



# Q1 '22 Earnings Report



# Disclaimer

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# I . Financial Highlights

## 1. Q1 `22 Earnings Overview

**Q1`22 Sales KRW 620 billion YoY 49.2% ↑ / OP KRW 74 billion YoY 139.2% ↑**

(unit: KRW 100mil.)

Category	Q1 `22	Q4 `21	QoQ	Q1 `21	YoY
<b>Sales <sup>1)</sup></b>	<b>6,204</b>	<b>6,649</b>	<b>-6.7%</b>	<b>4,160</b>	<b>49.2%</b>
Power Plant& Energy	2,866	1,925	48.9%	962	197.8%
Construction & Realty Development	2,924	4,539	-35.6%	2,944	-0.7%
Glass Manufacturing	693	632	9.7%	702	-1.2%
<b>Operating profit</b>	<b>740</b>	<b>628</b>	<b>17.7%</b>	<b>309</b>	<b>139.2%</b>
<i>Operating profit Margin</i>	<i>11.9%</i>	<i>9.4%</i>	<i>2.5%p</i>	<i>7.4%</i>	<i>4.5%p</i>
<b>Net income</b>	<b>542</b>	<b>440</b>	<b>23.4%</b>	<b>208</b>	<b>161.0%</b>
NI attributable to owners of the company	360	325	10.6%	136	165.4%
NI attributable to non-controlling interests	182	114	59.7%	72	152.8%
EPS (KRW)	2,565	2,323	10.4%	958	167.7%

<sup>1)</sup> Sales : consolidated adjustments

# I. Financial Highlights

## 2. Q1 `22 sales breakdown (Power Plant & Energy)

**Heat Sales KRW 42 billion / Power Sales KRW 171 billion/ REC Sales KRW 69 billion**

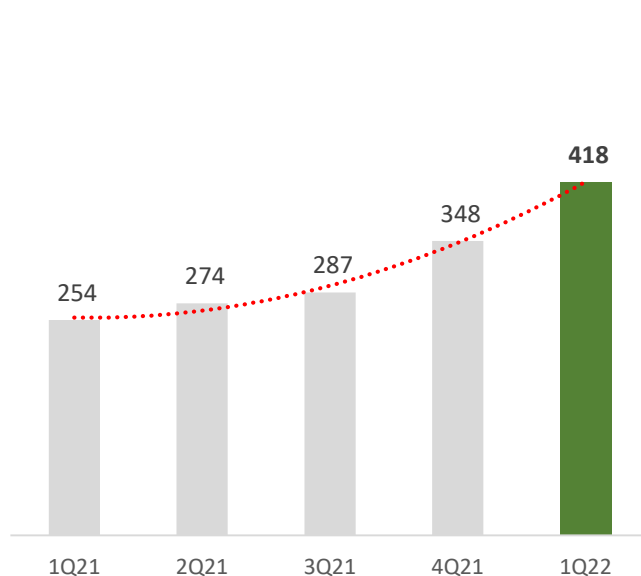
**Heat sales went up as both supply and unit price rose.**

**SMP** (unit price for electricity) **hike continued.**

**REC** (Recyclable Energy Certificate) **LT contracts executed.**

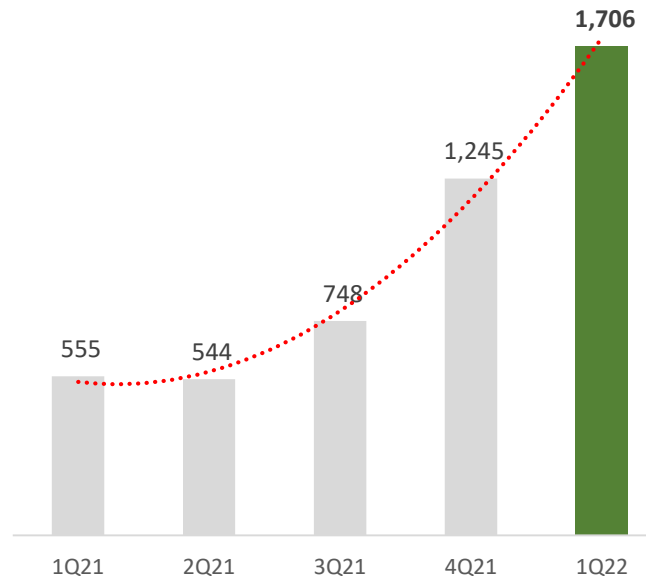
**Heat: QoQ +20.1%, YoY +64.4%**

(unit: KRW 100mil.)



