89,234	–	145,216	31,621	12,087
	730	–	–	–	–
	–	14,941	–	–	–
	2,345	65	138	3,772	110
	141	–	641	230	163
	36	–	89	130	33
	92,486	15,006	146,084	35,753	12,393
	13,701	–	20,979	5,409	2,697
	286	–	635	102	18
	13,101	40	11,957	1,013	984
	27,088	40	33,571	6,524	3,699
	119,574	15,046	179,655	42,277	16,092
	68,340	–	108,835	13,058	8,433
	39	–	–	–	–
	3,300	–	1,109	261	88
	177	–	271	–	22
	71,856	–	110,215	13,319	8,543
	4,585	–	5,494	3,481	589
	1,975	3	962	1,445	1,719
	6,560	3	6,456	4,926	2,308
	78,416	3	116,671	18,245	10,851
	41,158	15,043	62,984	24,032	5,241

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial statements of the Group's material associates based on the financial statements prepared in accordance with IFRS:

30 June 2021

Statement of comprehensive income

Sale of energy

Other income

Revenue

Operating costs

Shared services costs charged by a subsidiary

Development costs

Depreciation expense

Finance income

Finance costs

Net foreign exchange gain/(loss)

Share of net profits of associate

Profit before tax

Income tax expense

Profit from continuing operations

Other comprehensive income

Foreign operations - foreign currency translation differences

Total comprehensive income

	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000
	12,676	—	18,606	4,095	1,416
	—	—	2,044	—	—
	12,676	—	20,650	4,095	1,416
	(2,000)	(3)	(2,385)	(602)	(470)
	(538)	—	(138)	(34)	(11)
	—	—	—	—	—
	(2,345)	—	(3,770)	(956)	(354)
	(4,883)	(3)	(6,293)	(1,592)	(835)
	73	—	104	32	9
	(2,190)	—	(3,701)	(450)	(283)
	(9)	—	10	(240)	1
	(2,126)	—	(3,587)	(658)	(273)
	—	2,261	—	—	—
	5,667	2,258	10,770	1,845	308
	—	—	—	—	—
	5,667	2,258	10,770	1,845	308
	(176)	(127)	(839)	(324)	(70)
	5,491	2,131	9,931	1,521	238

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial information of the Group's associates based on the financial statements prepared in accordance with IFRS:

31 December 2020

Statement of financial position

Property, plant and equipment
Intangible assets
Equity-accounted investees
Other receivables
Right-of-use assets
Prepayments and other assets
Non-current assets

Trade and other receivables
Prepayments and other assets
Cash and cash equivalents
Current assets
Total assets

Loans and borrowings
Employee benefits
Asset retirement obligation
Deferred tax liabilities
Non-current liabilities

Loans and borrowings
Trade and other payables
Current tax liabilities
Current liabilities
Total liabilities
Net Assets

	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000
	92,826	–	151,006	33,011	12,603
	740	–	–	–	–
	–	12,681	–	–	–
	1,649	64	125	3,764	93
	2	–	5	2	4
	37	–	90	102	34
	95,254	12,745	151,226	36,879	12,734
	13,074	–	14,711	4,458	2,501
	646	–	1,061	209	57
	12,036	45	24,753	1,114	1,102
	25,756	45	40,525	5,781	3,660
	121,010	12,790	191,751	42,660	16,394
	72,002	–	125,403	14,602	8,702
	40	–	–	–	–
	3,290	–	1,124	265	90
	179	–	275	–	22
	75,511	–	126,802	14,867	8,814
	4,570	–	5,836	3,365	579
	4,892	4	1,511	1,914	1,757
	–	–	–	2	21
	9,462	4	7,347	5,281	2,357
	84,973	4	134,149	20,148	11,171
	36,037	12,786	57,602	22,512	5,223

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial statements of the Group's material associates based on the financial statements prepared in accordance with IFRS:

30 June 2020

Statement of comprehensive income

Sale of energy

Other income

Revenue

Operating costs

Shared services costs charged by a subsidiary

Depreciation expenses

Finance income

Finance costs

Net foreign exchange gain/(loss)

Net finance income/(costs)

Share of profits of associate

Profit before tax

Income tax expense

Profit from continuing operations

Other comprehensive income

Foreign operations – foreign currency translation differences

Total comprehensive income

	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000
	10,199	–	18,018	3,935	1,371
	–	–	2,627	–	–
	10,199	–	20,645	3,935	1,371
	(2,338)	(3)	(2,289)	(469)	(416)
	(568)	–	(569)	(212)	(176)
	(2,258)	–	(3,604)	(906)	(340)
	(5,164)	(3)	(6,462)	(1,587)	(932)
	61	–	197	3	–
	(2,169)	–	(5,017)	(532)	(286)
	4	–	(31)	309	16
	(2,104)	–	(4,851)	(220)	(270)
	–	1,180	–	–	–
	2,931	1,177	9,332	2,128	169
	–	–	–	–	–
	2,931	1,177	9,332	2,128	169
	276	3	816	329	73
	3,207	1,180	10,148	2,457	242

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial statements of the Group's associates based on the financial statements prepared in accordance with IFRS:

30 June 2021	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Immaterial associates US\$'000	Total associates US\$'000
Carrying amount of interest in associates at start of period	59,063	42,839	219,109	45,794	11,742	5,249	383,796
Group's share of amortisation of intangible asset acquired through business combinations	(1,457)	(1,050)	(4,476)	(786)	(166)	–	(7,935)
Group's share of profit/(loss) from continuing operations	3,128	2,258	10,749	1,842	308	(127)	18,158
Effect of exchange rate changes from project-related agreements & licences	(553)	(399)	(1,876)	(306)	(69)	–	(3,203)
Group's share of other comprehensive loss	(176)	(127)	426	(323)	(70)	(565)	(835)
Group's share of total comprehensive income/(loss)	942	682	4,823	427	3	(692)	6,185
Group's contribution during the period	–	–	–	–	–	2,820	2,820
Distribution during the period	–	–	(4,756)	–	(167)	–	(4,923)
Carrying amount of interest in associates at end of the period	60,005	43,521	219,176	46,221	11,578	7,377	387,878

10 Equity-accounted investees (cont'd)

Interests in associates (cont'd)

The following summarises the financial information of the Group's associates based on the financial statements prepared in accordance with IFRS:

31 December 2020	Pililia HANGIN US\$'000	Pililia VEWPHI US\$'000	Wawa HPHPI US\$'000	Pollo HSEHI US\$'000	Ironman FSHPI US\$'000	Zorro OBPHI US\$'000	Immaterial associates US\$'000	Total associates US\$'000
Carrying amount of interest in associates at start of year	55,381	40,176	7,638	212,787	42,542	11,029	5,100	374,653
Group's share of amortisation of intangible asset acquired through business combinations	(2,824)	(2,036)	–	(8,782)	(1,524)	(322)	–	(15,488)
Group's share of profit from continuing operations	3,660	2,647	(30)	19,737	6,361	878	(558)	32,695
Effect of exchange rate changes from project-related agreements & licences	2,284	1,647	–	7,828	1,262	283	–	13,304
Group's share of other comprehensive income/(loss)	562	405	97	2,954	1,210	269	(86)	5,411
Group's share of total comprehensive income/(loss)	3,682	2,663	67	21,737	7,309	1,108	(644)	35,922
Group's contribution during the year	–	–	–	–	–	–	793	793
Distribution during the year	–	–	–	(15,415)	(4,057)	(395)	–	(19,867)
Disposal of interests in associate	–	–	(7,705)	–	–	–	–	(7,705)
Carrying amount of interest in associates at end of the year	59,063	42,839	–	219,109	45,794	11,742	5,249	383,796

In 2019, the Group commences the negotiation process of its sale of interest in Project Wawa and has received a cash consideration in advance amounted to US\$0.3 million. On 30 June 2020, the Group completed its sale of interest in Project Wawa for US\$7.3 million and recognised a loss on disposal of US\$0.4 million. Of the total sales consideration, the Group received US\$0.3 million in cash in 2020 in addition to the advance of US\$0.3 million received in 2019. The remaining US\$6.7 million of the sales consideration remain unpaid and is classified as other receivable (Note 14).

11 Other investments

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Equity investment – mandatorily at FVTPL	30,872	26,340	–	–

Equity investment at FVTPL comprise the Group's interests in Tokumei Kumiai investments in renewable energy assets in Japan.

As at reporting date, some other investments were pledged as collateral to secure project finance debts (see note 19).

12 Loans receivables

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Loans receivables from:				
- Related parties	254,464	380,349	94,473	213,098
- Equity-accounted investees	16,174	29,016	–	–
- Other third parties	3,157	3,550	–	–
Other loans receivables	316	339	–	–
Promissory note receivables	7,910	8,328	–	–
	282,021	421,582	94,473	213,098
Less: Impairment loss	(1,504)	(1,674)	–	–
Total non-current loans receivables	280,517	419,908	94,473	213,098
Current				
Interest receivables from:				
- Related parties	2,157	3,067	1,394	2,224
- Equity-accounted investees	558	504	–	–
- Other loans receivables	11	11	–	–
- Promissory note receivables	465	441	–	–
- Cross currency swaps	3,705	3,677	–	–
- Other third parties	1,169	1,193	–	–
Loan receivables from:				
- Equity-accounted investees	6,575	7,503	–	–
- Other third parties	6,860	6,860	–	–
	21,500	23,256	1,394	2,224
Less: Impairment loss	(51)	(89)	–	–
Total current loans receivables	21,449	23,167	1,394	2,224

12 Loans receivables (cont'd)

The below table show the notional amount of the outstanding loans receivables not including transaction costs.

Gross loans receivables

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Loans receivables from:				
- Related parties	255,832	381,903	94,473	213,098
- Equity-accounted investees	16,174	29,016	—	—
- Other third parties	3,157	3,550	—	—
Other loans receivables	316	339	—	—
Promissory note receivables	7,910	8,328	—	—
	<u>283,389</u>	<u>423,136</u>	<u>94,473</u>	<u>213,098</u>
Current				
Loan receivables from:				
- Equity-accounted investees	6,575	7,503	—	—
- Other third parties (e)	6,860	6,860	—	—
	<u>13,435</u>	<u>14,363</u>	<u>—</u>	<u>—</u>
Total loans receivables	<u>296,824</u>	<u>437,499</u>	<u>94,473</u>	<u>213,098</u>

Terms and conditions of loan receivables are as follows:

	Currency	Maturity date	Principal amount		Interest rate	
			30 June 2021	31 December 2020	30 June 2021	31 December 2020
			\$'000	\$'000	%	%
Group						
Related parties ^(a)	JPY	On demand	94,473	213,098	1.35	1.35 - 1.375
Related parties ^(b)	JPY	2025	155,137	166,506	1.372	1.372
Subsidiaries of related parties ^(c)	JPY	2033 to 2035	1,645	2,299	0.75636	0.75636
Subsidiaries of related parties ^(a)	JPY	On demand	4,577	—	0.587	—
Equity-accounted investees ^(d)	USD	2021 to 2026	22,749	36,519	3 - 5	3 - 5
Other third parties ^(e)	USD	2021	6,860	6,860	17	17
Other third parties ^(a)	USD	On demand	827	1,206	1.5	1.5
Other third parties ^(a)	USD	On demand	1,880	1,894	4.62	4.62
Other third parties ^(a)	USD	On demand	450	450	5.5	5.5
Promissory notes receivable ^(f)	THB	2027	7,910	8,328	—	—
Other loans receivables ^(a)	JPY	On demand	316	339	1	1
			<u>296,824</u>	<u>437,499</u>		
Company						
Related parties ^(a)	JPY	On demand	<u>94,473</u>	<u>213,098</u>	1.35	1.35-1.375

12 Loans receivables (cont'd)

- (a) The Group and the Company does not intend to demand these unsecured loans for repayment in the next 12 months.
- (b) Loan receivables from related parties to Euro Medium Term Note Issuer are unsecured, with 1.372% per annum interest and repayable biannually.
- (c) Repayable within 20 years in equal and consecutive instalments of 33.33% with the first payment due 17 years from the date of origination and the same amount on the same day every year thereafter, or earlier at the demand of the Company. The Group does not intend to demand for repayment for the loans in the next 12 months.
- (d) Loan receivables from equity-accounted investees are unsecured, with 3-5% per annum (2020: 3-5%) interest and repayable quarterly with maturity dates from 2022 to 2026.
- (e) The loan receivables of US\$6,860,000 (2020: US\$6,860,000) from San Lorenzo Ruiz Builders & Developers Group Inc. are secured, with 17% (2020: 17%) interest and repayable within 4 to 6 months.
- (f) Promissory notes receivables are zero coupon, non-transferable and redeemable, with maturity date on 3 August 2027. At redemption date, the Group is entitled to receive a redemption amount equal to 1% of the principal amount plus accrued redemption fee per annum.

As at reporting date, some loan receivables were pledged as collateral to secure project finance debts (see note 19).

13 Derivative assets and liabilities

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Derivative assets				
Non-current				
Electricity derivative	153,379	176,353	—	—
Interest rate swaps	926	—	—	—
Cross currency swaps	11,933	—	—	—
	<u>166,238</u>	<u>176,353</u>	<u>—</u>	<u>—</u>
Current				
Electricity derivative	7,205	6,029	—	—
Interest rate swaps	252	—	—	—
Forward exchange contracts	937	1,350	937	1,350
	<u>8,394</u>	<u>7,379</u>	<u>937</u>	<u>1,350</u>
Total derivative assets	<u>174,632</u>	<u>183,732</u>	<u>937</u>	<u>1,350</u>

13 Derivative assets and liabilities (cont'd)

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Derivative liabilities				
Non-current				
Cross currency swaps	—	11,201	—	—
Interest rate swaps	11,071	17,141	—	—
	11,071	28,342	—	—
Current				
Forward exchange contracts	33	3,718	33	3,718
Interest rate swaps	3,016	3,239	—	—
	3,049	6,957	33	3,718
Total derivative liabilities	14,120	35,299	33	3,718

During the financial year ended 31 December 2020, the Group entered into cross currency swaps which matures in 2025 and with an aggregate notional amount of JPY 36.0 billion, whereby the Group is required to make semi-annual interest payments calculated at fixed interest rates between 1.215% to 1.265%.

14 Trade and other receivables

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
Other receivables	(e)	1,464	1,622	—	—
Current					
Trade receivables	(f)	78,070	72,905	—	—
Contract assets		19,199	14,242	—	—
Total trade receivables and contract assets		97,269	87,147	—	—
Amounts due from:					
- Indirect subsidiaries	(a)	—	—	3,517	2,287
- Equity-accounted investees	(b)	1,720	2,568	—	—
- Related parties	(c)	39,379	43,912	—	—
- Other third parties	(d)	17,105	15,947	—	—
Deposits		11,109	10,071	—	—
Other tax receivables		5,483	7,293	—	—
Other receivables	(e)	330	1,301	—	—
Total other receivables		75,126	81,092	3,517	2,287

14 Trade and other receivables (cont'd)

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Current (cont'd)				
Less: Impairment loss				
- Trade receivables and contract assets	(4,146)	(3,956)	—	—
- Other receivables	(7,054)	(6,947)	—	—
Total current trade and other receivables	161,195	157,336	3,517	2,287
Total trade and other receivables	162,659	158,958	3,517	2,287

- (a) The amount due from indirect subsidiaries of US\$3.5 million (2020: US\$2.3 million) is non-trade, unsecured and non-interest bearing and repayable on demand.
- (b) The amount due from equity-accounted investees of US\$1.7 million (2020: US\$2.6 million) is non-trade, unsecured, non-interest bearing and repayable on demand.
- (c) The amount due from related parties are intercompany advances, asset management fees and operation and maintenance service charges charged to subsidiaries of Zenith Japan Holdings Trust, and shared service charges charged to subsidiaries of Vena Energy (Taiwan) Holdings Ltd.
- (d) Included in the amounts due from other third parties are proceeds from sale of interest in equity accounted associate (Project Wawa) of US\$6.7 million (2020: US\$6.7 million) due from San Lorenzo Ruiz Builders & Developers Group Inc. The Group made a provision for impairment loss amounting to 100% of such receivables.
- (e) Included in non-current and current other receivables are delay liquidated damages receivable from EPC contractors in Indonesia of US\$ 1.8 million (2020: US\$2.9 million).
- (f) During the period, there were no trade receivables amounts being written off (2020: US\$4.9 million).

