

# **SGC Energy Co., Ltd.**

Separate financial statements  
for the years ended December 31, 2021

“The accompanying separate financial statements have been prepared by, and are the responsibility  
of the Company.”

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Chief Executive Officer  
SGC Energy Co., Ltd.

**SGC Energy Co., Ltd.**  
**Separate Statement of Financial Position**  
**December 31, 2021**

(Korean won)

	December 31, 2021	December 31, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	₩ 62,108,967,992	₩ 32,530,355,070
Short-term financial instruments	400,000,000	2,361,782,041
Trade and other receivables	102,799,228,661	63,693,125,632
Inventories	96,441,824,536	58,172,470,713
Financial assets at fair value through profit or loss	1,045,000,000	1,693,615,000
Current income tax assets	-	18,541,780
Other current assets	1,967,847,047	2,182,672,348
	<b>264,762,868,236</b>	<b>160,652,562,584</b>
<b>Non-current assets</b>		
Long-term financial instruments	2,000,000	1,082,000,000
Long-term Trade and other receivables	902,712,214	21,744,267,685
Subsidiary investment	318,993,634,474	313,993,634,474
Property, plant and equipment	907,902,762,572	960,221,482,650
Intangible assets	1,817,239,384	1,481,886,954
Right-of-use assets	59,968,972,870	71,056,313,548
Other non-current financial assets	3,094,028,147	3,716,797,750
Other non-current assets	1,654,867,826	2,273,206,367
Non-current assets held-for-sale	-	110,000,000,000
	<b>1,294,336,217,487</b>	<b>1,485,569,589,428</b>
<b>Total assets</b>	<b>₩ 1,559,099,085,723</b>	<b>₩ 1,646,222,152,012</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	₩ 89,213,688,326	₩ 36,555,044,274
Short-term borrowings and bonds	480,116,057,231	617,149,528,086
Other current financial liabilities	43,316,685	1,049,276,842
Lease liabilities	2,632,166,535	2,671,432,329
Other current liabilities	4,773,258,516	38,893,241,959
Income tax payable	15,829,327,566	3,782,745,196
	<b>592,607,814,859</b>	<b>700,101,268,686</b>
<b>Non-current liabilities</b>		
Long-term borrowings and bonds	314,698,271,520	268,228,954,331
Net employee defined benefit liabilities	493,629,233	468,095,176
Provisions	3,523,451,747	3,354,862,416
Other non-current financial liabilities	907,712,207	21,598,405,134
Lease liabilities	62,821,057,806	72,214,765,685
Other non-current liabilities	11,945,972,792	14,142,945,614
Deferred tax liabilities	3,598,312,422	5,631,454,563
	<b>397,988,407,727</b>	<b>385,639,482,919</b>
<b>Total liabilities</b>	<b>₩ 990,596,222,586</b>	<b>₩ 1,085,740,751,605</b>

**SGC Energy Co., Ltd.**  
**Separate Statement of Financial Position, (cont'd)**  
**December 31, 2021**

(Korean won)

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Shareholders' equity</b>		
Issued capital	73,385,020,000	73,385,020,000
Capital surplus	420,104,852,491	420,104,852,491
Other components of equity	(11,420,955,850)	(1,679,405,350)
Accumulated other comprehensive income	(77,619,399)	(77,619,399)
Retained earnings	86,511,565,895	68,748,552,665
<b>Total shareholders' equity</b>	<b>568,502,863,137</b>	<b>560,481,400,407</b>
<b>Total liabilities and shareholders' equity</b>	<b>₩ 1,559,099,085,723</b>	<b>₩ 1,646,222,152,012</b>

**SGC Energy Co., Ltd.**  
**Separate Statement of Comprehensive Income**  
**For the years ended December 31, 2021**

(Korean won)

	<b>2021</b>	<b>2020</b>
Revenue	₩ 465,812,280,121	₩ 69,990,767,735
Cost of sales	382,401,952,599	63,337,929,524
<b>Gross profit</b>	<b>83,410,327,522</b>	<b>6,652,838,211</b>
Selling, general and administrative expenses:	8,176,400,208	1,005,671,289
<b>Operating profit</b>	<b>75,233,927,314</b>	<b>5,647,166,922</b>
Finance income	2,628,487,203	2,270,509,088
Finance costs	27,322,985,529	4,707,986,868
Other income	6,232,702,035	8,319,757,819
Other expenses	869,720,849	30,579,078
<b>Income before income taxes</b>	<b>55,902,410,174</b>	<b>11,498,867,883</b>
Income tax expenses	15,574,553,549	3,043,170,277
<b>Net profit for the period</b>	<b>₩ 40,327,856,625</b>	<b>₩ 8,455,697,606</b>
<b>Other comprehensive income</b>		
Other comprehensive income that will be not reclassified to profit or loss in subsequent periods:		
Remeasurement gain on defined benefit plans (net of tax)	(630,176,895)	292,855,059
	(630,176,895)	292,855,059
<b>Total comprehensive income, net of tax</b>	<b>₩ 39,697,679,730</b>	<b>₩ 8,748,552,665</b>
<b>Earnings per share:</b>		
Basic and diluted, profit for period attributable to ordinary equity holders	2,781	578

**SGC Energy Co., Ltd.**  
**Separate Statement of Changes in Equity**  
**For the years ended December 31, 2021**

(Korean won)