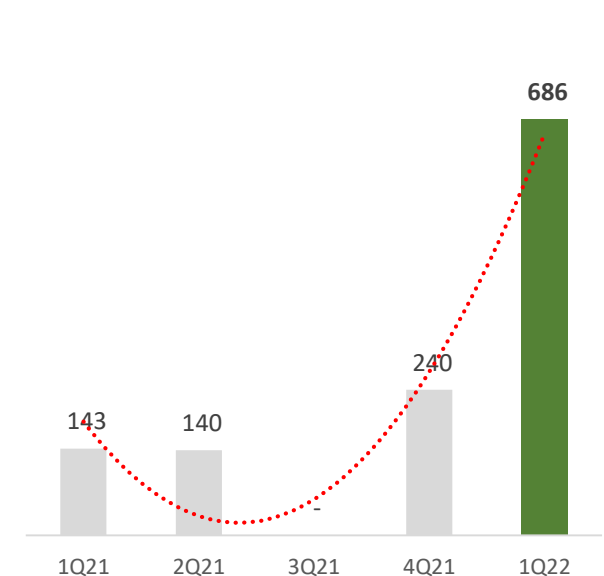
**Power: QoQ +37.1%, YoY +207.6%**

(unit: KRW 100mil.)



**REC: QoQ 185.8%, YoY +379.6%**

(unit: KRW 100mil.)



# I . Financial Highlights

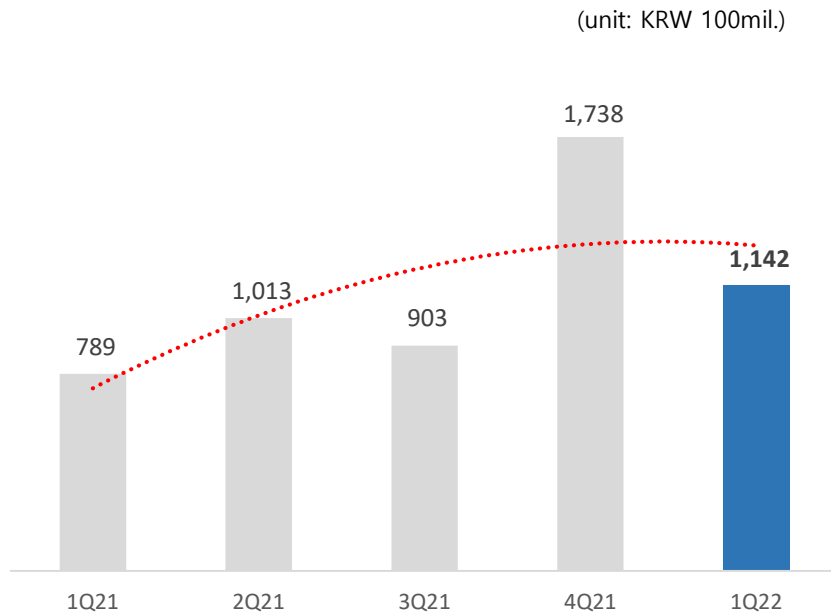
## 2. Q1 `22 sales breakdown (Construction & Realty Development)

**Sales from Home Building KRW 114 billion / Sales from Plant Const. KRW 177 billion won**

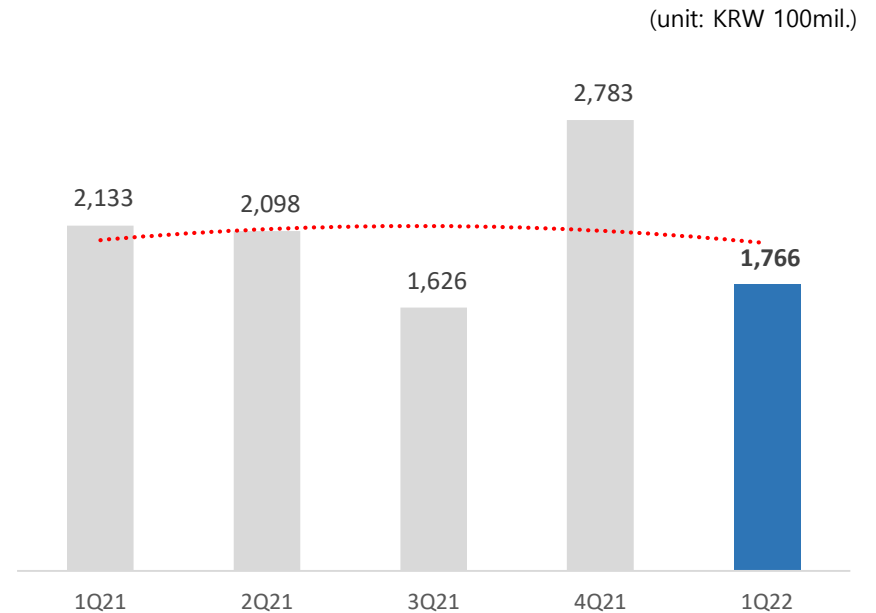
**Home building sales continued as own-brand project finalized.**