As at reporting date, some trade and other receivables were pledged as collateral to secure project finance debts (see note 19).

Disaggregation of trade receivables

A summary of the Group's exposure to credit risk for trade receivables by geographic region is as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
India	70,183	66,901
Indonesia	3,458	1,603
Thailand	4,424	4,391
Others	5	10
	<u>78,070</u>	<u>72,905</u>

15 Prepayments and other assets

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Other prepayments	4,678	4,727	—	—
Other assets	23,222	11,473	—	—
	<u>27,900</u>	<u>16,200</u>	<u>—</u>	<u>—</u>

15 Prepayments and other assets (cont'd)

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Current				
Other prepayments	6,449	5,708	2	5
Other assets	2,037	2,109	—	—
	<u>8,486</u>	<u>7,817</u>	<u>2</u>	<u>5</u>
Total prepayments and other assets	<u>36,386</u>	<u>24,017</u>	<u>2</u>	<u>5</u>

As at reporting date, some prepayments and other assets were pledged as collateral to secure project finance debts (see note 19).

16 Cash and cash equivalents

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Bank balances		208,910	157,036	98,149	75,603
Short term deposits		18,421	51,805	—	—
Less: Impairment loss		(5)	—	—	—
Cash and cash equivalents in the statement of financial position		<u>227,326</u>	<u>208,841</u>	<u>98,149</u>	<u>75,603</u>
Restricted bank balances and deposits	(a)	(62,905)	(62,136)	—	—
Add: Impairment loss		5	—	—	—
Cash and cash equivalents in the statement of cash flows		<u>164,426</u>	<u>146,705</u>	<u>98,149</u>	<u>75,603</u>

(a) As at 30 June 2021, US\$62.9 million (2020: US\$62.1 million) of the Group's cash and cash equivalents were held under debt service reserve accounts which represents a reserve account used for debt service of project finance debt when cash flow available for debt services is inadequate to service the project finance debt.

As at reporting date, some cash and cash equivalents were pledged as collateral to secure project finance debts (see note 19).

17 Equity contribution

		30 June 2021 US\$'000	31 December 2020 US\$'000
Group and Company			
Equity contribution			
Share capital at US\$0.01 per share		15,667	15,667
Share premium		<u>1,551,052</u>	<u>1,551,052</u>
		<u>1,566,719</u>	<u>1,566,719</u>
	Note	30 June 2021 No. of shares ('000)	31 December 2020 No. of shares ('000)
Group and Company			
Issued and fully paid			
At beginning of the period/year		1,566,719	1,690,245
Issued during the period/year	(a)	—	15,674
Repurchase of shares	(b)	—	(139,200)
At end of the period/year		<u>1,566,719</u>	<u>1,566,719</u>

17 Equity contribution (cont'd)

- (a) In 2019, the Group received an advance from the immediate holding company amounted to US\$15,674,240 for which shares were yet to be issued. The advance was classified as capital reserve. On 20 April 2020 15,674,240 shares at a par value of US\$0.01 each and share premium of US\$15,517,497 were issued against the capital reserve.
- (b) During the financial year ended 31 December 2020, the Company repurchased a total of 139,200,000 shares with a par value US\$0.01 and share premium of US\$137,808,000 for a consideration of US\$139,200,000 from its immediate holding company. The shares were issued and fully paid.

The holders of ordinary shares are entitled to one vote per share at meetings of the Company.

18 Reserves

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Capital reserve	50,000	50,000	50,000	50,000
Translation reserve	(5,003)	17,077	—	—
Defined benefit reserve	(30)	(27)	—	—
	<u>44,967</u>	<u>67,050</u>	<u>50,000</u>	<u>50,000</u>

Capital reserve

The capital reserves comprise equity injections by shareholders for which ordinary shares have yet to be issued.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Defined benefit reserve

The defined benefit reserve comprises actuarial gains and losses and the return on plan assets (excluding interest).

19 Loans and borrowings and lease liabilities

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
Project finance debt	(a)	765,094	724,024	—	—
Corporate term loan		—	142,689	—	142,689
Revolving credit facility		195,517	179,090	195,518	179,090
Loan from a related party	(d)	38,234	—	38,234	—
Euro Medium Term Note	(a)	321,845	321,415	—	—
Loan from Euro Medium Term Note Issuer	(b)	—	—	168,074	180,296
		<u>1,320,690</u>	<u>1,367,218</u>	<u>401,826</u>	<u>502,075</u>
Lease liabilities		<u>37,425</u>	<u>24,462</u>	<u>—</u>	<u>—</u>

19 Loans and borrowings and lease liabilities (cont'd)

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Current					
Project finance debt		58,238	54,611	—	—
Working capital loan		15,163	14,740	—	—
Loan from direct subsidiary	(c)	—	—	12,470	16,714
External party loan		2,480	2,479	—	—
Interest payable		5,767	6,532	804	1,513
		<u>81,648</u>	<u>78,362</u>	<u>13,274</u>	<u>18,227</u>
Lease liabilities		<u>5,273</u>	<u>4,132</u>	<u>—</u>	<u>—</u>
Total loans and borrowings and lease liabilities					
		1,445,036	1,474,174	415,100	520,302

- (a) On 27 February 2020, a direct subsidiary, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer"), issued US\$325,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under a \$1 billion Global Medium Term Note Programme (the "Notes"). The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2020, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2020. The Notes will mature on 26 February 2025.

The EMTN proceeds were allocated to the Company, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) through intercompany loans.

The Company together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

- (b) The loan from Euro Medium Term Note issuer is a 5-year loan denominated in Japanese Yen ('JPY') with the contractual interest rate at 1.372% payable on a semi-annual basis.
- (c) The loan from direct subsidiary is a 12-month interest free, unsecured and repayable on demand.
- (d) The loan from a related party bears an interest rate of 1.375%, unsecured and repayable in 35 months.

Project finance debt are entered with reputable financial institutions by respective Group entities and are repayable on a quarterly basis with maturity date from 2022 to 2037 (2020: 2021 to 2037). The interest rates on these borrowings consist of fixed rates and floating rates.

The project finance debt contains debt covenants which are tested on a regular basis. A future breach of these covenants may require the Group to repay the loans and borrowings earlier than its year of maturity. The Group has not breached any debt covenants in the six months period ended 30 June 2021 and 30 June 2020.

Project finance debts are secured over the assets of the Group (see note 19).

19 Loans and borrowings and lease liabilities (cont'd)

The below table show the notional amount of outstanding loans and borrowings not including transaction costs.

Gross debt

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Project finance debt	778,433	736,411	—	—
Corporate term loan	—	142,689	—	142,689
Revolving credit facility	198,106	179,090	198,106	179,090
Loan from a related party	38,234	—	38,234	—
Euro Medium Term Note	325,000	325,000	—	—
Loan from Euro Medium Term Note Issuer	—	—	169,568	181,994
	<u>1,339,773</u>	<u>1,383,190</u>	<u>405,908</u>	<u>503,773</u>
Current				
Project finance debt	56,672	55,293	—	—
Working capital loan	15,163	14,740	—	—
Loan from direct subsidiary	—	—	12,470	16,714
External party loan	2,480	2,479	—	—
	<u>74,315</u>	<u>72,512</u>	<u>12,470</u>	<u>16,714</u>
	<u>1,414,088</u>	<u>1,455,702</u>	<u>418,378</u>	<u>520,487</u>

Terms and conditions of loans and borrowings are as follows:

	Currency	Maturity date	Principal amount		Interest rate	
			30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 %	31 December 2020 %
Group						
Project finance debt	AUD	2022-2044	123,066	126,554	BBSY+1.2	BBSY+1.65
Project finance debt	AUD	2025	68,503	18,300	BBSY+0.1765	BBSY+0.1765
Project finance debt	INR	2035	98,104	98,401	10.25	10.25
Project finance debt	INR	2033	16,775	17,454	9.55	9.55
Project finance debt	INR	2033	20,262	21,473	9.50	9.50
Project finance debt	INR	2028	11,316	11,972	10.90	10.90
Project finance debt	INR	2033	45,548	47,865	10.05 - 10.09	10.05 - 10.09
Project finance debt	INR	2033	11,908	11,908	MCLR+1.5	MCLR+1.5
Project finance debt	INR	2037	61,068	63,176	9.25	9.25
Project finance debt	INR	2035	27,170	28,384	10.20	10.20
Project finance debt	INR	2033	71,555	74,149	10.22	10.22
Project finance debt	INR	2025	61,636	35,504	7.39	7.39
Project finance debt	THB	2027	77,873	92,636	4.2 & MLR-2.8	4.2 & MLR-2.8
Project finance debt	USD	2037	104,896	107,298	3.9 - 5.721	3.9 - 5.721
Project finance debt	USD	2037	12,238	12,654	3 - 5.7060	3 - 5.7060
Project finance debt	USD	2037	6,253	6,466	1.1 - 5.7060	1.1 - 5.7060
Project finance debt	USD	2037	16,934	17,510	1.5 - 5.7060	1.5 - 5.7060
External party loan	USD	2021	2,480	2,479	Interest free	Interest free
Term loan	JPY	2024	—	142,689	—	LIBOR+1.75
Working capital loan	INR	2022	15,163	14,740	10.9-11.45%	10.9-11.45%
Revolving credit facility	JPY	2024	198,106	179,090	LIBOR+1.25	LIBOR+1.25
Loan from a related party	JPY	On demand	38,234	—	1.375	—
Euro Medium Term Note	USD	2025	325,000	325,000	3.133	3.133
			<u>1,414,088</u>	<u>1,455,702</u>		

19 Loans and borrowings and lease liabilities (cont'd)

Gross debt (cont'd)

Company	Currency	Maturity date	Principal amount		Interest rate	
			30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 %	31 December 2020 %
Term loan	JPY	2024	–	142,689	–	LIBOR+1.75
Revolving credit facility	JPY	2024	198,106	179,090	LIBOR+0.95	LIBOR+1.25
Loan from a related party	JPY	On demand	38,234	–	1.375	–
Loan from direct subsidiary	AUD	On demand	12,470	16,714	Interest free	Interest free
Loan from Euro Medium Term Note Issuer	JPY	2025	169,568	181,994	1.372	1.372
			<u>418,378</u>	<u>520,487</u>		

The loans and borrowings contain debt covenants which are tested on a regular basis. A future breach of these covenants may require the Group to repay the loans and borrowings earlier than indicated in the table above. The Group has not breached any debt covenants in the financial period/year ended 30 June 2021 and 31 December 2020 respectively.

US\$835.1 million (2020: US\$791.7 million) of project finance debts, US\$ nil million (2019: US\$142.7 million) of term loan and US\$198.1 million (2019: US\$179.1 million) of revolving credit facilities are taken up by the subsidiaries of the Group where these debt obligations have no recourse to the Group.

Leverage ratio

Pursuant to the amendment and restatement agreement dated 21 May 2021 relating to the existing facilities agreement between the Company, Vena Energy (Taiwan) Holdings Limited ("VETHL"), Zenith Japan Holdings Limited ("ZJH") and Credit Agricole Corporate and Investment Bank acting as agent and issuing bank (the "RCF Facility Agreement"), the Company has complied with all covenants as at 30 June 2021.

Pledges for facility agreements

The Group has entered into several Facilities agreements with various financial institutions. Under these agreements, these financial institutions provide project financing debts of US\$833 million (2020: US\$792 million) to the Group on a combination of fixed and floating rates.

The obligations of the Group to the banks are collateralised by the pledges of all the shares of the project entities and liens on and security interests in substantially all of the project entities' assets, its rights under various agreements, all of the project entities' revenues and all insurance proceeds payable to the project entities and require the project entities to comply with various administrative requirements.

As at 30 June 2021 and 31 December 2020, the assets of the project entities pledged in relation to the facilities agreements are as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Property, plant and equipment	858,339	798,311
Right-of-use assets	13,782	14,927
Intangible assets	162,991	166,084
Prepayments and other assets	3,934	3,970
Trade and other receivables	100,033	91,378
Deferred tax assets	1,609	4,618
Cash and cash equivalents	104,246	108,908
Loan receivables	58,090	61,782
Other investment	204	205
	<u>1,303,228</u>	<u>1,250,183</u>

20 Trade and other payables

Note	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Deferred income (a)	3,006	3,223	–	–
Current				
Amounts due to:				
- Direct subsidiary (b)	–	–	3,537	2,101
- Indirect subsidiaries (b)	–	–	4,104	4,104
- Related parties (c)	14,334	11,841	–	–
- Equity-accounted investees (d)	149	351	–	–
- Other third parties (e)	13,790	11,137	–	–
Trade payables	5,311	10,130	200	–
Payables to EPC contractors	15,087	1,924	–	–
Other tax payable	4,142	7,268	–	–
Accrued operating expenses	17,617	24,924	331	221
Accrued staff costs	1,988	1,792	–	–
Deferred income (f)	6,058	5,856	–	–
	78,476	75,223	8,172	6,426
Total trade and other payables	81,482	78,446	8,172	6,426

- (a) Non-current deferred income is contract liabilities which relates to advanced mobilization payments received from subsidiaries of Zenith Japan Holdings Trust of US\$1.8 million (2020: US\$1.9 million), amortized over period with regards to operations and maintenance agreements.
- (b) The amount due to subsidiaries of US\$7.6 million (2020: US\$6.2 million) is non-trade, unsecured, non-interest bearing and repayable on demand.
- (c) Amounts due to related parties include US\$2.3 million (2020: US\$2.2 million) of advances received from subsidiaries of Zenith Japan Holdings Trust for asset management fees and operational and maintenance fees. It also includes US\$8.7 million (2020: US\$9.3 million) payables to subsidiaries of Zenith Japan Holdings Trust for purchase of land which was subsequently leased back to the same subsidiaries of the Zenith Japan Holdings Trust.
- (d) The amount due to equity-accounted investees of US\$149,000 (2020: US\$351,000) is non-trade, unsecured, non-interest bearing and repayable on demand.
- (e) Included in amounts due to other third parties are due to seller of a subsidiary of Zenith Japan Holdings Trust upon acquisition of US\$6 million (2020: US\$6 million).
- (f) Included in current deferred income is contract liabilities of US\$0.8 million (2020: US\$0.3 million) which relates to advances received from customers for services yet to be fulfilled, US\$4.7 million (2020: US\$4.9 million) which relates to government grants on project, amortized over PPA period of 25 years, US\$0.2 million (2020: US\$0.2 million) which relates to government grants on bond issuance, amortized over bond life of 5 years.

21 Revenue

The Group's and Company's revenue comprises:

	Group		Company	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Dividend income	—	—	9,214	9,916
Sale of energy	92,448	86,699	—	—
Service concession income	—	1,119	—	—
Fee income:				
- Shared services fee income	5,732	9,887	—	—
- Operations & Maintenance service fees income	4,145	3,810	—	—
- Asset management fee income	17,799	12,346	—	—
	<u>120,124</u>	<u>113,861</u>	<u>9,214</u>	<u>9,916</u>

Included in fee income are shared services fee income from related parties of US\$5.7 million (2020: US\$9.9 million), operations and maintenance service fees income from related parties of US\$2.8 million (2020: US\$2.4 million) and asset management fee income from related parties of US\$17.2 million (2020: US\$11.6 million).

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Sale of energy

Nature of goods or services	Sale of renewable energy
When revenue is recognised	Revenue from sale of electricity is recognised in profit or loss when the electricity generated is distributed to the customer. Revenue is determined based on the units of sales delivered at the applicable tariff rates.
Payment terms	30-90 days

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and major products.

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Thailand	24,333	24,478
India	46,834	42,700
Australia	7,040	5,766
Indonesia	14,241	13,755
Total Revenue	<u>92,448</u>	<u>86,699</u>

Contract balances

Please refer to note 14 for contract assets primarily relating to the Group's right to consideration for sale of renewable energy but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

21 Revenue (cont'd)

Please refer to note 20 for contract liabilities primarily relating to advance consideration received from customers for performance of service contracts.

22 Other income

The Group's other income comprises:

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Insurance claims	—	402
Government grants	199	197
Lease income	97	—
Ancillary income	—	47
Others	1,108	425
	1,404	1,071

23 Operating costs

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Operations and maintenance costs	13,047	10,788
Utilities and transmission costs	1,716	2,344
Asset related insurance	1,428	970
Professional fees	1,414	1,359
Rental - land & site office	124	136
Asset related tax and levies	284	148
Travel and entertainment expenses	81	93
Other general and administrative costs	1,001	536
	19,095	16,374

Staff costs of US\$2.5 million (2020: US\$2.2 million) is included within operations and maintenance costs.