	Issued capital	Capital surplus	Other components of equity	Accumulated other comprehensive income	Retained earnings	Total
<b>I. Balance at November 1, 2020</b>	₩ 6,093,085,000	₩ 148,186,498,443	₩ (1,144,581,003)	₩ -	₩ -	₩ 153,135,002,440
<b>. Amount after adjustment</b>	-	-	-	-	-	-
Net profit	-	-	-	-	8,455,697,606	8,455,697,606
Remeasurements of the net defined benefit liability (asset)	-	-	-	-	292,855,059	292,855,059
Purchase of treasury stock	-	-	(76,470,106)	-	-	(76,470,106)
Conversion of capital reserves	-	(60,000,000,000)	-	-	60,000,000,000	-
Business combination	67,291,935,000	331,918,354,048	(458,354,241)	(77,619,399)	-	398,674,315,408
<b>II. Balance at December 31, 2020</b>	<b>₩ 73,385,020,000</b>	<b>₩ 420,104,852,491</b>	<b>₩ (1,679,405,350)</b>	<b>₩ (77,619,399)</b>	<b>₩ 68,748,552,665</b>	<b>₩ 560,481,400,407</b>
<b>I. Balance at January 1, 2021</b>	<b>₩ 73,385,020,000</b>	<b>₩ 420,104,852,491</b>	<b>₩ (1,679,405,350)</b>	<b>₩ (77,619,399)</b>	<b>₩ 68,748,552,665</b>	<b>₩ 560,481,400,407</b>
<b>. Amount after adjustment</b>	-	-	-	-	-	-
Net profit	-	-	-	-	40,327,856,625	40,327,856,625
Remeasurements of the net defined benefit liability (asset)	-	-	-	-	(630,176,895)	(630,176,895)
Purchase of treasury stock	-	-	(9,741,550,500)	-	-	(9,741,550,500)
Business combination	-	-	-	-	-	-
Dividends paid	-	-	-	-	(21,934,666,500)	(21,934,666,500)
<b>II. Balance at December 31, 2021</b>	<b>₩ 73,385,020,000</b>	<b>₩ 420,104,852,491</b>	<b>₩ (11,420,955,850)</b>	<b>₩ (77,619,399)</b>	<b>₩ 86,511,565,895</b>	<b>₩ 568,502,863,137</b>

**SGC Energy Co., Ltd.**  
**Separate Statement of Cash Flows**  
**For the years ended December 31, 2021**

(Korean won)

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>Operating activities</b>		
Cash generated from operations	₩ 132,254,492,857	₩ (13,703,616,845)
Dividends received	769,235,000	-
Interest received	466,253,526	27,926,915
Interest paid	(20,340,286,155)	(3,226,200,511)
Income tax paid	(5,346,795,130)	(15,256,500)
<b>Net cash flows used in operating activities</b>	<b>107,802,900,098</b>	<b>(16,917,146,941)</b>
<b>Investing activities</b>		
Proceeds from sales of short term Financial Instruments	22,361,782,041	-
Proceeds from sales of fair value financial asset	1,917,329,848	-
Adjustments for decrease in leasehold deposits	1,594,372,000	-
Proceeds from sales of long-term financial instruments	1,078,837,521	-
Proceeds from sales of non-current assets or disposal groups classified as held for sale	75,335,676,950	-
Proceeds from sales of property, plant and equipment	45,692,520	-
Proceeds from sales of intangible assets	3,128,184,000	-
Decrease of rental deposits	-	320,000,000
Purchase of short term Financial Instruments	(20,400,000,000)	-
Purchase of financial assets held to maturity	(90,000,000)	-
Purchase of fair value financial asset	(801,547,397)	-
Increase of rental deposits	(1,125,055,000)	-
Purchase of investments in subsidiaries	(5,000,000,000)	-
Purchase of property, plant and equipment	(18,941,103,901)	(183,064,586)
Purchase of intangibles asset	(7,092,512,620)	(15,000,000)
<b>Net cash flows provided by investing activities</b>	<b>52,011,655,962</b>	<b>121,935,414</b>
<b>Financing activities</b>		
Proceeds from short term borrowings	340,000,000,000	-
Proceeds from bonds	175,596,350,000	-
Repayment of borrowings	(507,072,000,000)	(10,000,000,000)
Repayment of lease liabilities	(7,485,049,638)	(418,205,337)
Repayment of current portion of long-term borrowings	(24,600,000,000)	(1,875,000,000)
Repayment of bonds	(75,000,000,000)	(20,000,000,000)
Acquisition of treasury shares	(9,741,550,500)	(76,470,106)
Dividends paid	(21,933,693,000)	-
Payment for stock issue cost	-	(1,000,000)
<b>Net cash flows used in financing activities</b>	<b>(130,235,943,138)</b>	<b>(32,370,675,443)</b>
Net decrease in cash and cash equivalents	29,578,612,922	(49,165,886,970)
Net cash flows from the business combinations	-	98,654,036,092
Net cash outflows due to the spin-off	-	(16,957,164,195)
Net foreign exchange difference	-	(629,857)
Cash and cash equivalents at beginning of period	32,530,355,070	-
<b>Cash and cash equivalents at end of period</b>	<b>₩ 62,108,967,992</b>	<b>₩ 32,530,355,070</b>