**Plant Const. sales marked weak as projects are at early stage.**

**Home Building sales: QoQ -34.3%, YoY +44.7%**



**Plant Const. sales: QoQ -36.5%, YoY -17.2%**



# I . Financial Highlights

## 2. Q1 `22 sales breakdown (Glass Manufacturing)

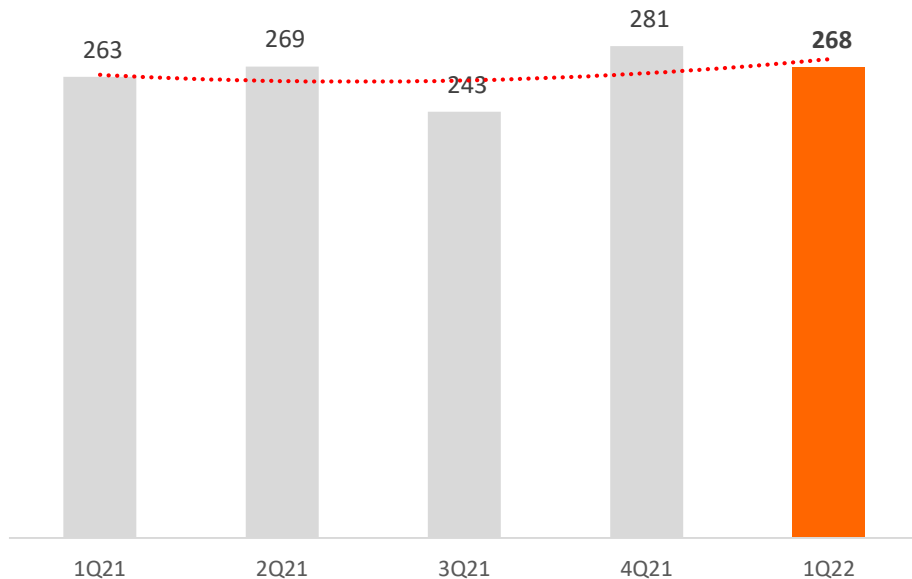
**Q1 `22 sales of glass bottle KRW 27 billion / sales of glass kitchenware KRW 22 billion**

**Glass bottle sales expect to go up due to a mark-up**

**Kitchenware sales grew due to the expansion of online channels & promotion**

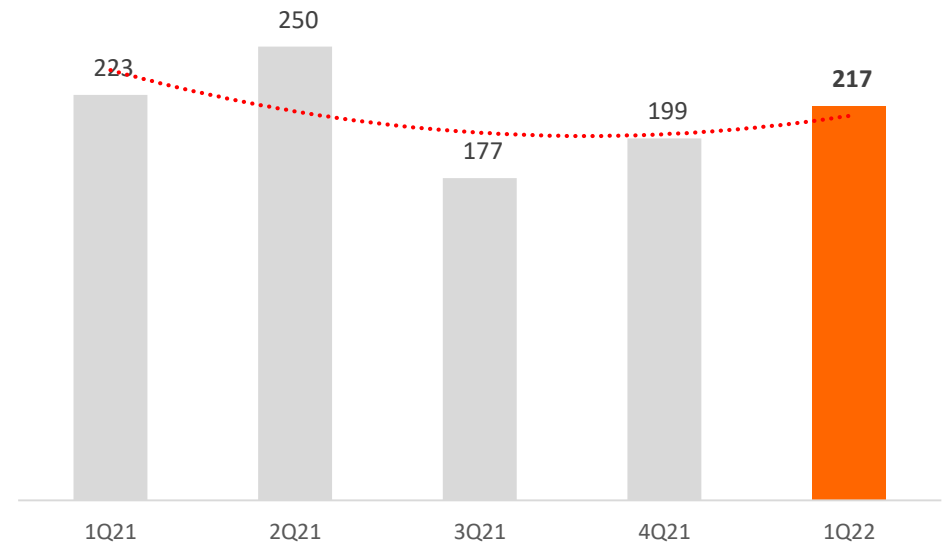
**Glass bottle sales: QoQ -4.3%, YoY +2.1%**

(unit: KRW 100mil.)