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24 Shared services costs

	Group		Company	
	Six months ended	Six months ended	Six months ended	Six months ended
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	US\$'000	US\$'000	US\$'000	US\$'000
Staff costs	26,103	20,643	—	—
Directors and Investment Committee members fee	338	310	—	—
Occupancy costs	520	576	—	—
Professional fees	2,882	2,193	140	258
IT expenses	1,002	900	—	—
Secondment fee	—	161	—	—
Insurance	265	179	—	—
Travel and entertainment expenses	906	796	—	—
Other general and administrative costs	1,229	1,596	3	46
	<u>33,245</u>	<u>27,354</u>	<u>143</u>	<u>304</u>
Less: shared service costs capitalised	(114)	—	—	—
	<u>33,131</u>	<u>27,354</u>	<u>143</u>	<u>304</u>

25 Development costs

	Group	
	Six months ended	Six months ended
	30 June 2021	30 June 2020
	US\$'000	US\$'000
Staff costs	—*	—*
Professional fees	195	133
Travel and entertainment expenses	3	9
Occupancy costs	15	9
Other general and administrative costs	88	48
	<u>301</u>	<u>199</u>

* Less than US\$1,000.

26 Finance income and finance costs

	Group		Company	
	Six months ended	Six months ended	Six months ended	Six months ended
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	US\$'000	US\$'000	US\$'000	US\$'000
Finance income				
Interest income from:				
- Loan to related parties	1,825	1,937	892	1,154
- Loan to equity-accounted investees	428	1,057	—	—
- Loan to other third parties	422	221	—	—
- Cross currency swaps	5,119	3,564	—	—
- Short term deposits	982	1,488	—	32
Other finance income	179	125	6	—
Gain from disposal of financial instrument	—	27	—	27
Total finance income	8,955	8,419	898	1,213
Finance costs				
Interest expense on:				
- Project finance debt	(26,822)	(26,870)	—	—
- Term loan and revolving credit facility	(1,656)	(2,220)	(1,656)	(2,220)
- Loan from Euro Medium Term Note Issuer	—	—	(1,208)	(962)
- Euro Medium Term Note	(5,119)	(3,564)	—	—
- Cross currency swaps	(2,104)	(1,448)	—	—
- Interest rate swaps	(2,071)	(1,162)	—	—
- Lease liabilities	(497)	(527)	—	—
Other finance costs	(2,059)	(1,102)	(919)	(534)
Total finance costs	(40,328)	(36,893)	(3,783)	(3,716)

27 Change in fair value of financial instrument at FVTPL

	Group		Company	
	Six months ended	Six months ended	Six months ended	Six months ended
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	US\$'000	US\$'000	US\$'000	US\$'000
Gain/(loss) on change in fair value:				
- Equity investment	—	(1,824)	—	—
- Electricity derivatives	(21,250)	8,313	—	—
- Forward exchange contracts	(191)	(190)	(191)	(140)
- Interest rate swaps	7,934	(4,822)	—	—
- Cross currency swaps	23,134	6,674	—	—
	9,627	8,151	(191)	(140)

28 Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Staff costs		
Wages and salaries	18,597	15,311
Ordinary bonus	4,153	3,492
Contributions to defined contribution plans	442	366
Employee insurance	1,237	727
Recruitment fee	833	354
Staff benefits, allowances and others	3,430	2,600
	28,692	22,850

29 Fair value of financial instruments

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at mid-price.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

29 Fair value of financial instruments (cont'd)

Accounting classification and fair value

The table below summarises the classification of the financial assets and liabilities of the Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount			Fair value			
		Mandatorily at FVTPL	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group								
30 June 2021								
Loans receivables	12	–	301,966	–	301,966	–	304,889	–
Trade and other receivables*	14	–	157,176	–	157,176	–	–	–
Other investments	11	30,872	–	–	30,872	–	–	30,872
Electricity derivative	13	160,584	–	–	160,584	–	–	160,584
Forward exchange contracts	13	937	–	–	937	–	937	–
Cross currency swaps	13	11,933	–	–	11,933	–	11,933	–
Interest rate swaps	13	1,178	–	–	1,178	–	1,178	–
Cash and cash equivalents	16	–	227,326	–	227,326	–	–	–
		205,504	686,468	–	891,972			
Loans and borrowings	19	–	–	(1,402,338)	(1,402,338)	–	(1,419,855)	–
Interest rate swaps	13	(14,087)	–	–	(14,087)	–	–	(14,087)
Forward exchange contracts	13	(33)	–	–	(33)	–	–	(33)
Trade and other payables*	20	–	–	(68,276)	(68,276)	–	–	–
		(14,120)	–	(1,470,614)	(1,484,734)			

* Excludes non-financial assets and liabilities

29 Fair value of financial instruments (cont'd)

Accounting classification and fair value

The table below summarises the classification of the financial assets and liabilities of the Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount			Fair value				
		Mandatorily at FVTPL US\$'000	Amortised cost US\$'000	Other financial liabilities US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Group									
31 December 2020									
Loans receivables	12	–	443,075	–	443,075	–	446,392	–	446,392
Trade and other receivables*	14	–	151,665	–	151,665	–	–	–	–
Other investments	11	26,340	–	–	26,340	–	–	26,340	26,340
Electricity derivative	13	182,382	–	–	182,382	–	–	182,382	182,382
Forward exchange contracts	13	1,350	–	–	1,350	–	1,350	–	1,350
Cash and cash equivalents	16	–	208,841	–	208,841	–	–	–	–
		210,072	803,581	–	1,013,653	–	–	–	–
Loans and borrowings	19	–	–	(1,445,580)	(1,445,580)	–	(1,462,234)	–	(1,462,234)
Interest rate swaps	13	(20,380)	–	–	(20,380)	–	(20,380)	–	(20,380)
Forward exchange contracts	13	(3,718)	–	–	(3,718)	–	(3,718)	–	(3,718)
Cross currency swaps	13	(11,201)	–	–	(11,201)	–	(11,201)	–	(11,201)
Trade and other payables*	20	–	–	(62,099)	(62,099)	–	–	–	–
		(35,299)	–	(1,507,679)	(1,542,978)	–	–	–	–

* Excludes non-financial assets and liabilities

29 Fair value of financial instruments (cont'd)

Accounting classification and fair value (cont'd)

Note	Carrying amount				Fair value		
	Mandatorily at FVTPL	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
					US\$'000	US\$'000	US\$'000
Company							
30 June 2021							
12	–	95,867	–	95,867	–	95,867	95,867
14	–	3,517	–	3,517	–	–	–
16	–	98,149	–	98,149	–	–	–
13	937	–	–	937	–	937	937
	937	197,533	–	198,470			
Loans and borrowings							
19	–	–	(415,100)	(415,100)	–	(419,182)	(419,182)
13	(33)	–	–	(33)	–	(33)	(33)
20	–	–	(8,172)	(8,172)	–	–	–
	(33)	–	(423,272)	(423,305)			
31 December 2020							
12	–	215,322	–	215,322	–	215,322	215,322
14	–	2,287	–	2,287	–	–	–
13	1,350	–	–	1,350	–	1,350	1,350
16	–	75,603	–	75,603	–	–	–
	1,350	293,212	–	294,562			
Loans and borrowings							
19	–	–	(520,302)	(520,302)	–	(522,000)	(522,000)
13	(3,718)	–	–	(3,718)	–	(3,718)	(3,718)
20	–	–	(6,426)	(6,426)	–	–	–
	(3,718)	–	(526,728)	(530,446)			

* Excludes non-financial assets and liabilities

29 Fair value of financial instruments (cont'd)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Other investments: Equity investments – at FVTPL	<i>Discounted cash flows:</i> The valuation model considers the present value of expected cash flows from the projects, discounted using a risk-adjusted discount rate.	Discount rate	The estimated fair value would increase (decrease) if: the discount rate was lower (higher)
Electricity derivative	<i>Discounted cash flows:</i> The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the expectation of spot rates for the duration of the contract.	Electricity spot rate Discount rate	The estimated fair value would increase (decrease) if: - The electricity spot rate was lower (higher); - The discount rate was lower (higher).
Interest rate swaps	<i>Swap models:</i> The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not applicable	Not applicable
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward rates at the reporting date and present value calculations based on yield curves in respective currencies.	Not applicable	Not applicable
Cross currency swaps	<i>Swap models:</i> Cross currency swaps are measured using quoted forward exchange rates and yield curves from quoted interest rates of the respective currencies, matching maturities of the swaps.	Not applicable	Not applicable

29 Fair value of financial instruments (cont'd)

Valuation techniques and significant unobservable inputs (cont'd)

Financial instruments not measured at fair value

Type	Valuation technique
Loans and borrowings / Loans receivables	<i>Discounted cash flows:</i> The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Group			
	30 June 2021		31 December 2020	
	Equity investments – at FVTPL US\$'000	Electricity derivative US\$'000	Equity investments – at FVTPL US\$'000	Electricity derivative US\$'000
Beginning balance	26,340	182,382	24,643	117,992
Purchases	4,353	–	3,477	–
Total unrealised gains and losses recognised in profit or loss	–	(21,250)	(1,790)	48,101
Foreign currency translation recognised in OCI	179	(548)	10	16,289
Ending balance	30,872	160,584	26,340	182,382

30 Commitments

Construction agreements

The commitments for construction of property, plant and equipment as at 30 June 2021 and 31 December 2020 are as follows:

	Group			
	30 June 2021		31 December 2020	
<u>Type of contracts</u>	Contracted US\$'000	Balance US\$'000	Contracted US\$'000	Balance US\$'000
Supply Contract	59,755	9,855	91,523	91,523
Supply & Service Contract	22,709	8,971	17,770	17,770
Total	82,464	18,826	109,293	109,293

Acquisitions

On April 2020, the Group entered into a share purchase agreement to acquire 100% of Yokji. As part of the purchase consideration, the Group has committed to contingent payments upon achieving of the project milestones.

In May 2021, the Group made the contingent payment amounting to KRW2,200 million upon the execution of the grid connection agreement, and is recognised as part of the Group's project-related agreements and licenses in Note 8 Intangible assets.

The Group commits to pay the remaining contingent payment, amounting to KRW5,000 million, upon the submission of final and effective notice of the commencement of construction work to the competent Governmental Authority in relation to the project.

31 Contingent liability

Stand-by letter of credit

As at 30 June 2021, the stand-by letter of credit ("SBLC") totalled to USD 8.1 million and expires over the period from September 2021 to April 2022. The SBLC bears an interest of LIBOR + 0.95% per annum (2020: LIBOR + 1.25% per annum).

32 Related parties

During the period, other than those disclosed elsewhere in the financial statements, there were no other significant transactions with related parties.

The Group has determined Vena Energy (Taiwan) Holdings Ltd and its subsidiaries, Zenith Japan Holdings Trust and its subsidiaries as related parties in accordance with IAS 24.

33 Subsequent events

(i) *Investment in a subsidiary*

From July 2021 to September 2021, the Company subscribed 26,278,110 ordinary shares of US\$1.00 each amounting to US\$26,278,110 in Vena Energy Ltd, a wholly owned subsidiary of the Company.

From July 2021 to September 2021, the Company reduced its investment in subsidiary by US\$24,462,038 in its wholly owned subsidiary, Vena Energy Ltd, by way of share buyback.

(ii) *Bond issuance*

On 8 July 2021, a direct subsidiary, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer"), issued US\$175,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under the US\$1,000,000,000 Global Medium Term Note Programme (the "Notes"). The Notes is to be consolidated and form a single series with the US\$325,000,000 3.133% per annum notes issued on 26 February 2020. The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2021, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2021. The Notes will mature on 26 February 2025.

The bond proceeds were allocated to the Company, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) through intercompany loans.

The Company together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

34 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed interim financial statements.



**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**

**(Incorporated in Cayman Islands)
Registration Number: 328010**

Condensed Interim Financial Statements
For the six months ended 30 June 2021

Statement by Directors

In our opinion:

- (a) the accompanying condensed interim financial statements set out on pages FS1 to FS25 comprising the condensed statement of financial position of the Group and the Company as at 30 June 2021, the condensed statement of profit or loss and other comprehensive income, changes in equity and cash flows for the Group and for the Company for the six months period then ended, and notes to the condensed interim financial statements, including significant accounting policies as set out on pages FS1 to FS25, are prepared, in all material respects, in accordance with the International Accounting Standard ("IAS") 34 *Interim Financial Reporting*; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the condensed interim financial statements for issue.

On behalf of the Board of Directors

DocuSigned by:

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Director

8 September 2021



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Independent auditors' report

Member of the Company
Vena Energy (Taiwan) Holdings Ltd

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying Condensed Interim Financial Statements of Vena Energy (Taiwan) Holdings Ltd ('the Company') and its Subsidiaries (collectively the 'Group'), which comprise the condensed statements of financial position of the Group and of the Company as at 30 June 2021, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the Group and for the Company for the six month period then ended and significant accounting policies and other explanatory notes (the Condensed Interim Financial Statements). Management is responsible for the preparation and presentation of the Condensed Interim Financial Statements in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on the Condensed Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on *Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Statements as at and for the six months ended 30 June 2021 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Independent Auditors' Report
For the six months ended 30 June 2021

Restriction on distribution and use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Statements for the purpose of reporting to external counterparties for existing bonds issued and for no other purpose. Our report will be made available by you to the existing bond holders and potential bond investors for their information only. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in black ink, appearing to read 'KPMG LLP', is written over the printed text 'KPMG LLP'.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
8 September 2021

**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed statements of financial position
As at 30 June 2021**

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Assets					
Property, plant and equipment	6	202,386	133,862	—	—
Right-of-use assets	7	82,938	84,474	—	—
Intangible assets	8	52,726	53,262	—	—
Investment in subsidiaries		—	—	248,701	170,413
Equity-accounted investees	9	64,044	63,975	—	—
Deferred tax assets		212	262	—	—
Non-current assets		402,306	335,835	248,701	170,413
Loan receivables	10	140	140	—	—
Trade and other receivables	11	16,851	5,963	1,795	1,700
Prepayment and other assets	12	2,210	1,174	5	5
Cash and cash equivalents	13	34,904	24,227	647	798
Current assets		54,105	31,504	2,447	2,503
Total assets		456,411	367,339	251,148	172,916
Equity					
Equity contribution	14	125,497	125,497	125,497	125,497
(Accumulated losses)/Retained earnings		(12,944)	(19,359)	931	(6,755)
Reserves	15	6,723	6,888	—	—
Equity attributable to owner of the Company		119,276	113,026	126,428	118,742
Non-controlling interests ('NCI')		5,667	5,164	—	—
Total equity		124,943	118,190	126,428	118,742
Liabilities					
Asset retirement obligation		1,139	1,114	—	—
Derivative liabilities	18	339	392	—	—
Loans and borrowings	16	202,195	138,798	123,082	53,028
Lease liabilities	16	88,655	87,881	—	—
Non-current liabilities		292,328	228,185	123,082	53,028
Loans and borrowings	16	18,225	6,544	1,530	1,034
Lease liabilities	16	573	805	—	—
Trade and other payables	17	19,813	13,200	108	112
Current tax liabilities		529	415	—	—
Current liabilities		39,140	20,964	1,638	1,146
Total liabilities		331,468	249,149	124,720	54,174
Total equity and liabilities		456,411	367,339	251,148	172,916

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed statements of profit or loss and other comprehensive income
For the six months ended 30 June 2021**

		Group		Company	
	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Revenue	19	8,626	7,467	—	—
Other income		29	19	—	—
Operating costs	20	(1,239)	(1,263)	(51)	(42)
Shared services costs	21	(2,059)	(2,404)	—	—
Management fee		(150)	(69)	—	—
Development costs	22	(545)	(595)	—	—
Depreciation expense	6&7	(2,453)	(2,349)	—	—
Amortisation expense	8	(497)	(463)	—	—
		(6,943)	(7,143)	(51)	(42)
Finance income	23	4	125	—	17
Finance costs	23	(2,257)	(1,532)	(900)	(486)
Change in fair value of financial instruments at FVTPL		56	(387)	—	—
Net foreign exchange gain/(loss)	24	8,783	570	8,637	(172)
Net finance income/(costs)		6,586	(1,224)	7,737	(641)
Write-off of project costs previously capitalised	24	(1,226)	—	—	—
Share of net profit/(loss) of equity-accounted investees, net of tax	9	875	(86)	—	—
Profit/(loss) before tax	24	7,947	(967)	7,686	(683)
Tax expense		(877)	(454)	—	—
Profit/(loss) for the period		7,070	(1,421)	7,686	(683)
Profit/(loss) attributable to:					
Owner of the Company		6,453	(1,821)	7,686	(683)
Non-controlling interests		617	400	—	—
		7,070	(1,421)	7,686	(683)

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed statements of profit or loss and other comprehensive income
For the six months ended 30 June 2021 (cont'd)**

		Group		Company	
	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences		634	1,271	–	–
Equity-accounted investees – share of other comprehensive income (“OCI”)	9	(806)	1,057	–	–
Other comprehensive (loss)/income for the period		(172)	2,328	–	–
Total comprehensive income/(loss) for the period		6,898	907	7,686	(683)
Total comprehensive income/(loss) attributable to:					
Owner of the Company		6,250	507	7,686	(683)
Non-controlling interests		648	400	–	–
		6,898	907	7,686	(683)

The accompanying notes form an integral part of the condensed interim financial statements.

