COVER SHEET

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SEC Registration Number

SEMIRARA MINING AND POWER CORPORATION

(Company's Full Name)

2nd Floor DMCI PLAZA 2281 DON CHINO ROCES AVENUE MAKATI CITY

(Business Address: No. Street City/Town/Province)

John R. Sadullo	(632) 8888-3000/3055
(Contact Person)	(Company Telephone Number)

12 31	17-C	
	(Form Type)	*Month* *Day*
(Fiscal Year)		(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **August 2, 2021**
   Date of Report

2. SEC Identification No.: **91447** 3. BIR Tax Identification No.: **000-190-324-000**

4. **SEMIRARA MINING AND POWER CORPORATION**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. **2/F DMCI Plaza, 2281 Chino Roces Avenue, Makati City** **1231**
   Address of principal office Postal Code

8. **(632) 888-3000/3055 Fax No. (632) 888-3955**
   Issuer's telephone number, including area code

9. N.A.
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock (Outstanding)
Common Shares	**4,250,547,620**

11. Indicate the item numbers reported herein: **Item 9**.

The Board of Directors reviewed and approved the Corporation's consolidated financial statements for the period ended June 30, 2021, as follows:

I. RESULTS OF OPERATIONS

The table below summarizes the performance of Semirara Mining and Power Corporation (SMPC) and its subsidiaries, SEM-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC), collectively referred to as "the Group" for the period ended June 30, 2021 and 2020.

- SMPC is the only vertically-integrated power producer in the country that mines its own fuel. The largest domestic coal producer, it supplies affordable fuel to power plants, cement factories and other industrial facilities across the Philippines.

- SCPC and SLPGC generate baseload power for the Luzon-Visayas grid. Both supply electricity through bilateral contract quantity (BCQ) and the wholesale electricity spot market (WESM).

In Php Millions except EPS	April to June (Q2)			January to June (H1)		
	2021	2020	Change	2021	2020	Change

SMPC	3,070	503	510%	4,744	1,751	171%
SCPC	685	602	14%	690	726	-5%
SLPGC	358	(2)	18000%	978	(297)	429%
Others	(3)	-	-100%	3	(2)	250%

Core Net Income	**4,110**	**1,103**	**273%**	**6,415**	**2,178**	**195%**
Nonrecurring Items	(133)	(55)	142%	(133)	61	-318%
Reported Net Income	**3,977**	**1,048**	**279%**	**6,282**	**2,239**	**181%**
EPS (reported)	**0.94**	**0.25**	**279%**	**1.48**	**0.53**	**181%**

Q2 2021 vs Q2 2020 Consolidated Highlights

- The SMPC Group generated a consolidated net income of P3.98 billion, a 279-percent increase from P1.05 billion mainly due to record-high coal sales and prices, and further boosted by higher WESM prices. This translated to an earnings per share of P0.94 for the period.

- Excluding a non-recurring of loss of P133 million this year mostly from the deferred tax remeasurement due to the effectivity of the CREATE Law and a P55 million one-time loss last year from a financial contract, consolidated core net income surged 273% from P1.10 billion to P4.11 billion.

- The coal segment accounted for 76% of second-quarter net earnings, followed by SCPC (15%) and SLPGC (9%).

H1 2021 vs H1 2020 Consolidated Highlights

- Consolidated net income expanded 181% from P2.24 billion to P6.28 billion as the coal and electricity markets staged a strong rebound from the negative impacts of strict coronavirus lockdowns last year.

  Higher coal production and reduced internal usage also allowed SMPC to boost its export sales, benefitting from robust China demand and the weak peso. This translated to an earnings per share of P1.48 for the period.

- Excluding a non-recurring of loss of P133 million this year mainly from the deferred tax remeasurement due to the effectivity of the CREATE Law and a one-time gain of P61 million due to a financial contract, consolidated core net income grew nearly three times from P2.18 billion to P6.42 billion.

- First-half net income came mostly from the coal segment (75%) while SLPGC and SCPC contributed 16% and 9%, respectively.

Q2 2021 vs Q2 2020 Segment Performance

Coal

Standalone coal revenues increased by 193% from P4.02 billion to P11.78 billion while net income from the coal segment grew 260% from P1.01 billion to P3.63 billion.

Net of intercompany eliminations, it recognized a 504% improvement in net income from P0.50 billion to P3.0 billion. Excluding nonrecurring remeasurement loss in 2021, second quarter core net income after eliminations climbed 510% to P3.1 billion. Its strong earnings performance was due to the combined effect of the following:

- **High Inventory.** At the end of the first quarter, SMPC had an inventory of 2.5 million metric tons (MMT), allowing it to ramp up shipments in the second quarter.
- **Sustained production.** The onset of rains in May reduced coal production to 4.3 MMT, slightly lower than the 4.4 MMT the previous year and all-time high record of 4.5 MMT in Q1 2021.
- **Record sales.** Coal shipments nearly doubled (96%) from 2.5 MMT to 4.9 MMT, an all-time high in terms of quarterly sales. This was due to a 167-percent surge in exports (1.2 MMT vs 3.2M MMT) and a 31-percent recovery in domestic sales (1.3 MMT vs 1.7 MMT).
- **Coal price upturn.** Strong China demand amid tight supply boosted Newcastle coal prices, peaking at USD136 in June, the highest level in more than a decade. This led to a 49-percent recovery in average selling price from P1,601/MT to P2,393/MT.
- **Operational efficiency.** Cash cost grew 192% from P2.37 billion to P6.91 billion, in line with revenues. Materials moved declined by 7% from 48.7 million bank cubic meters (BCM) to 45.3 million BCM. Effective strip ratio likewise declined (-5%) from 10.3 to 9.8.