**Glass Kitchenware sales: QoQ +8.9%, YoY -2.8%**

(unit: KRW 100mil.)



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**I . Financial Highlights**

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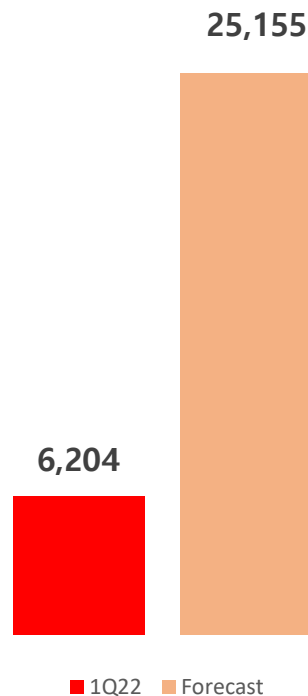


## II. Management Planning

### 1. 2022 outlook

25% of annual target of 2.5 trillion

(unit: KRW 100mil.)



#### Power & Energy

- **Steam** : Stable sales expected to continue.
- **Power** : SMP to remain strong in Q2 and expect to decline slowly
- **REC** : REC sales expected to spread over this year
- **Carbon credit** : CC sales expect in H2 as KAU22 trading starts

#### Const/ Real Estate

- **HB** : More efforts to bring up "THE LIV", brand equity
- **Plant Const.** : New orders overseas to receive as COVID-19 impact dwindles

#### Glass MFG

- **Glass Bottle** : Sales expected to rise as retail consumption of liquors expect to go up from re-opening demand.
- **Kitchenware** : Exports expect to recover and & new orders of washing machine glass parts are anticipated.

#### ESG

- **Corporate Sustainability Report** to be published in June '22

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**I . Financial Highlights**

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**II. Management Planning**

**III. Appendix**

## III. Appendix

### 2. Consolidated financial statements (Consolidated)

(In millions of KRW)	Q122	Q421	Q321	Q221	Q121
<b>Sales</b>	<b>620,449</b>	<b>664,849</b>	<b>393,818</b>	<b>422,765</b>	<b>415,954</b>
Power Plant & Energy	286,571	192,485	104,549	96,744	96,243
Construction & Real Estate	292,362	453,867	254,976	313,171	294,360
Glass	69,340	63,201	51,685	68,843	70,182
<b>Operating profit</b>	<b>73,952</b>	<b>62,821</b>	<b>28,241</b>	<b>30,264</b>	<b>30,912</b>
Operating profit Margin (%)	12%	9%	7%	7%	7%
Finance income	10,359	2,355	2,239	2,392	1,985
Finance costs	11,425	10,471	7,780	7,988	8,540
<b>Income before taxes</b>	<b>74,454</b>	<b>57,719</b>	<b>24,599</b>	<b>23,627</b>	<b>26,208</b>
Income tax expense	20,209	15,931	6,545	7,940	5,428
<b>Net income</b>	<b>54,245</b>	<b>43,966</b>	<b>18,055</b>	<b>15,686</b>	<b>20,780</b>
profit, attributable to owners of the company	35,994	32,538	10,065	3,753	13,561
profit, attributable to non-controlling interests	18,251	11,428	7,990	11,933	7,219
EBITDA Rate	16%	13%	13%	13%	14%