**Condensed consolidated statement of changes in equity
For the six months ended 30 June 2021**

	Attributable to owner of the Company				Non- controlling interest	Total equity
	Equity contribution US\$'000	Accumulated losses US\$'000	Reserves US\$'000	Total US\$'000	US\$'000	US\$'000
At 1 January 2021	125,497	(19,359)	6,888	113,026	5,164	118,190
Total comprehensive income for the period						
Income for the period	–	6,453	–	6,453	617	7,070
Other comprehensive income						
Foreign currency translation differences	–	–	603	603	31	634
Equity-accounted investees – share of OCI	–	–	(806)	(806)	–	(806)
Total comprehensive (loss)/income for the period	–	6,453	(203)	6,250	648	6,898
Transactions with owner, recognised directly in equity						
Contributions by and distributions to owners						
Dividend declared	–	–	–	–	(145)	(145)
Reallocation of profits to legal reserve	–	(38)	38	–	–	–
Total contributions by and distributions to owners	–	(38)	38	–	(145)	(145)
At 30 June 2021	125,497	(12,944)	6,723	119,276	5,667	124,943

The accompanying notes form an integral part of the condensed interim financial statements.

Condensed consolidated statements of changes in equity (cont'd)
For the six months ended 30 June 2021

	Attributable to owner of the Company				Non-controlling interest	Total equity
	Equity contribution US\$'000	Accumulated losses US\$'000	Reserves US\$'000	Total US\$'000	US\$'000	US\$'000
1 January 2020	126,623	(16,211)	(54)	110,358	4,500	114,858
Total comprehensive income for the period (Loss)/income for the period	–	(1,821)	–	(1,821)	400	(1,421)
Other comprehensive income						
Foreign currency translation differences	–	–	1,271	1,271	–*	1,271
Equity-accounted investees – share of OCI	–	–	1,057	1,057	–*	1,057
Total comprehensive (loss)/income for the period	–	(1,821)	2,328	507	400	907
Transactions with owner, recognised directly in equity						
Contributions by and distributions to owners						
Issuance of shares	1,174	–	–	1,174	–	1,174
Conversion of advance from immediate holding company	–	–	(1,174)	(1,174)	–	(1,174)
Repurchase of own shares	(2,300)	–	–	(2,300)	–	(2,300)
Total contributions by and distributions to owners	(1,126)	–	(1,174)	(2,300)	–	(2,300)
At 30 June 2020	125,497	(18,032)	1,100	108,565	4,900	113,465

* Less than US\$1,000

The accompanying notes form an integral part of the condensed interim financial statements.

**Condensed statement of changes in equity
For the six months ended 30 June 2021**

<u>Company</u>	Note	Equity contribution US\$'000	Retained earnings/ (Accumulated losses) US\$'000	Reserves US\$'000	Total US\$'000
At 1 January 2021		125,497	(6,755)	–	118,742
Total comprehensive income for the period					
Income for the period		–	7,686	–	7,686
At 30 June 2021		125,497	931	–	126,428
At 1 January 2020		126,623	(3,716)	1,174	124,081
Total comprehensive loss for the period					
Loss for the period		–	(683)	–	(683)
Transaction with owner, recognised directly in equity					
Contributions by and distributions to owners					
Issuance of shares	14	1,174	–	–	1,174
Conversion of advance from owners	14	–	–	(1,174)	(1,174)
Repurchase of own shares		(2,300)	–	–	(2,300)
Total contributions by and distributions to owner/Total transactions with owners		(1,126)	–	(1,174)	(2,300)
At 30 June 2020		125,497	(4,399)	–	121,098

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

**Condensed consolidated statement of cash flows
For the six months ended 30 June 2021**

<u>Group</u>	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit/(loss) before tax		7,947	(967)
Adjustments for:			
Depreciation expense	6&7	2,453	2,349
Amortisation expense	8	497	463
Finance costs	23	2,257	1,532
Finance income	23	(4)	(125)
Write-off of project costs previously capitalised	24	1,226	–
Change in fair value of financial instruments at FVTPL		(56)	387
Unrealised foreign exchange (gain)/loss		(7,894)	2,374
Share of net (profit)/loss of equity-accounted investees, net of tax	9	(875)	86
		5,551	6,099
Changes in:			
- Trade and other receivables		(10,888)	4,113
- Prepayments and other assets		(1,552)	(263)
- Trade and other payables		5,189	(2,550)
Cash (used in)/generated from operating activities		(1,700)	7,399
Net tax paid		(468)	–
Net cash (used in)/generated from operating activities		(2,168)	7,399
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(67,667)	(3,081)
Interest received		4	67
Net cash used in investing activities		(67,663)	(3,014)
Cash flows from financing activities			
Proceeds from drawdown of projects finance debts		6,749	66,456
Proceeds from drawdown of loans from related parties		79,274	2,012
Repayment of loans from a related party		(700)	(67,425)
Repayment of project finance debts		(2,660)	(676)
Repayment of leases		(979)	(745)
Repurchase of own shares		–	(2,300)
Interest paid for:			
- Project finance debts		(1,063)	(646)
- Euro Medium Term Note Issuer		(216)	–
Payment of transaction cost related to loans and borrowings		(227)	(1,546)
Deposits unpledged		43	5,630
Dividend paid to non-controlling interest		(145)	–
Net cash generated from financing activities		80,076	760
Net increase in cash and cash equivalents		10,245	5,145
Cash and cash equivalents at 1 January	13	17,315	11,792
Effect of exchange rate fluctuations on cash held		475	750
Cash and cash equivalents at 30 June	13	28,035	17,687

Significant non-cash transaction

The repayment of the Company's intragroup loan due to Vena Energy Holdings Ltd ("VEHL") amounting to US\$ Nil (2020: US\$ 29,226,413) was made on behalf of the Company by Vena Energy Capital Pte Ltd ("VECPL") via an intragroup loan from VECPL during the period.

The accompanying notes form an integral part of the condensed interim financial statements.

**Vena Energy (Taiwan) Holdings Ltd
and its subsidiaries**
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statement of cash flows
For the six months ended 30 June 2021

<u>Company</u>	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit/(loss) before tax		7,686	(683)
Adjustments for:			
Finance costs	23	900	486
Finance income	23	–	(17)
Unrealised foreign exchange (gain)/loss		(8,637)	164
		(51)	(50)
Changes in:			
- Trade and other receivables		(95)	750
- Trade and other payables		(19)	17
Net cash (used in)/generated from operating activities		(165)	717
Cash flows from investing activities			
Subscription of additional shares in a subsidiary		(83,826)	(2,027)
Reduction of interest in subsidiary		5,538	67,885
Interest received		–	18
Net cash (used in)/generated from investing activities		(78,288)	65,876
Cash flows from financing activities			
Repurchase of own shares		–	(2,300)
Proceeds from drawdown of loans from related parties		79,274	2,012
Repayment of loans from a related party		(700)	(67,425)
Payment of transaction cost related to loans and borrowings		(272)	(347)
Net cash from/(used in) financing activities		78,302	(68,060)
Net decrease in cash and cash equivalents		(151)	(1,467)
Cash and cash equivalents at 1 January	13	798	1,569
Cash and cash equivalents at 30 June	13	647	102

Significant non-cash transaction

During the financial period, the Company entered into the following non-cash transactions:

- a) The repayment of the Company's intragroup loan due to Vena Energy Holdings Ltd ("VEHL") amounting to US\$ Nil (2020: US\$29,226,413) was made on behalf of the Company by Vena Energy Capital Pte Ltd ("VECPL") via an intragroup loan from VECPL during the period.
- b) The Company's equity injection in its subsidiary, Vena Energy (Taiwan) Ltd, amounting to US\$ Nil (2020: US\$972,232) was funded directly by VEHL via an intragroup loan.
- c) Extinguished amount due from its wholly owned subsidiary, Vena Energy (Taiwan) Ltd, amounting US\$ Nil (2020: US\$50,227,489) by issuance of shares.

The accompanying notes form an integral part of the condensed interim financial statements.

Notes to the condensed interim financial statements

1 Domicile and activities

Vena Energy (Taiwan) Holdings Ltd (the 'Company') is incorporated in the Cayman Islands and has its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The condensed interim financial statements of the Group as at and for the six months ended 30 June 2021 comprised the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in equity-accounted investees.

The principal activity of the Group is that of developer, owner and operator of renewable energy assets in Taiwan and Philippines.

The immediate holding company and ultimate controlling company of the Group as at 30 June 2021 are GIP Zenith (Taiwan) Ltd and Global Infrastructure Investors III, LLC respectively of which the former is incorporated in the Cayman Islands and the latter is incorporated in Delaware, U.S.A.

2 Basis of preparation

2.1 Purpose of the condensed interim financial statements

The condensed interim financial statements were drawn up for the purpose of a potential bond issuance and reporting to external counterparties for existing bonds issued.

2.2 Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the last annual financial statements as at and for the year ended 31 December 2020. They do not include all of the information required for a complete set of International Financial Reporting Standards ('IFRS') financial statements.

3 Seasonality in operations

Seasonality in operations for the Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Group's operating results are impacted by external factors, such as resource availability. For example, the power production at the solar plants is directly impacted by seasonal changes in solar irradiance which is normally at its highest during the summer months.

4 Significant accounting policies

The Group has applied the following amendments to and interpretations of the Group accounting policies for the first time for the period beginning on 1 January 2021:

- *Covid-19-Related Rent Concessions* (Amendment to IFRS 16)
- *Interest Rate Benchmark Reform – Phase 2* (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

5 Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical estimates in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 25 Financial instruments.

6 Property, plant and equipment

	Note	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Computer, fitting and fixture and office equipment US\$'000	Assets under construction US\$'000	Vehicle US\$'000	Total US\$'000
Group							
Cost							
At 1 January 2020		51	109,723	145	8,120	—	118,039
Additions		—	239	27	11,604	85	11,955
Reclassifications from right-of-use asset	7	—	—	—	2,393	—	2,393
Effect of exchange rate changes		4	7,784	9	942	1	8,740
At 31 December 2020		55	117,746	181	23,059	86	141,127
Additions		—	95	—	68,342	41	68,478
Reclassification		—	11,763	—	(11,763)	—	—
Reclassifications from right-of-use asset	7	—	—	—	1,661	—	1,661
Write-off	24	—	—	—	(369)	—	(369)
Effect of exchange rate changes		—*	490	—*	420	—*	910
At 30 June 2021		55	130,094	181	81,350	127	211,807
Accumulated depreciation							
At 1 January 2020		29	2,647	22	—	—	2,698
Depreciation charge for the year		3	4,133	39	—	3	4,178
Effect of exchange rate changes		4	383	2	—	—*	389
At 31 December 2020		36	7,163	63	—	3	7,265
Depreciation charge for the period		—	2,079	9	—	11	2,099
Effect of exchange rate changes		—*	57	—*	—	—*	57
At 30 June 2021		36	9,299	72	—	14	9,421
Carrying amounts							
At 1 January 2020		22	107,076	123	8,120	—	115,341
At 31 December 2020		19	110,583	118	23,059	83	133,862
At 30 June 2021		19	120,795	109	81,350	113	202,386

As at reporting date, some property, plant and equipment for the Group were pledged as collateral to secure project finance debts (see note 16).

* Less than US\$1,000

7 Right-of-use assets

	Land US\$'000
Group	
Cost	
At 1 January 2020	29,421
Additions	53,604
Effect of exchange rate changes	5,656
At 31 December 2020	88,681
Effect of exchange rate changes	507
At 30 June 2021	89,188
Accumulated depreciation	
At 1 January 2020	1,072
Depreciation	644
Reclassification	2,393
Effect of exchange rate changes	98
At 31 December 2020	4,207
Depreciation	354
Reclassification	1,661
Effect of exchange rate changes	28
At 30 June 2021	6,250
Carrying amounts	
At 1 January 2020	28,349
At 31 December 2020	84,474
At 30 June 2021	82,938

As at reporting date, some right-of-use assets were pledged as collateral to secure project finance debts (see note 16).

8 Intangible assets

		Goodwill US\$'000	Project-related agreements & licences US\$'000	Total US\$'000
Group				
Cost				
At 1 January 2020		32,847	18,493	51,340
Additions		–	323	323
Effect of exchange rate changes		2,328	1,327	3,655
At 31 December 2020		35,175	20,143	55,318
Write-off	24	–	(341)	(341)
Effect of exchange rate changes		201	114	315
At 30 June 2021		35,376	19,916	55,292
Accumulated amortisation				
At 1 January 2020		–	996	996
Amortisation expense		–	945	945
Effect of exchange rate changes		–	115	115
At 31 December 2020		–	2,056	2,056
Amortisation expense		–	497	497
Effect of exchange rate changes		–	13	13
At 30 June 2021		–	2,566	2,566

8 Intangible assets (cont'd)

	Goodwill US\$'000	Project-related agreements & licences US\$'000	Total US\$'000
Group			
Carrying amounts			
At 1 January 2020	32,847	17,497	50,344
At 31 December 2020	35,175	18,087	53,262
At 30 June 2021	35,376	17,350	52,726

Amortisation of the intangible assets will begin on the commercial operation date of the renewable asset as defined in the respective power purchase agreements.

9 Equity-accounted investees

The Group's equity-accounted investee comprises a material associate (RA Solar Energy Holdings Inc. and its subsidiaries (collectively known as 'RSEHI')) and an immaterial associate, RA Group Holdings Inc. RSEHI owns Project Garcia, a solar power plant in Philippines.

The Group has one out of five representation in the board of directors of RSEHI. The Group has an economic interest of 99.91% in RSEHI, which consists of 40% of voting shares and 99.91% of redeemable preferred shares ('RPSs'). The RPSs are non-convertible, non-voting and are redeemable at the sole option of RSEHI.

Through the Group's holdings in RSEHI and the immaterial associate, the Group has an effective economic interest of 99.97% in Project Garcia.

The following summarises the financial statements of the Group's material associates based on the financial statements prepared in accordance with IFRS:

	RSEHI Group	
	30 June 2021 US\$'000	31 December 2020 US\$'000
<u>Statement of financial position</u>		
Property, plant and equipment	27,009	28,171
Equity-accounted for investees	4,925	4,433
Other receivables	280	227
Prepayment and other assets	35	127
Right-of-use assets	230	3
Non-current assets	32,479	32,961
Trade and other receivables	3,864	2,960
Prepayment and other assets	76	144
Cash and cash equivalents	980	989
Current assets	4,920	4,093
Total assets	37,399	37,054

9 Equity-accounted investees (cont'd)

Statement of financial position (cont'd)

	RSEHI Group	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Loans and borrowings	15,740	14,955
Asset retirement obligation	184	187
Deferred tax liabilities	105	106
Non-current liabilities	16,029	15,248
Loans and borrowings	2,338	4,784
Trade and other payables	822	1,072
Current tax liabilities	—	10
Current liabilities	3,160	5,866
Total liabilities	19,189	21,114
Net assets	18,210	15,940

Statement of comprehensive income

	RSEHI Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Sale of energy	3,733	3,191
Other income	637	155
	4,370	3,346
Operating costs	(569)	(518)
Shared services costs	(26)	(246)
Depreciation expense	(793)	(760)
	2,982	1,822
Finance income	16	59
Finance costs	(493)	(601)
Net foreign exchange gain	(62)	465
Net finance costs	(539)	(77)
Profit before tax	2,443	1,745
Tax expense	—	(4)
Profit for the period/year	2,443	1,741
Other comprehensive income	(173)	—
Total comprehensive income	2,270	1,741

9 Equity-accounted investees (cont'd)

The following summarises the financial information of the Group's associates based on the financial statements prepared in accordance with IFRS. The balances relating to immaterial associate is not significant.