Power

The power segment delivered a better performance for the reporting period. Higher electricity prices lifted profitability despite the prolonged forced outage of SCPC Unit 2. The 300MW power plant has been offline since December 3, 2020 because of a defective generator stator.

SCPC standalone revenues rose by 11% from P1.81 billion to P2.01 billion and net income prior to eliminations jumped by 85% from P82 million to P152 million. Income contributions to the parent company (after eliminations) declined by 3% from P602 million to P581 million. Excluding nonrecurring remeasurement loss, core income contributions increased by 14% from P602 million to P685 million. Its second quarter bottom line was due to the combined effect of the following:

- **Reduced plant availability.** Overall plant availability plunged by 48% from 87% to 45% due to the 10-day outage of Unit 1 and 91-day outage of Unit 2.
- **Lower output.** Gross generation contracted by 42% from 855 GWh to 495 GWh as a result of the plant outages and occasional derated operations of Unit 1.
- **Weak sales volume.** Sales volume declined by 28% from 649 GWh to 468 GWh on lower spot sales, which tumbled by 82% from 403 GWh to 71 GWh. Cushioning the impact of lower spot sales is the 208-percent upswing in spot prices from P2.20/KWh to P6.78/KWh.

SLPGC standalone revenues rose by 171% from P755 million to P2.05 billion while its standalone net earnings improved by 343% from a net loss of P142 million to net income P345 million.

Net of intercompany eliminations, SLPGC reversed its P57 million net loss to P359 million in net income. Excluding nonrecurring items, the company hiked its net income contributions to P358 million from P2 million net loss in the previous year. Its performance recovery was driven by the following:

- **Improved plant availability.** Overall plant availability nearly doubled from 38% to 75% as the number of plant outages dropped from a total of 102 days to 46 days.
- **Increased output.** Gross generation surged by 96% from 243 GWh to 476 GWh on higher plant availability and 4-percent uptick in average capacity (277MW vs 288MW).
- **Higher sales volume.** Sales volume more than doubled (114%) from 243 GWh to 519 GWh as bilateral contract sales surged by 370% from 88 GWh to 414 GWh.
- **Better prices.** Average selling price increased by 27% from P3.11/KWh to P3.94/KWh. The 146-percent upswing in WESM spot prices (P2.82/KWh vs P6.93/KWh) helped offset the 12-percent decline in BCQ prices (P3.62/KWh vs P3.19/KWh).

CAPEX

Group capex reached P3.0 billion for the period January to June 2021, unchanged year-on-year. Bulk of the spending (77%) went to the purchase of various mining equipment for the coal segment. The rest was spent on power plant maintenance. See table below for detailed breakdown.

In Php billions	H1 2021	H1 2020	Change
Coal	2.3	1.0	130%
SCPC	0.5	1.8	-72%
SLPGC	0.2	0.2	0%
Total	**3.0**	**3.0**	**0%**

Market Outlook

<u>Coal</u>

Supply disruptions from China-Australia trade tension, Hubei coal mining halt and pandemic-induced production slowdown in Indonesia curbed supply amid China’s overheating industrial demand.

This pushed global coal demand upward, as reflected in the Newcastle index (NEWC) three-month average which grew 97% from USD55.3/MT in Q2 2020 to USD109.0/MT in Q2 2021. NEWC six-month average also grew 61% year-on-year from USD61.5/MT to USD98.9/MT.

High global coal prices are expected to persist at around USD149/MT until the end of the year largely due to increased Chinese demand during their summer and winter seasons.

Supply is seen to remain tight as major coal-producing countries deal with COVID-19 lockdown, bad weather and political unrest (i.e. Indonesia, China and South Africa). Full year average (2021F) is expected to grow 105% to USD123.8/MT from USD60.4/MT actual average in 2020.

Power

Average electricity spot prices in the second quarter grew 178% year-on-year from P2.10/KWh to P5.84/KWh owing to higher demand and lower supply from multiple and extended plant outages.

In the second half, electricity spot prices are expected to consolidate to P3.96/KWh (average) as demand eases during the rainy season. Supply is likely to improve with the expected commissioning of a 670MW power plant, increased output of hydropower plants and reduced plant outages. Full year average (2021F) is projected to grow 84% to P4.17/KWh from P2.27/KWh actual average in 2020.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer	:	Semirara Mining and Power Corporation
Signature and Title	:	**JOHN R. SADULLO** VP-Legal & Corporate Secretary
Date	:	August 2, 2021