※ Sales : consolidated adjustments

(In millions of KRW)	2022.03.31	2021.12.31	2020.12.31
<b>Current assets</b>	<b>928,197</b>	<b>829,789</b>	<b>780,569</b>
Cash and cash equivalents	244,855	201,030	174,682
Short-term financial instruments	7,396	4,452	18,111
Account & Other Receivables	347,479	303,258	337,897
<b>Non-current assets</b>	<b>1,736,577</b>	<b>1,761,761</b>	<b>1,894,824</b>
Tangible assets	1,459,892	1,486,012	1,451,249
Intangible assets	10,615	9,503	8,321
Right-of-use assets	65,037	66,591	78,961
investments in real estate	114,637	115,339	106,708
Deferred income tax assets	29,087	39,131	6,061
<b>Total assets</b>	<b>2,664,774</b>	<b>2,591,550</b>	<b>2,675,393</b>
<b>Current liabilities</b>	<b>1,157,036</b>	<b>1,115,767</b>	<b>1,385,618</b>
Accounts & Other payables	393,844	320,244	332,907
Borrowings and debentures	631,597	616,953	809,360
Lease liabilities	5,527	5,677	5,494
Current income tax liability	16,260	60,104	8,011
<b>Non-current liabilities</b>	<b>738,106</b>	<b>736,366</b>	<b>611,975</b>
Borrowings and debentures	622,956	625,982	489,487
Lease liabilities	65,466	66,517	77,359
<b>Total liabilities</b>	<b>1,895,142</b>	<b>1,852,133</b>	<b>1,997,593</b>
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	426,484	426,480	426,461
Retained earnings	145,309	130,542	92,745
Non-controlling interest	155,047	139,642	105,346
<b>Total shareholders' equity</b>	<b>769,632</b>	<b>739,417</b>	<b>668,800</b>
<b>Total liabilities and equity</b>	<b>2,664,774</b>	<b>2,591,550</b>	<b>2,675,393</b>

## III. Appendix

### 3. Summary Financial Statements (non-Consolidated)

(In millions of KRW)	Q122	Q421	Q321	Q221	Q121
<b>Sales</b>	<b>230,002</b>	<b>168,277</b>	<b>104,548</b>	<b>96,744</b>	<b>96,244</b>
Cost of sales	188,525	136,216	86,212	83,529	75,469
<b>Operating profit</b>	<b>39,587</b>	<b>28,794</b>	<b>16,369</b>	<b>11,196</b>	<b>18,875</b>
Ratio of operating gain to revenue (%)	17%	17%	16%	12%	20%
Financial income	1,863	616	-882	1,056	1,838
Financial expense	6,882	6,205	7,497	6,511	6,756
<b>Profit before income tax</b>	<b>34,414</b>	<b>27,692</b>	<b>8,619</b>	<b>5,717</b>	<b>13,874</b>
Income tax expense	9,066	8,893	2,357	1,934	2,365
<b>Net income</b>	<b>25,348</b>	<b>18,775</b>	<b>6,260</b>	<b>3,784</b>	<b>11,509</b>
EBITDA Rate	26%	29%	33%	31%	39%

(In millions of KRW)	2022.03.31	2021.12.31	2020.12.31
<b>Current assets</b>	<b>329,338</b>	<b>264,763</b>	<b>160,653</b>
Cash and cash equivalents	76,309	62,109	32,530
Short-term financial instruments	400	400	2,362
Account & Other Receivables	150,198	102,799	63,693
<b>Non-current assets</b>	<b>1,282,751</b>	<b>1,294,336</b>	<b>1,485,570</b>
Tangible assets	318,994	318,994	313,994
Intangible assets	892,123	907,903	960,221
Right-of-use assets	2,537	1,817	1,482
investments in real estate	59,020	59,969	71,056
<b>Total assets</b>	<b>1,612,089</b>	<b>1,559,099</b>	<b>1,646,223</b>
<b>Current liabilities</b>	<b>641,017</b>	<b>592,608</b>	<b>700,101</b>
Accounts & Other payables	139,192	89,214	36,555
Borrowings and debentures	484,408	480,116	617,150
Lease liabilities	2,635	2,632	2,671
Current income tax liability	10,698	15,829	4,015
<b>Non-current liabilities</b>	<b>398,845</b>	<b>397,988</b>	<b>385,639</b>
Borrowings and debentures	314,786	314,698	268,229
Lease liabilities	62,206	62,821	72,215
Deferred corporate tax liability	5,099	3,598	5,631
<b>Total liabilities</b>	<b>1,039,862</b>	<b>990,596</b>	<b>1,085,741</b>
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	420,105	420,105	420,105
Retained earnings	-11,760	-11,421	-1,679
Non-controlling interest	90,236	86,512	68,749
<b>Total equity</b>	<b>572,227</b>	<b>568,503</b>	<b>560,481</b>
<b>Total liabilities and equity</b>	<b>1,612,089</b>	<b>1,559,099</b>	<b>1,646,223</b>

**Thank you**