	30 June 2021 US\$'000	31 December 2020 US\$'000
Group's interest in net assets of associates		
Share of profit of associates	2,442	4,322
Amortisation expenses of intangibles allocated to associates	(1,567)	(3,057)
	875	1,265
Foreign currency translation difference on intangibles allocated to associates	(646)	2,677
Share of other comprehensive income	(160)	941
	69	4,883
Carrying amount of interest in associates at beginning of the period	63,975	59,092
Carrying amount of interest in associates at end of the period	64,044	63,975

10 Loans receivables

	Group 30 June 2021 US\$'000	31 December 2020 US\$'000
Interest receivables from equity-accounted investee	140	140

Loan receivable from an equity-accounted investee is denominated in US\$, unsecured and repayable on demand. The loan bears an interest rate of 7% (2020: 7%) per annum. The interest receivables of US\$140,000 were received in July 2021.

11 Trade and other receivables

		Group 30 June 2021 US\$'000	31 December 2020 US\$'000	Company 30 June 2021 US\$'000	31 December 2020 US\$'000
Contract assets		1,601	1,001	—	—
Amounts due from:					
- Subsidiary	(a)	—	—	1,795	1,700
- Other third parties		19	317	—	—
Deposits and advance		11,290	3,781	—	—
VAT receivable		3,941	864	—	—
		16,851	5,963	1,795	1,700

11 Trade and other receivables (cont'd)

(a) The amounts due from a subsidiary is non-trade, unsecured, non-interest bearing and repayable on demand. As at 30 June 2021, the movement of amount due from subsidiaries are as follows:

	Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Balance as at 1 January	1,700	50,977
Capitalised to investment in subsidiary	–	(50,227)
Advances to subsidiary	95	1,700
Repayment of advances from subsidiary	–	(750)
Balance as at 30 June and 31 December	<u>1,795</u>	<u>1,700</u>

As at reporting date, some trade and other receivables were pledged as collateral to secure project finance debts (see note 16).

12 Prepayments and other assets

	Note	Group	
		30 June 2021 US\$'000	31 December 2020 US\$'000
Other assets		622	592
Prepaid expenses		2,104	582
Less: write-off	24	<u>(516)</u>	<u>–</u>
		<u>2,210</u>	<u>1,174</u>

As at reporting date, some prepayments and other assets were pledged as collateral to secure project finance debts (see note 16).

13 Cash and cash equivalents

	Note	Group		Company	
		30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Bank balances		32,892	22,215	647	798
Short term deposit		<u>2,012</u>	<u>2,012</u>	<u>–</u>	<u>–</u>
Cash and cash equivalents in the statements of financial position		<u>34,904</u>	<u>24,227</u>	<u>647</u>	<u>798</u>
Restricted bank balances and deposits	(a)	<u>(6,869)</u>	<u>(6,912)</u>	<u>–</u>	<u>–</u>
Cash and cash equivalents in the statements of cash flows		<u>28,035</u>	<u>17,315</u>	<u>647</u>	<u>798</u>

(a) As at reporting date, some cash and cash equivalents were pledged as collateral to secure project finance debts (see note 16). Included US\$4.9 million (2020: US\$4.9 million) were held under debt service reserve accounts which represents a reserve account used for debt service of project finance debt when cash flow available for debt services is inadequate to service the project finance debt and US\$2 million (2020: US\$2 million) fixed deposit pledged in relation to banker's guarantees.

14 Equity contribution

	Group and Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000
<u>Group and Company</u> Equity contribution		
Share capital at US\$0.01 per share (US\$)	1,254	1,254
Share premium (US\$)	124,243	124,243
	<u>125,497</u>	<u>125,497</u>
	Group and Company	
	30 June 2021 No. of shares (‘000)	31 December 2020 No. of shares (‘000)
Issued and fully paid		
At beginning of period/year	125,497	126,623
Issued during the period/year	–	1,174
Repurchase of shares	–	(2,300)
At end of period/year	<u>125,497</u>	<u>125,497</u>

15 Reserves

The reserves of the Group comprise the following balances:

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Translation reserve	6,610	6,813	–	–
Legal reserve	113	75	–	–
	<u>6,723</u>	<u>6,888</u>	<u>–</u>	<u>–</u>

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Legal reserve

The Taiwan Companies Act requires that for profit making Taiwan registered companies, 10% of the profits shall be kept as a reserve which is non distributable. The legal reserve will be capped at amount equivalent to authorised share capital.

16 Loans and borrowings and lease liabilities

		Group		Company	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
Project finance debts		79,113	85,770	–	–
Loan from related parties		94,473	22,339	94,473	22,339
Loan from Euro Medium Term Note Issuer	(a)	28,609	30,689	28,609	30,689
		<u>202,195</u>	<u>138,798</u>	<u>123,082</u>	<u>53,028</u>
Lease liabilities		88,655	87,881	–	–

16 Loans and borrowings and lease liabilities (cont'd)

	Group		Company	
Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Current				
Project finance debts	16,477	5,310	—	—
Interest payables on:				
- Project finance debts	218	200	—	—
- Loan from related parties	1,394	884	1,394	884
- Loan from Euro Medium Term Note Issuer	136	150	136	150
	<u>18,225</u>	<u>6,544</u>	<u>1,530</u>	<u>1,034</u>
Lease liabilities	<u>573</u>	<u>805</u>	<u>—</u>	<u>—</u>

(a) The Euro Medium Term Note Issuer refers to Vena Energy Capital Pte Ltd, a related party, which issued US\$325,000,000 3.133% per annum Notes due 2025 under the US\$1,000,000,000 Global Medium Term Note Programme.

The below table shows the notional amount of the outstanding loans and borrowings not including transaction costs.

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Project finance debts	80,502	87,029	—	—
Loan from related parties	94,473	22,339	94,473	22,339
Loan from Euro Medium Term Note Issuer	28,863	30,978	28,863	30,978
	<u>203,838</u>	<u>140,346</u>	<u>123,336</u>	<u>53,317</u>
Current				
Project finance debts	16,490	5,323	—	—
	<u>220,328</u>	<u>145,669</u>	<u>123,336</u>	<u>53,317</u>

Debt covenant

The Group has a secured bank loan with a carrying amount of US\$4.7 million as at 30 June 2021 (2020: US\$4.8 million). This loan is repayable in tranches within 5 years. However, the loan contains a covenant stating that at the end of each quarter, the debt to equity ratio shall be less than 4 times and the ratio of the aggregate of all of the Group's liabilities to the Group's liabilities paid in capital does not exceed the ratio of 82:18 at any time throughout the duration of the agreement, otherwise the loan will be repayable on demand.

The Group exceeded its maximum leverage threshold as at 30 June 2021. The Group had obtained a waiver letter in August 2021 from the bank and this bank loan has been reclassified from non-current to current as at 30 June 2021.

Pledges for facility agreements

The Group has entered into several Facilities agreements with various financial institutions. Under these agreements, these financial institutions provide project financing debts of US\$97.0 million (2020: US\$92.4 million) to the Group on floating rates.

The obligations of the Group to the banks are collateralised by the pledges of all the shares of the project entities and liens on and security interests in substantially all of the project entities' assets, its rights under various agreements, all of the project entities' revenues and all insurance proceeds payable to the project entities and require the project entities to comply with various administrative requirements.

16 Loans and borrowings and lease liabilities (cont'd)

As at 30 June 2021 and 31 December 2020, the assets of the project entities pledged in relation to the facilities agreements are as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Property, plant and equipment	121,481	111,242
Right-of-use assets	18,902	16,932
Trade and other receivables	3,772	1,231
Prepayments and other assets	337	324
Deferred tax assets	345	315
Cash and cash equivalents	14,071	14,456
	<u>158,908</u>	<u>144,500</u>

17 Trade and other payables

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Amounts due to:				
- Related parties	1,101	1,280	—	71
- Other third party	10	679	—	—
Trade payables	467	—	—	—
Payable to EPC contractors	7,818	3,554	—	—
Shared services fees payables	6,424	6,419	—	—
Other tax payables	811	459	—	—
Accrued staff costs	19	14	—	—
Accrued operating expenses	3,163	795	108	41
	<u>19,813</u>	<u>13,200</u>	<u>108</u>	<u>112</u>

The amounts due to related parties are non-trade, unsecured, non-interest bearing and repayable on demand.

18 Derivative liabilities

	Group		Company	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Interest rate swaps	339	392	—	—

19 Revenue

The Group's revenue comprises:

	Group		Company	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Sale of energy	8,626	7,467	—	—

19 Revenue (cont'd)

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Sale of Energy

Nature of goods or services	Sale of renewable energy
When revenue is recognised	Revenue from sale of electricity is recognised in profit or loss when the electricity generated is dispatched to the customer. Revenue is determined based on the units of sales delivered at the applicable tariff rates.
Payment terms	15 to 30 days

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and major products.

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Taiwan Solar	8,626	7,467

Contract balances

Please refer to note 11 for contract assets primarily relating to the Group's right to consideration for sale of renewable energy but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

20 Operating costs

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Operations and maintenance costs	521	677
Utilities and transmission costs	139	85
Directors fee	13	10
Professional fees	262	155
IT expenses	3	2
Insurance	144	126
Occupancy cost	64	7
Travel and entertainment expenses	47	13
Other general and administrative costs	46	188
	1,239	1,263

Staff costs of US\$0.31 million (2020: US\$0.1 million) is included within operations and maintenance costs.

21 Shared services costs

Shared services costs have been incurred in respect of transactions with Vena Energy Pte. Ltd., Vena Energy Pte. Ltd., Taiwan branch and Vena Energy (Thailand) Co., Ltd.

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22 Development costs

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Other employee benefits	2	–
Professional fees	250	90
Travel and entertainment expenses	86	119
Occupancy costs	23	68
IT expenses	–	8
Marketing and promotion costs	–	11
Other general and administrative costs	184	299
	545	595

23 Finance income and finance costs

	Group		Company	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Finance income				
Interest income from:				
- Short term deposit	–	45	–	–
- Loan receivables from equity-accounted investee	–	58	–	–
- Bank balances	4	22	–	17
Total finance income	4	125	–	17
Finance costs				
Interest expense on:				
- Loan from related parties	(587)	(312)	(587)	(312)
- Loan from Euro Medium Term Note Issuer	(205)	(141)	(205)	(141)
- Project finance debts	(972)	(778)	–	–
- Lease liabilities	(200)	(187)	–	–
- Other finance costs	(293)	(114)	(108)	(33)
Total finance costs	(2,257)	(1,532)	(900)	(486)

24 Profit before tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Staff costs				
Salaries	202	97	–	–
Bonus	52	34	–	–
Other staff benefits	54	50	–	–
	308	181	–	–

24 Profit before tax (cont'd)

The following items have been included in arriving at profit before tax: (cont'd)

		Group		Company	
	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Project cost written off					
Property, plant and equipment	6	369	—	—	—
Intangible assets	8	341	—	—	—
Other assets	12	516	—	—	—
		<u>1,226</u>	<u>—</u>	<u>—</u>	<u>—</u>
Foreign exchange gain/(loss)		<u>8,783</u>	<u>570</u>	<u>8,637</u>	<u>(172)</u>

Foreign exchange gain recognised during the financial period is attributable to favourable foreign exchange movement of loans and borrowings, which comprises foreign currency intragroup loans denominated in Japanese Yen ('JPY').

25 Fair value of financial instruments

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at mid-price.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

25 Fair value of financial instruments (cont'd)

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Group			
Interest rate swaps	<i>Swap models:</i> The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not applicable.	Not applicable.

Financial instruments not measured at fair value

Type	Valuation technique
Group	
Loans and borrowings	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

25 Fair value of financial instruments (cont'd)

Accounting classification and fair value

The table below summarises the classification of the financial assets and liabilities of the Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Note	Carrying amount				Fair value			
		Mandatorily at FVTPL	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
30 June 2021									
Loan receivables	10	–	140	–	140	–	–	–	–
Trade and other receivables*	11	–	5,473	–	5,473	–	–	–	–
Cash and cash equivalents	13	–	34,904	–	34,904	–	–	–	–
		–	40,517	–	40,517				
Loans and borrowings*	16	–	–	(220,420)	(220,420)	–	(222,076)	–	(222,076)
Trade and other payables*	17	–	–	(19,002)	(19,002)	–	–	–	–
Derivative liabilities	18	(339)	–	–	(339)	–	(339)	–	(339)
		(339)	–	(239,422)	(239,761)				
31 December 2020									
Loan receivables	10	–	140	–	140	–	–	–	–
Trade and other receivables*	11	–	5,099	–	5,099	–	–	–	–
Cash and cash equivalents	13	–	24,227	–	24,227	–	–	–	–
		–	29,466	–	29,466				
Loans and borrowings	16	–	–	(145,342)	(145,342)	–	(146,903)	–	(146,903)
Trade and other payables*	17	–	–	(12,741)	(12,741)	–	–	–	–
Derivatives liabilities	18	(392)	–	–	(392)	–	(392)	–	(392)
		(392)	–	(158,083)	(158,475)				

* Excludes non-financial assets and liabilities

26 Related parties

The Group has determined Vena Energy Holdings Ltd and its subsidiaries and Zenith Japan Holdings Trust and its subsidiaries as related parties in accordance with IAS 24.

Related parties transactions

During the period, other than those disclosed elsewhere in the financial statements the following significant transactions between the Group and its related parties took place at terms agreed between the parties during the financial period:

	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Related parties		
Shared services costs	2,059	2,404
Management fee	150	69
Interest cost	587	312
Associates		
Interest income	–	58
Euro Medium Term Note Issuer		
Interest cost	240	164

27 Subsequent events

Investment in a subsidiary

In July 2021, the Company subscribed 20,137,270 ordinary shares of US\$1.00 each amounting to US\$20,137,270 in Vena Energy (Taiwan) Ltd, a wholly owned subsidiary of the Company.

In August 2021, the Company subscribed 21,213,628 ordinary shares of US\$1.00 each amounting to US\$21,213,628 in Vena Energy (Taiwan) Ltd, a wholly owned subsidiary of the Company.

Bonds issuance

On 8 July 2021, a related company, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer"), issued US\$175,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under the US\$1,000,000,000 Global Medium Term Note Programme (the "Notes"). The Notes is to be consolidated and form a single series with the US\$325,000,000 3.133% per annum notes issued on 26 February 2020. The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2021, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2021. The Notes will mature on 26 February 2025.

The bond proceeds were allocated to the Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) through intercompany loans.

Vena Energy Holdings Ltd, together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

27 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing the condensed interim financial statements.



**Zenith Japan Holdings Trust
and its subsidiaries**

Condensed Interim Financial Statements
For the six months ended 30 June 2021

Statement by Directors of the Trustee

In the opinion of the directors of Zenith Japan Holdings Ltd (the 'Trustee'):

- (a) the accompanying condensed interim financial statements set out on pages FS1 to FS32 comprising the condensed statements of financial position of the Group and the Trust as at 30 June 2021, the condensed statements of profit or loss and other comprehensive income, changes in unitholders' fund and cash flows for the Group and for the Trust for the six months period then ended, and notes to the condensed interim financial statements, including significant accounting policies, are prepared, in all material respects, in accordance with the International Accounting Standard ("IAS") 34 *Interim Financial Reporting*; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due.

The Board of Directors of the Trustee has, on the date of this statement, authorised the condensed interim financial statements for issue.

On behalf of the Board of Directors of the Trustee,

DocuSigned by:


54143219ADB2446...

Director

8 September 2021



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Independent auditors' report

The Trustee
Zenith Japan Holdings Trust

Report on the review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying Condensed Interim Financial Statements of Zenith Japan Holdings Trust (the 'Trust') and its subsidiaries (collectively the 'Group') which comprise the condensed consolidated statement of financial position of the Group and the condensed statement of financial position of the Trust as at 30 June 2021, the condensed consolidated statements of profit or loss and other comprehensive income, changes in unitholders' fund and cash flows for the Group and the condensed statements of profit or loss and other comprehensive income, changes in unitholders' fund and cash flows for the Trust for the six months period then ended and certain explanatory notes. Management is responsible for the preparation and presentation of the Condensed Interim Financial Statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on the Condensed Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Statements is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.



**Zenith Japan Holdings Trust
and its subsidiaries**
*Independent auditors' report
For the six months ended 30 June 2021*

Emphasis of matter – basis of preparation and restriction on distribution and use

We draw attention to Note 2 to the Condensed Interim Financial Statements, which describes the basis of preparation. Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Statements for the purpose of a potential bond issuance and reporting to external counterparties for existing bonds issued and for no other purpose. Our report will be made available by you to the existing bond holders and potential bond investors for their information only. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report. Our conclusion is not modified in respect of this matter.

Other matter

The Group presented the condensed interim financial information of the Trust for the six months period ended 30 June 2021 for the first time. The condensed interim financial information of the Trust for the six months period ended 30 June 2020 is included for comparative purposes and is neither reviewed nor audited.



Public Accountants and
Chartered Accountants

Singapore
8 September 2021

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statements of financial position
As at 30 June 2021

		Group		Trust	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Assets					
Property, plant and equipment	6	1,114,393	1,001,708	—	—
Right-of-use assets	7	218,346	219,087	—	—
Intangible assets	8	1,227,388	1,329,071	—	—
Investment in subsidiary	9	—	—	1,818,083	1,668,500
Equity-accounted investees	10	53,086	46,147	—	—
Loan receivable	11	38,234	—	38,234	—
Prepayments and other assets	12	3,631	3,816	—	—
Trade and other receivables	13	45,245	29,494	—	—
Non-current assets		2,700,323	2,629,323	1,856,317	1,668,500
Loan receivable	11	3	—	3	—
Prepayments and other assets	12	5,442	5,446	—	—
Trade and other receivables	13	26,544	381,709	—	350,000
Cash and cash equivalents	14	70,128	107,402	1,275	6,808
Current assets		102,117	494,557	1,278	356,808
Total assets		2,802,440	3,123,880	1,857,595	2,025,308
Unitholders' funds					
Units in issue	15	1,712,182	1,712,182	1,712,182	1,712,182
Accumulated profits/(losses)		29,917	16,266	19,437	(14,060)
Reserves		8,385	142,330	—	—
Equity attributable to unitholder of the Trust		1,750,484	1,870,778	1,731,619	1,698,122
Non-controlling interests		15,685	16,255	—	—
Total unitholders' fund		1,766,169	1,887,033	1,731,619	1,698,122
Liabilities					
Loans and borrowings	16	679,564	826,132	125,161	325,022
Lease liabilities	16	206,519	205,118	—	—
Derivative liabilities	17	14,333	13,130	—	—
Asset retirement obligation		24,745	26,489	—	—
Trade and other payables	18	684	759	—	—
Non-current liabilities		925,845	1,071,628	125,161	325,022
Loans and borrowings	16	13,557	69,044	597	1,996
Lease liabilities	16	8,031	6,529	—	—
Trade and other payables	18	88,838	88,703	218	168
Current tax liabilities		—	943	—	—
Current liabilities		110,426	165,219	815	2,164
Total liabilities		1,036,271	1,236,847	125,976	327,186
Total equity and liabilities		2,802,440	3,123,880	1,857,595	2,025,308

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statements of profit or loss and other comprehensive income
For the six months ended 30 June 2021

		Group		Trust	
		Six months ended	Six months ended	Six months ended	Six months ended
	Note	30 June 2021	30 June 2020	30 June 2021	30 June 2020
		US\$'000	US\$'000	US\$'000	US\$'000
Revenue	19	52,394	51,379	27,257	–
Other income	19	51	816	–	–
Operating costs	20	(9,353)	(7,361)	(122)	(93)
Asset management fees	21	(1,792)	(2,159)	–	–
Development costs	22	(773)	(167)	–	–
Depreciation expense	6,7	(13,835)	(12,859)	–	–
Amortisation expense	8	(12,718)	(11,199)	–	–
Results from operating activities		13,974	18,450	27,135	(93)
Finance income	23	4	1	3	–
Finance costs	23	(4,630)	(4,417)	(1,360)	(1,727)
Net foreign exchange gain/(loss)		11,973	(6,008)	7,719	(3,023)
Change in fair value of financial derivatives		(1,965)	(3,787)	–	–
		5,382	(14,211)	6,362	(4,750)
Impairment loss on financial assets		(149)	(40)	–	–
Write-off of plant, property and equipment	6	(1,282)	(94)	–	–
Loss on disposal of property, plant and equipment		(223)	–	–	–
Acquisition-related cost		(1,126)	(5,938)	–	–
Share of profit/(loss) of equity-accounted investees, net of tax	10	285	(735)	–	–
Profit/(loss) before tax		16,861	(2,568)	33,497	(4,843)
Tax expense		(3,122)	(793)	–	–
Profit/(loss) for the period		13,739	(3,361)	33,497	(4,843)
Profit/(loss) attributable to:					
Unitholder of the Trust		13,651	(3,430)	33,497	(4,843)
Non-controlling interests		88	69	–	–
		13,739	(3,361)	33,497	(4,843)

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statements of profit or loss and other comprehensive income (cont'd)
For the six months ended 30 June 2021

		Group		Trust	
	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Other comprehensive (loss)/income					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences		(132,252)	38,765	—	—
Equity-accounted investees – share of OCI	10	(2,911)	377	—	—
Other comprehensive (loss)/income for the period		(135,163)	39,142	—	—
Total comprehensive (loss)/income for the period		(121,424)	35,781	33,497	(4,843)
Total comprehensive (loss)/income attributable to:					
Unitholders of the Trust		(120,294)	35,381	33,497	(4,843)
Non-controlling interests		(1,130)	400	—	—
		(121,424)	35,781	33,497	(4,843)

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed consolidated statement of changes in unitholders' fund
For the six months ended 30 June 2021

	Note	Attributable to unitholder of the Trust				
		Units in issue US\$'000	Unitholders' funds US\$'000	Accumulated profits US\$'000	Translation reserves US\$'000	Non-controlling interest US\$'000
At 1 January 2021		1,712,182	–	16,266	142,330	16,255
						1,887,033
Total comprehensive income for the period						
Profit for the period		–	–	13,651	–	88
						13,739
Other comprehensive income						
Foreign currency translation differences		–	–	–	(131,034)	(1,218)
Equity-accounted investees – share of OCI	10	–	–	–	(2,911)	–
						(132,252)
						(2,911)
Total comprehensive income for the period		–	–	13,651	(133,945)	(1,130)
						(121,424)
Transactions with unitholder, recognised directly in equity						
		–	–	–	–	560
		–	–	–	–	560
Changes in ownership interests in subsidiaries						
Issue of ordinary shares without a change in control						560
Total transactions with unitholder						
		1,712,182	–	29,917	8,385	15,685
At 30 June 2021						1,766,169

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed consolidated statement of changes in unitholders' fund (cont'd)
For the six months ended 30 June 2021

	Note	Attributable to unitholder of the Trust					Non-controlling interest US\$'000	Total US\$'000	Total US\$'000
		Units in issue US\$'000	Unitholder's funds US\$'000	Accumulated profits US\$'000	Translation reserves US\$'000				
At 1 January 2020		1,416,051	13,131	48,673	42,470		11,859	1,520,325	1,532,184
Total comprehensive income for the period									
Loss for the period		–	–	(3,430)	–		69	(3,430)	(3,361)
Other comprehensive income									
Foreign currency translation differences		–	–	–	38,434		331	38,434	38,765
Equity-accounted investees – share of OCI		–	–	–	377		–	377	377
Total comprehensive income for the period		–	–	(3,430)	38,811		400	35,381	35,781
Transactions with unitholder, recognised directly in equity									
Contributions by unitholder		13,131	(13,131)	–	–		–	–	–
Conversion of advance from unitholder		(67,000)	–	–	–		–	(67,000)	(67,000)
Redemption of units		(53,869)	(13,131)	–	–		–	(67,000)	(67,000)
Total contributions of unitholder									
Changes in ownership interests in subsidiaries									
Acquisition of subsidiaries with non-controlling interest		–	–	–	–		1,173	–	1,173
Total changes in ownership interests in subsidiaries									
Total transactions with unitholder		(53,869)	(13,131)	–	–		1,173	(67,000)	(65,827)
At 30 June 2020		1,362,182	–	45,243	81,281		13,432	1,488,706	1,502,138

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statement of changes in unitholders' fund (cont'd)
For the six months ended 30 June 2021

Trust	Units in issue US\$'000	Unitholder's funds US\$'000	Accumulated profit/(losses) US\$'000	Total US\$'000
At 1 January 2021	1,712,182	–	(14,060)	1,698,122
Total comprehensive income for the period	–	–	33,497	33,497
At 30 June 2021	1,712,182	–	19,437	1,731,619
At 1 January 2020	1,416,051	13,131	(404)	1,428,778
Total comprehensive loss for the period	–	–	(4,843)	(4,843)
Transactions with unitholder, recognised directly in equity				
Conversion of advance from unitholder	13,131	(13,131)	–	–
Redemption of units	(67,000)	–	–	(67,000)
Total transactions with unitholder	(53,869)	(13,131)	–	(67,000)
At 30 June 2020	1,362,182	–	(5,247)	1,356,935

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed consolidated statement of cash flows
For the six months ended 30 June 2021

Group	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit/(Loss) before tax		16,861	(2,568)
Adjustments for:			
Depreciation expense	6,7	13,835	12,859
Amortisation expense	8	12,718	11,199
Write-off of property, plant and equipment	6	1,282	94
Loss on disposal of property, plant and equipment		223	–
Net changes in fair value of financial derivatives		1,965	3,787
Impairment loss on financial assets		149	40
Finance income	23	(4)	(1)
Finance costs	23	4,630	4,417
Share of (profit)/loss of equity-accounted investees	10	(285)	735
Unrealised foreign exchange (gain)/loss		(10,750)	10,171
		40,624	40,733
Changes in:			
- Trade and other receivables		(16,111)	(8,758)
- Prepayments and other assets		(279)	13,205
- Trade and other payables		5,045	1,087
Cash generated from operating activities		29,279	46,267
Tax paid		(4,052)	(1,391)
Net cash generated from operating activities		25,227	44,876
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		–	(35,901)
Investment in equity-accounted investees	10	(9,565)	(6,500)
Purchase of property, plant and equipment		(200,769)	(96,333)
Disbursement of loan to related party		(38,979)	–
Proceeds from sale of property, plant and equipment		3,434	305
Purchase of intangible assets		–	(4,802)
Interest received		1	–
Net cash used in investing activities		(245,878)	(143,231)
Cash flows from financing activities			
Redemption of issued units		–	(67,000)
Proceeds from the issuance of unit		350,000	–
Equity contribution from NCI		560	1,451
Proceeds from drawdown of loans and borrowings:			
- Project finance debts		93,568	209,094
- Loan from related parties		105,289	248,411
- Loan from Euro Medium Term Note Issuer		–	126,331
Repayment of loans and borrowings:			
- Project finance debts		(60,683)	(43,891)
- Loan from related parties		(291,137)	(542,826)
Transaction costs related to loans and borrowings		(2,091)	(4,917)
Interest paid to loans and borrowings:			
- Project finance debts		(2,654)	(1,901)
- Loan from related party		(1,660)	(984)
- Loan from Euro Medium Term Note Issuer		(946)	–
Payment of lease liabilities		(1,772)	–
Deposits (pledged) / unpledged		(17,286)	317,336
Net cash generated from financing activities		171,188	241,104

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed consolidated statement of cash flows(cont'd)
For the six months ended 30 June 2021

Group	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Net increase in cash and cash equivalents		(49,463)	142,749
Cash and cash equivalents at 1 January		96,386	97,269
Effect of exchange rate fluctuations on cash held		(4,920)	1,893
Cash and cash equivalents at 30 June	14	42,003	241,911

The accompanying notes form an integral part of the condensed interim financial statements.

Zenith Japan Holdings Trust
and its subsidiaries
Condensed Interim Financial Statements
For the six months ended 30 June 2021

Condensed statement of cash flows
For the six months ended 30 June 2021

Trust	Note	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Cash flows from operating activities			
Profit/(Loss) before tax		33,497	(4,843)
Adjustments for:			
Dividend income	19	(27,257)	–
Finance income	23	(3)	–
Finance costs	23	1,360	1,727
Unrealised foreign exchange (gain)/ loss		(5,937)	3,022
		<u>1,660</u>	<u>(94)</u>
Changes in:			
- Trade and other payables		556	188
Net cash generated from operating activities		<u>2,216</u>	<u>94</u>
Cash flows from investing activities			
Distribution from subsidiary:			
- Dividend income received		27,257	–
- Redemption of units	9	63,879	–
Subscription of additional units in subsidiary		(218,773)	–
Disbursement of loan to related party	11	(38,979)	–
Proceeds from repayment of advances to subsidiary		–	170,259
Advances to subsidiary		–	(53,863)
Net cash (used in)/ generated from investing activities		<u>(166,616)</u>	<u>116,396</u>
Cash flows from financing activities			
Proceeds from issuance of units	15	350,000	–
Redemption of issued units		–	(67,000)
Proceeds from drawdown of loans and borrowings:			
- Loan from related party	16	100,783	111,276
- Loan from Euro Medium Term Note Issuer		–	127,849
Repayment of loans and borrowings:			
- Loan from related party		(290,311)	(181,524)
- On behalf of subsidiary to related party		–	(313,585)
Interest paid to loans and borrowings:			
- Loan from related party		(1,645)	(984)
- Loan from Euro Medium Term Note Issuer		(946)	–
Transaction costs related to loans and borrowings		–	(1,517)
Other finance costs paid		–	(582)
Net cash generated from/ (used in) financing activities		<u>157,881</u>	<u>(326,067)</u>
Net increase in cash and cash equivalents		(6,519)	(209,577)
Cash and cash equivalents at 1 January		6,808	318,160
Effect of exchange rate fluctuations on cash held		986	868
Cash and cash equivalents at 30 June	14	<u>1,275</u>	<u>109,451</u>

The accompanying notes form an integral part of the condensed interim financial statements.

**Condensed statement of cash flows (cont'd)
For the six months ended 30 June 2021**

Significant non-cash transaction

Excluded in the statement of cash flows above were non-cash transactions that took place during the period. The significant non-cash transactions are disclosed below:

- 1) On 26 February 2020, total borrowings consisting of principal and accrued interest due to related party, Vena Energy Holdings Ltd, amounting to JPY 20 billion (US\$183 million) was novated from subsidiary, Zenith Japan Trust at an annual interest rate of 1.35% on the principal outstanding of JPY 20 billion (US\$182 million).
- 2) During the six months ended 30 June 2020, The Trust increased its investment in the subsidiary by US\$64.5 million by extinguishing advances to subsidiaries.

The accompanying notes form an integral part of the condensed interim financial statements.

Notes to the condensed interim financial statements

1 Domicile and activities

(i) Trust

Zenith Japan Holdings Trust (the '**Trust**') is constituted in the island of Guernsey under the trust deed dated 18 October 2017 and has the registered office at 1st Floor, Les Echelons Court, Les Echelons, South Esplanade, St Peter Port, GY1 1AR, Guernsey.

The condensed interim financial statements of the Group as at and for the six months ended 30 June 2021 comprised the Trust and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities').

The principal activity of the Group is to invest in renewable energy assets via Tokumei Kumiai ('TK') agreements in Japan.

Zenith Japan Ltd in its capacity as Trustee of Zenith Trust, is the sole unitholder in the Trust.

(ii) Trustee

Zenith Japan Holdings Ltd is the trustee (the '**Trustee**') of Zenith Japan Holdings Trust. The Trustee shall manage and administer the Trust and the Trust Fund in accordance with the trust instrument and shall exercise all powers, duties and discretions exercisable under the Trust or conferred by law.

(iii) Asset Management Agreement

Nippon Renewable Energy K.K., Nippon Wind Energy K.K. and SPC Asset Management Inc. (each, the '**Asset Manager**') enters into the asset management agreements with the Group entities to manage the asset and business of the Group entities and in return to receive the asset management fees.

(iv) Operations & Maintenance ('O&M') Agreement

NRE Operations K.K. (the '**O&M Provider**') enters into the O&M agreements with the Group entities to provide the relevant operation and maintenance services to the Group entities.

2 Basis of preparation

2.1 Purpose of the condensed interim financial statements

The condensed interim financial statements were drawn up for the purpose of a potential bond issuance and reporting to external counterparties for existing bonds issued.

2.2 Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the last annual financial statements as at and for the year ended 31 December 2020. They do not include all of the information required for a complete set of International Financial Reporting Standards ('IFRS') financial statements.

2.3 Comparative information

The Group presented the condensed interim financial information of the Trust for the six months period ended 30 June 2021 for the first time. The condensed interim financial information of the Trust for the six months period ended 30 June 2020 is included for comparative purposes and is neither reviewed nor audited.

3 Seasonality in operations

Seasonality in operations for the Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Group's operating results are impacted by external factors, such as resource availability. For example, the power production at the solar plants is directly impacted by seasonal changes in solar irradiance which is normally at its highest during the summer months in Japan.

4 Significant accounting policies

New standards and amendments

The Group has applied the following amendments to and interpretations of the Group accounting policies for the first time for the period beginning on 1 January 2021:

- *Covid-19-Related Rent Concessions* (Amendment to IFRS 16)
- *Interest Rate Benchmark Reform – Phase 2* (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

5 Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical estimates in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 24 Fair value of financial instruments.

6 Property, plant and equipment

	Note	Freehold land US\$'000	Building and leasehold improvements US\$'000	Electric generator equipment US\$'000	Assets under construction US\$'000	Total US\$'000
Group Cost						
At 1 January 2020		46,200	10	408,823	259,150	714,183
Acquisition through asset acquisition of subsidiaries		—	—	—	42,280	42,280
Acquisition through business combination		—	—	55,220	—	55,220
Additions		1,904	4	2,480	239,641	244,029
Reclassifications	(a)	—	—	133,317	(159,705)	(26,388)
Reclassifications from right-of-use asset	7	—	—	—	3,199	3,199
Disposal		(16,916)	—	(183)	(1,097)	(18,196)
Effect of exchange rate changes		2,179	1	32,200	18,737	53,117
At 31 December 2020/ 1 January 2021		33,367	15	631,857	402,205	1,067,444
Additions		298	1	86	201,598	201,983
Reclassifications from right-of-use asset	7	—	—	—	2,496	2,496
Reclassification to intangible asset	8	—	—	—	(1,804)	(1,804)
Reclassification		—	—	21,183	(21,183)	—
Disposal		(3,851)	—	—	—	(3,851)
Write-off		—	—	—	(1,282)	(1,282)
Effect of exchange rate changes		(2,204)	(2)	(43,260)	(32,112)	(77,578)
At 30 June 2021		27,610	14	609,866	549,918	1,187,408
Accumulated depreciation						
At 1 January 2020		—	1	38,548	—	38,549
Depreciation charge for the year		—	—*	24,008	—	24,008
Effect of exchange rate changes		—	—*	3,179	—	3,179
At 31 December 2020/ 1 January 2021		—	1	65,735	—	65,736
Depreciation charge for the period		—	—	12,356	—	12,356
Effect of exchange rate changes		—	—	(5,077)	—	(5,077)
At 30 June 2021		—	1	73,014	—	73,015
Carrying amounts						
At 1 January 2020		46,200	9	370,275	259,150	675,634
At 31 December 2020		33,367	14	566,122	402,205	1,001,708
At 30 June 2021		27,610	13	536,852	549,918	1,114,393

* Amount less than US\$1,000

6 Property, plant and equipment (cont'd)

- (a) These pertain to recoverable taxes that were subsequently reclassified to "Trade and other receivables" in the financial year.

As at reporting date, some property, plant and equipment were pledged as collateral to secure project finance debts (see note 16).

During the period, asset management fee expenses and engineering, procurement and construction ('EPC') expenses charged by related parties of the Group, Nippon Renewable Energy K.K and Nippon Wind Energy K.K amounting to US\$15.3 million (31 December 2020: US\$13.7 million) have been capitalized for projects that have yet to reach their commercial operation dates.

7 Right-of-use assets

	Note	Land US\$'000
Group		
Cost		
At 1 January 2020		112,242
Acquisition through asset acquisition of subsidiaries		4,554
Acquisition through business combination		14,349
Additions		86,707
Effect of exchange rate changes		10,689
At 31 December 2020/ 1 January 2021		228,541
Additions		18,126
Effect of exchange rate changes		(15,645)
At 30 June 2021		231,022
Accumulated depreciation		
At 1 January 2020		3,001
Depreciation charge for the year		2,874
Reclassification to property, plant and equipment	6	3,199
Effect of exchange rate changes		380
At 31 December 2020/ 1 January 2021		9,454
Depreciation charge for the period		1,479
Reclassification to property, plant and equipment	6	2,496
Effect of exchange rate changes		(753)
At 30 June 2021		12,676
Carrying amounts		
At 1 January 2020		109,241
At 31 December 2020		219,087
At 30 June 2021		218,346

As at reporting date, some right-of-use assets were pledged as collateral to secure project finance debts (see note 16).

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8 Intangible assets

	Note	Goodwill US\$'000	Project-related agreements & licences US\$'000	Total US\$'000
Group Cost				
At 1 January 2020		252,556	949,381	1,201,937
Acquisition through asset acquisition of subsidiaries		–	65,756	65,756
Acquisition through business combination		8,949	14,366	23,315
Additions		–	20,416	20,416
Effect of exchange rates changes		15,392	58,091	73,483
At 31 December 2020/ 1 January 2021		276,897	1,108,010	1,384,907
Reclassification from property, plant and equipment	6	–	1,804	1,804
Effect of exchange rates changes		(18,906)	(75,961)	(94,867)
At 30 June 2021		257,991	1,033,853	1,291,844
Accumulated amortisation				
At 1 January 2020		–	27,623	27,623
Amortisation expense for the year		–	25,798	25,798
Effect of exchange rates changes		–	2,415	2,415
At 31 December 2020/ 1 January 2021		–	55,836	55,836
Amortisation expense for the period		–	12,718	12,718
Effect of exchange rates changes		–	(4,098)	(4,098)
At 30 June 2021		–	64,456	64,456
Carrying amounts				
At 1 January 2020		252,556	921,758	1,174,314
At 31 December 2020		276,897	1,052,174	1,329,071
At 30 June 2021		257,991	969,397	1,227,388

Amortisation of the intangible assets will begin on the commercial operation date of the renewable assets as defined in the respective power purchase agreements.

As at reporting date, some intangible assets were pledged as collateral to secure project finance debts (see note 16).

9 Investment in subsidiary

	Trust	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Equity investments, at cost	1,818,083	1,668,500

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9 Investment in subsidiary (cont'd)

The table below provides a reconciliation of the movement in investment in the subsidiary:

	Trust	
	30 June 2021 US\$	31 December 2020 US\$
Balance as at 1 January	1,668,500	1,429,182
Additions during the period	213,462	239,318
Redemption during the period	(63,879)	–
Balance as 30 June 2021/31 December 2020	1,818,083	1,668,500

During six months period ended 30 June 2021, the Trust increased its investment in the subsidiary by US\$213,461,807 (31 December 2020: US\$239,318,000) and redeemed 59,700,000 of its units as a price of US\$1.07 per unit for the aggregate consideration of US\$63,879,000

Details of the subsidiary is as follows:

Name of subsidiary	Country of incorporation	Effective equity interest held by the Trust	
		30 June 2021 %	31 December 2020 %
Zenith Japan Trust	Guernsey	100	100

10 Equity-accounted investees

Interest in joint venture

	Group	
	30 June 2021 US\$'000	31 December 2020 US\$'000
Interests in joint venture	53,086	46,147

During the six months period ended 30 June 2021, the Group acquired 49% economic interest in Wind Power Energy Co., Ltd. ("WPE"). The remaining economic interest is substantially owned by a third party, Prominet Power K.K. and decisions in relation to key relevant activities of WPE require unanimous consent. The Group has assessed that it has joint control over WPE, and that its investment in WPE meets the definition of a joint venture (as defined by the Group's accounting policy). WPE is based in Japan, and principally engaged in development and operation of renewable energy assets.

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10 Equity-accounted investees (cont'd)

Interest in joint venture (cont'd)

The following summarises the financial information of the Group's joint ventures based on the financial statements prepared in accordance with IFRS:

2021

	Nanao 30 June 2021 US\$'000	KK Kyudenko 30 June 2021 US\$'000	WPE 30 June 2021 US\$'000
<u>Statement of financial position</u>			
Property, plant and equipment	41,399	44,849	34,166
Right-of-use assets	15,862	52,660	11,619
Intangible assets	1,433	38,126	–
Prepayments and other assets	1,786	197	–
Trade and other receivables	198	–	–
Non-current assets	60,678	135,832	45,785
Prepayments and other assets	–	144	3
Trade and other receivables	–	32,755	3
Cash and cash equivalents	2,886	5,865	8,666
Current assets	2,886	38,764	8,672
Total assets	63,564	174,596	54,457
Loans and borrowings	31,645	77,228	15,707
Lease liabilities	6,199	57,321	11,202
Derivative liabilities	378	2,623	–
Non-current liabilities	38,222	137,172	26,909
Loans and borrowings	–	–	57
Lease liabilities	380	225	409
Trade and other payables	7	2	2,663
Current liabilities	387	227	3,129
Total liabilities	38,609	137,399	30,038
Net assets	24,955	37,197	24,419
<u>Statement of comprehensive income</u>			
Other income	–	1	1
Operating expenses	(10)	(91)	(16)
Change in fair value of financial derivatives	1,214	(701)	–
Profit/(loss) before tax	1,204	(791)	(15)
Tax expense	(1)	–	–
Profit/(loss) for the period	1,203	(791)	(15)
Foreign currency translation differences	(1,435)	(2,783)	(1)
Total comprehensive losses for the period	(232)	(3,574)	(16)

10 Equity-accounted investees (cont'd)

Interest in joint venture (cont'd)

2020

	Nanao 31 December 2020 US\$'000	KK Kyudenko 31 December 2020 US\$'000
<u>Statement of financial position</u>		
Property, plant and equipment	43,658	16,131
Right-of-use assets	1,538	40,920
Intangible assets	17,393	57,921
Prepayments and other assets	1,917	97
Non-current assets	64,506	115,069
Prepayments and other assets	—	246
Trade and other receivables	221	33,177
Cash and cash equivalents	3,792	10,513
Current assets	4,013	43,936
Total assets	68,519	159,005
Loans and borrowings	33,684	48,699
Lease liabilities	7,129	61,578
Trade and other payables	1,709	2,063
Non-current liabilities	42,522	112,340
Loans and borrowings	—	—
Lease liabilities	405	56
Trade and other payables	100	5,837
Current liabilities	505	5,893
Total liabilities	43,027	118,233
Net assets	25,492	40,772
<u>Statement of comprehensive income</u>		
Other income	—	—
Development costs	(993)	(72)
Loss before tax	(993)	(72)
Tax expense	—	—
Loss for the year	(993)	(72)
Foreign currency translation differences	495	51
Total comprehensive loss	(498)	(21)

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10 Equity-accounted investees (cont'd)

Interest in joint venture (cont'd)

	Nanao US\$'000	KK Kyudenko US\$'000	Kashima US\$'000	Total US\$'000
2021				
Carrying amount of interest in joint venture at 1 January 2021	17,378	28,769	–	46,147
Group's acquisition of share capital during the period	–	–	9,565	9,565
Share of profit/(loss) of joint venture	831	(546)	–	285
Share of OCI	(990)	(1,921)	–	(2,911)
Carrying amount of interest in joint venture at 30 June 2021	17,219	26,302	9,565	53,086
2020				
Carrying amount of interest in joint venture at 1 January 2020	–	28,151	–	28,151
Group's acquisition of share capital during the year	18,156	–	–	18,156
Share of loss of joint venture	(1,204)	(966)	–	(2,170)
Share of OCI	426	1,584	–	2,010
Carrying amount of interest in joint venture at 31 December 2020	17,378	28,769	–	46,147

11 Loan receivable

	Group and Trust 30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current		
Loan receivable from related party	38,234	–
Current		
Interest on loan receivable from related party	3	–
	<u>38,237</u>	<u>–</u>

The Group and the Trust has a loan receivable from Vena Energy Holdings Ltd with an annual interest rate of 1.375%, unsecured and repayable in 35 months.

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12 Prepayments and other assets

	Group	Group
	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current		
Prepaid asset management fees	2,002	1,858
Prepaid O&M mobilisation fees	1,629	1,958
	<u>3,631</u>	<u>3,816</u>
Current		
Prepaid Insurance	493	689
Advance payments for construction costs	3,572	3,399
Other assets	1,377	1,358
	<u>5,442</u>	<u>5,446</u>
	<u>9,073</u>	<u>9,262</u>

As at reporting date, some prepayments and other assets were pledged as collateral to secure project finance debts (see note 16).

13 Trade and other receivables

		Group	Group	Trust	Trust
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
VAT receivables	6	44,696	28,912	—	—
Deposits		549	582	—	—
		<u>45,245</u>	<u>29,494</u>	—	—
Current					
Non-trade amounts due from:					
- Unitholder	(a)	—	350,000	—	350,000
- Related parties	(b)	8,648	9,314	—	—
- Asset Managers		399	137	—	—
- O&M Provider		84	13	—	—
Contract assets		10,336	5,150	—	—
VAT receivables		2,485	11,302	—	—
EPC contractors		1,163	1,248	—	—
Other deposits		3,492	4,645	—	—
		<u>26,607</u>	<u>381,809</u>	—	<u>350,000</u>
Less: Impairment loss		(63)	(100)	—	—
		<u>26,544</u>	<u>381,709</u>	—	<u>350,000</u>
		<u>71,789</u>	<u>411,203</u>	—	<u>350,000</u>

(a) Amount due from unitholder is unsecured, non-trade in nature, non-interest bearing and repayable on demand. This amount was subsequently received in February 2021.

(b) Amount due from related parties (as defined in note 26) are unsecured, non-trade in nature, non-interest bearing and repayable on demand

As at reporting date, some trade and other receivables were pledged as collateral to secure project finance debts (see note 16).

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14 Cash and cash equivalents

	Note	Group		Trust	
		30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Bank balances		70,341	107,438	1,275	6,808
Less: Impairment loss		(213)	(36)	—	—
Cash and cash equivalents in the statement of financial position		70,128	107,402	1,275	6,808
Restricted bank balances and deposits	(a)	(28,338)	(11,052)	—	—
Add: impairment loss		213	36	—	—
Cash and cash equivalents in the statement of cash flows		42,003	96,386	1,275	6,808

(a) As at 30 June 2021, US\$9.7 million (2020: US\$11.0 million) of the Group's cash and cash equivalents were held under Debt Service Reserve Accounts ("DSRA"), a reserve account used for servicing of project finance debts.

As at reporting date, some cash and cash equivalents were pledged as collateral to secure project finance debts (see note 16). Included in restricted bank balances and deposits above were pledged deposits with restrictions on usage amounting to US\$18.6 million (2020: Nil).

15 Units in issue

	Group and Trust	
	30 June 2021 No. of units ('000)	31 December 2020 No. of units ('000)
Issued		
At 1 July 2020/1 January 2020	1,712,872	1,416,051
Issued during the period/year	—	350,000
Advance from unitholder converted to units in issue	—	13,131
Redemption during the period/year	—	(66,310)
At 30 June 2021/31 December 2020	<u>1,712,872</u>	<u>1,712,872</u>

Units

Each unit in the Trust represents an equal undivided interest in the Trust.

As at 30 June 2021, all units were issued and fully paid.

16 Loans and borrowings and lease liabilities

		Group		Trust	
	Note	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
Project finance debts	(a)	548,329	498,472	—	—
Bond issued by O&M Provider		316	339	—	—
Loan from:					
- Related parties	(b)	5,758	193,058	—	190,759
- Euro Medium Term Note Issuer	(c)	125,161	134,263	125,161	134,263
		679,564	826,132	125,161	325,022
Lease liabilities		206,519	205,118	—	—
Current					
Project finance debts	(a)	12,912	66,997	—	—
Interest payable on:					
- Project finance debts	(a)	8	4	—	—
- Euro Medium Term Note Issuer	(c)	597	656	597	656
- Bond issued by O&M Provider		11	11	—	—
- Loan from related parties	(b)	29	1,376	—	1,340
		13,557	69,044	597	1,996
Lease liabilities		8,031	6,529	—	—
		907,671	1,106,823	125,758	327,018

(a) Project finance debts

Project finance debts are entered with reputable financial institutions by respective Group entities and are repayable on a quarterly basis with maturity date from 2023 to 2038 (2020: 2023 to 2038). The interest rates on these borrowings consist of fixed rate of 0.9% (2020: 0.9%) and floating rates with ranges between 1-month to 6-month of TIBOR + 0.5% to 1.0% (2020: 3-month TIBOR + 0.62% to 0.70% and LIBOR + 0.62% to 0.7%).

The project finance debts contain debt covenants which are tested on a regular basis. A future breach of these covenants may require the Group to repay the loans and borrowings earlier than its year of maturity. The Group has not breached any debt covenants in the six months period ended 30 June 2021 and 30 June 2020.

Project finance debts are secured over the assets of the Group (see note 16 (d)).

(b) Loan from related parties

During the six months period ended 30 June 2021, the Group obtained a loan from Nippon Wind Energy K.K. with an annual interest of 0.587% on the principal outstanding. The loan is repayable within 3 years with maturity date in 2024.

As of 30 June 2021, the Group has another loan from Vena Energy Solar (Japan) Pte. Ltd. with an annual interest of 0.8% (2020: 0.8%) on the principal outstanding and maturity date in 2035 (2020: 2035) and repayable within 20 years (2020: 20 years) in equal and consecutive instalments of 33.33% (2020: 33.33%) with the first payment due 17 years from the date of origination and the same amount on the same day every year, or earlier upon demand. Vena Energy Solar (Japan) Pte. Ltd. does not have the intention to recall the loan in the next 12 months.

16 Loans and borrowings and lease liabilities (cont'd)

(c) *Loan from Euro Medium Term Note Issuer*

The Euro Medium Term Note Issuer refers to Vena Energy Capital Pte. Ltd., a related company, who issued US\$325,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under a \$1 billion Global Medium Term Note Programme (the "Notes") on 27 February 2020.

The proceeds from the bond issuance were allocated to the Trust through intercompany loans.

The Trust together with Vena Energy Holdings Ltd and Vena Energy (Taiwan) Holdings Ltd jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

The loan from Euro Medium Term Note Issuer is a 5-year loan maturing on 26 February 2025 denominated in Japanese Yen ('JPY') with the contractual interest rate at 1.372% payable on a semi-annual basis.

The below table shows the notional amount of the outstanding loans and borrowings excluding transaction costs.

Gross debt	Group		Trust	
	30 June 2021 US\$'000	31 December 2020 US\$'000	30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current				
Project finance debts	556,618	505,600	—	—
Bond issued by O&M Provider	316	339	—	—
Loan from:				
- Related parties	5,758	193,058	—	190,759
- Euro Medium Term Note Issuer	126,274	135,528	126,274	135,528
	<u>688,966</u>	<u>834,525</u>	<u>126,274</u>	<u>326,287</u>
Current				
Project finance debts	13,837	67,870	—	—
	<u>702,803</u>	<u>902,395</u>	<u>126,274</u>	<u>326,287</u>

(d) *Pledges for facilities agreements*

The Group has entered into several Facilities agreements with various financial institutions. Under these agreements, these financial institutions provide project financing debts of US\$570 million (2020: US\$573 million) to the Group on a combination of fixed and floating rates.

The obligations of the Group to the banks are collateralised by the pledges of all the shares of the project entities and liens on and security interests in substantially all of the project entities' assets, its rights under various agreements, all of the project entities' revenues and all insurance proceeds payable to the project entities and require the project entities to comply with various administrative requirements.

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16 Loans and borrowings and lease liabilities (cont'd)

(d) Pledges for facilities agreements (cont'd)

As at 30 June 2021 and 31 December 2020, the assets of the project entities pledged in relation to the facilities agreements are as follows:

	30 June 2021 US\$'000	31 December 2020 US\$'000
Property, plant and equipment	544,217	535,332
Right-of-use assets	65,811	79,349
Intangible assets	13,092	14,438
Prepayments and other assets	1,644	2,695
Trade and other receivables	101,543	87,667
Cash and cash equivalents	59,892	85,419
	<u>786,199</u>	<u>804,900</u>

17 Derivative liabilities

	30 June 2021 US\$'000	Group 31 December 2020 US\$'000
Derivative liabilities:		
Interest rate swaps	14,333	13,130

18 Trade and other payables

	Note	Group 30 June 2021 US\$'000	31 December 2020 US\$'000	Trust 30 June 2021 US\$'000	31 December 2020 US\$'000
Non-current					
Deferred income		684	759	—	—
Current					
Trade payables		9,968	13,795	10	—
Other tax payables		2,624	4,424	—	—
Advances received		52	56	—	—
Accrued expenses		40,174	30,719	158	108
Non-trade amounts due to:					
- Asset Managers		23,419	26,850	—	—
- O&M Provider		784	1,115	—	—
- Related parties	(a)	6,865	8,049	50	60
- Other third parties		4,952	3,695	—	—
		<u>88,838</u>	<u>88,703</u>	<u>218</u>	<u>168</u>
		<u>89,522</u>	<u>89,462</u>	<u>218</u>	<u>168</u>

(a) Amount due to related parties (as defined in note 26) are unsecured, non-trade in nature, non-interest bearing and repayable on demand.

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19 Revenue and other income

The Group's revenue and other income comprises:

	Group		Trust	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Revenue:				
Dividend income	–	–	27,257	–
Sale of energy	52,394	51,379	–	–
	<u>52,394</u>	<u>51,379</u>	<u>27,257</u>	<u>–</u>
Other income:				
Insurance claims	46	816	–	–
Others	5	–	–	–
	<u>51</u>	<u>816</u>	<u>–</u>	<u>–</u>
	<u>52,445</u>	<u>52,195</u>	<u>27,257</u>	<u>–</u>

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Nature of goods or services	Sale of renewable energy
When revenue is recognised	Revenue from sale of electricity is recognised in profit or loss when the electricity generated is distributed to the customer. Revenue is determined based on the units of sales delivered at the applicable tariff rates.
Payment terms	15 to 30 days

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and major products.

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Japan	<u>52,394</u>	<u>51,379</u>

Contract balances

Please refer to note 13 for contract assets primarily relating to the Group's right to consideration upon fulfilment of performance obligations for sale of renewable energy but not billed as at reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

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20 Operating costs

	Group Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Trust Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Operations and maintenance costs	3,808	3,123	—	—
Asset related tax and levies	3,373	2,443	—	—
Site office maintenance costs	157	52	—	—
Professional fees	822	544	62	30
Asset related insurance	836	722	—	—
Utilities and transmission costs	236	176	—	—
Service fees	—	—	60	60
Other general and administrative costs	121	301	—*	3
	<u>9,353</u>	<u>7,361</u>	<u>122</u>	<u>93</u>

* Amount less than US\$1,000

21 Asset management fees

	Group Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Asset management fees	<u>1,792</u>	<u>2,159</u>

In accordance with the Asset Management Agreement, the Asset Management Fee for each Accounting period shall be entitled to receive an annual fee equal to the sum of:

- (i) The actual reasonable expenses incurred by the Asset Manager on its own account for the performance of the Services (as opposed to expenses incurred on behalf of the GK) to the extent falling within the Operating Budget, and
- (ii) 10% of the amount in (i) or the maximum asset management, as agreed.

Services are defined to be the Asset Management Agreement as general duties performed by the Asset Manager within reasonable requirements of GK in connection with the management of the Assets and the Business and the performance of the services as are customarily provided by a manager of properties of comparable class and standing; and do all such other things as may reasonably and properly be required to done within the scope of the Asset Manager's duties to GK relating to the management of the Assets and the Business and the performance of the Services.

22 Development costs

	Group	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Professional fees	420	76
Business related taxes	109	47
Other general and administrative costs	244	44
	773	167

23 Finance income and finance costs

	Group		Trust	
	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Finance income				
Interest income on:				
- Loan to related party	3	—	3	—
- Others	1	1	—	—
Total finance income	4	1	3	—
Finance costs				
Interest expense on:				
- Loan from related parties	(320)	(848)	(310)	(434)
- Loan from Euro Medium Term Note Issuer	(1,050)	(712)	(1,050)	(712)
- Bond with O&M Provider	(2)	(2)	—	—
- Project finance debts	(1,724)	(2,048)	—	—
- Interest rate swaps	(812)	—	—	—
- Lease liabilities	(383)	(374)	—	—
Other finance costs	(339)	(433)	—	(581)
Total finance costs	(4,630)	(4,417)	(1,360)	(1,727)

24 Fair value of financial instruments

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at mid-price.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

24 Fair value of financial instruments (cont'd)

Fair value measurement (cont'd)

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Type Group	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Interest rate swaps	<i>Swap models:</i> The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not applicable.	Not applicable.

Financial instruments not measured at fair value

Type Group	Valuation technique
Loans and borrowings	<i>Discounted cash flows:</i> The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

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24 Fair value of financial instruments (cont'd)

Accounting classification and fair value

The table below summarises the classification of the financial assets and liabilities of the Group. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Note	Carrying amount			Fair value			
		Mandatorily at FVTPL US\$'000	Amortised cost US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
30 June 2021								
Loan receivable	11	–	38,237	38,237	–	36,375	–	36,375
Trade and other receivable*	13	–	24,608	24,608	–	–	–	–
Cash and cash equivalents	14	–	70,128	70,128	–	–	–	–
		–	132,973	132,973				
Loans and borrowings	16	–	693,121	693,121	–	697,301	–	697,301
Derivative liabilities	17	14,333	–	14,333	–	14,333	–	14,333
Other financial liabilities (net of advances)*	18	–	86,162	86,162	–	–	–	–
		14,333	779,283	793,616				
31 December 2020								
Trade and other receivable*	13	–	371,089	371,089	–	–	–	–
Cash and cash equivalents	14	–	107,438	107,438	–	–	–	–
		–	478,527	478,527				
Loans and borrowings	16	–	895,176	895,176	–	904,442	–	904,442
Derivative liabilities	17	13,130	–	13,130	–	13,130	–	13,130
Other financial liabilities (net of advances)*	18	–	84,223	84,223	–	–	–	–
		13,130	979,399	992,529				

* Excludes non-financial assets and liabilities

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24 Fair value of financial instruments (cont'd)

Accounting classification and fair value (cont'd)

	Note	Carrying amount			Fair value			
		Mandatorily at FVTPL US\$'000	Amortised cost US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Trust								
30 June 2021								
Loan receivable	11	-	38,237	38,237	-	36,372	-	36,372
Cash and cash equivalents	14	-	1,275	1,275	-	-	-	-
		-	39,512	39,512				
Loans and borrowings	16	-	125,758	125,758	-	120,723	-	120,723
Other financial liabilities (net of advances)*	18	-	218	218	-	-	-	-
		-	125,976	125,976				
31 December 2020								
Trade and other receivables*	12	-	350,000	350,000	-	-	-	-
Cash and cash equivalents	14	-	6,808	6,808	-	-	-	-
		-	356,808	356,808				
Loans and borrowings	16	-	327,018	327,018	-	328,282	-	328,282
Other financial liabilities (net of advances)*	18	-	168	168	-	-	-	-
		-	327,186	327,186				

* Excludes non-financial assets and liabilities

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25 Group entities

The table below provides details of the significant subsidiaries of the Group:

Name of subsidiaries	Sector	Project Name/ Activities	Status	Principal place of business	Ownership interest	
					2021 %	2020 %
Zenith Japan Trust	Investment holding company	–	Operating	Guernsey	100	100
GK KC-01 Investment	Solar	Sotsukozawa	Operating	Japan	99	99
GK NRE Sannan	Solar	Sannan	Operating	Japan	99	99
GK NRE-05 Investment	Solar	Shichinohe 3,6,8	Operating	Japan	99	99
GK NRE-13 Investment	Solar	Enokibayashi	Operating	Japan	99	99
GK NRE-15 Investment	Solar	Noheji	Operating	Japan	99	99
GK NRE-16 Investment	Solar	Tokai	Operating	Japan	99	99
GK NRE-17 Investment	Solar	Mito1	Operating	Japan	99	99
GK NRE-19 Investment	Solar	Hitachi Omiya	Operating	Japan	99	99
GK NRE-36 Investment	Solar	Towada	Operating	Japan	99	99
GK NRE-39 Investment	Solar	Ono	Operating	Japan	99	99
KP Energy	Solar	Yaita 2	Operating	Japan	99	99
GK NWE-02 Investment	Wind	Reihoku 1	Operating	Japan	99	99

The relationship between the Trust and the TK Operators is governed by the TK Agreements. The Trust, as the investor, will provide funds to the TK Operator in return for the right to receive distribution of profit generated from the operation of the GK. Under the TK Agreement, the net income of the TK business, comprising principally the income generated from the solar, will be passed up to the Trust. The Trust is entitled to 99% of the profits and losses of such business, while the Asset Manager is entitled to 1% of the allocated profits and losses respectively. The Trust is, therefore, entitled to receive substantially all of the economic interest from the TK Operator.

The Trust has assessed the economic reality of the Group and its investment activities through the TK Operators and concluded that the TK Operators meet the definition of subsidiaries of the Group (as defined by IFRS).

26 Related parties

During the six months ended 30 June 2021, in addition to those disclosed elsewhere in the financial statements, the following were significant transactions with related parties.

The Group has determined Vena Energy (Taiwan) Holdings Ltd and its subsidiaries and Vena Energy Holdings Limited and its subsidiaries as related parties in accordance with IAS 24.

The following significant transactions between the Group and its related parties took place at terms agreed between the parties during the financial period:

	Six months ended 30 June 2021 US\$'000	Six months ended 30 June 2020 US\$'000
Asset management fees expense	1,792	2,159
Operations and maintenance costs	3,806	3,123

26 Related parties (cont'd)

Sale and leaseback

During the six months period ended 30 June 2021, the Group entered into sale and leaseback transactions with a related party of the Group, NRE Land Management GK, in respect of several freehold land parcels in Japan to transfer ownership and associated obligations relating to the land parcels to its related party. The freehold land parcels were sold at fair value and leased back over 20 to 35 years at market rentals. The total consideration for the sale of the land parcels amounted to US\$3,410,639. During the six month period ended 30 June 2021, right-of-use assets and lease liabilities relating to sale and leaseback transactions with related party amounted to US\$4,536,109 and US\$4,341,876 respectively.

27 Non-controlling interest

Non-controlling interest denotes Nippon Renewable Energy K.K, Nippon Wind Energy K.K and Zeini Solar (S) Pte Ltd in fully paid up equity shares of all group entities domiciled in Japan.

28 Subsequent events

Bond issuance

On 8 July 2021, a related company, Vena Energy Capital Pte. Ltd. ("Euro Medium Term Note Issuer"), issued US\$175,000,000 3.133% per annum notes due in 2025 listed on Singapore Exchange Securities Trading Limited ("SGX-ST") under the US\$1,000,000,000 Global Medium Term Note Programme (the "Notes"). The Notes is to be consolidated and form a single series with the US\$325,000,000 3.133% per annum notes issued on 26 February 2020. The Notes bear interest at the rate of 3.133% per annum from and including 26 February 2021, and interest will be payable semi-annually in arrears on 26 February and 26 August in each year, commencing on 26 August 2021. The Notes will mature on 26 February 2025.

The bond proceeds were allocated to the Vena Energy Holdings Ltd, Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) through intercompany loans.

Vena Energy Holdings Ltd, together with Vena Energy (Taiwan) Holdings Ltd and Zenith Japan Holdings Ltd (as trustee for Zenith Japan Holdings Trust) jointly and severally act as guarantors for Vena Energy Capital Pte. Ltd. for this bond issuance. The due and punctual payment of all sums payable by Vena Energy Capital Pte. Ltd. from time to time in respect of the bond will be unconditionally and irrevocably guaranteed on a joint and several basis by the guarantors.

29 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing the condensed interim financial statements.