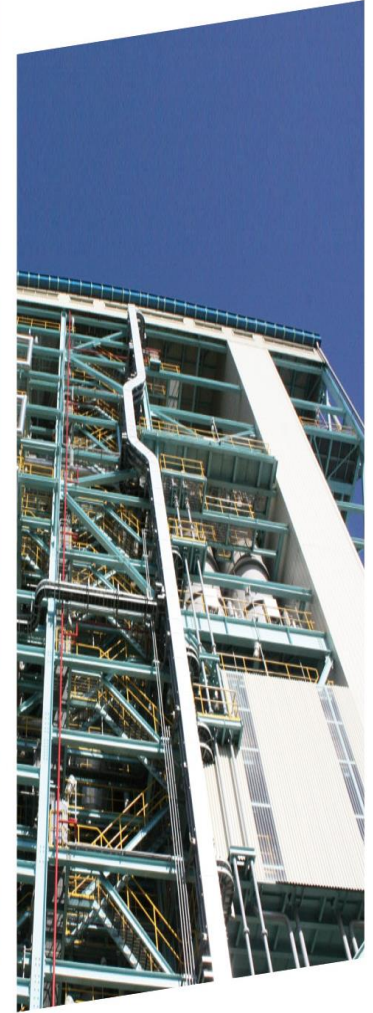




Q2 '22

Earnings Report



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I . Financial Highlights

1. Q2 `22 Earnings Overview

Q2`22 Sales KRW 670 billion YoY 58% ↑ / OP KRW 22 billion YoY 29% ↓

(unit: KRW 100mil.)

Category	Q2 `22	Q1 `21	QoQ	Q2 `21	YoY
Sales ¹⁾	6,692	6,204	7.9%	4,228	58.3%
Power Plant& Energy	2,560	2,866	△10.7%	967	164.6%
Construction & Realty Development	3,669	2,924	25.5%	3,132	17.2%
Glass Manufacturing	709	693	2.2%	688	3.0%
Operating profit	215	740	△70.9%	303	△28.9%
<i>Operating profit Margin</i>	<i>3.2%</i>	<i>11.9%</i>	<i>△8.7%p</i>	<i>7.2%</i>	<i>△4.0%p</i>
Net income	78	542	△85.7%	157	△50.5%
NI attributable to owners of the company	△4	360	△101.0%	38	△110.0%
NI attributable to non-controlling interests	81	183	△55.5%	119	△31.9%
EPS (KRW)	△26	2,582	△101.0%	271	△110.0%

¹⁾ Sales : consolidated adjustments

I . Financial Highlights

2. Q2 `22 sales breakdown (Power Plant & Energy)

Heat Sales KRW 44 billion / Power Sales KRW 119 billion/ REC Sales KRW 86 billion

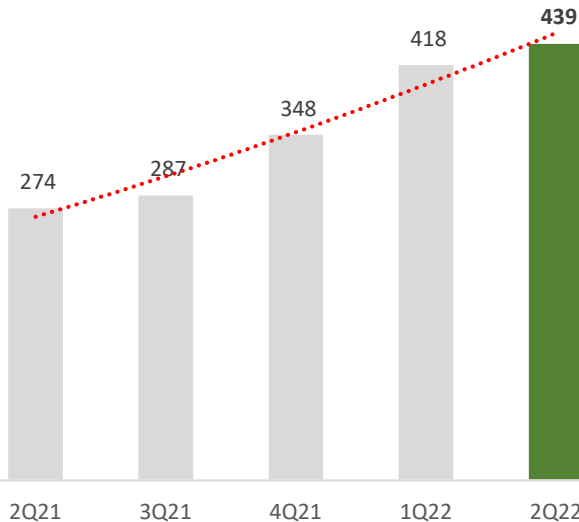
Heat sales went up as unit price rose.

Power sales down due to maintenance & repair schedule& Q2 SMP drop.

REC (Recyclable Energy Certificate) sales up as LT contracts were added.

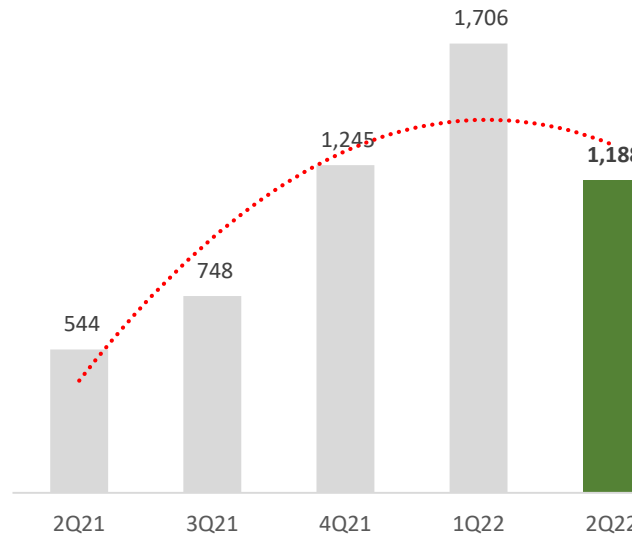
Heat: QoQ +5.1%, YoY +60.3%

(unit: KRW 100mil.)



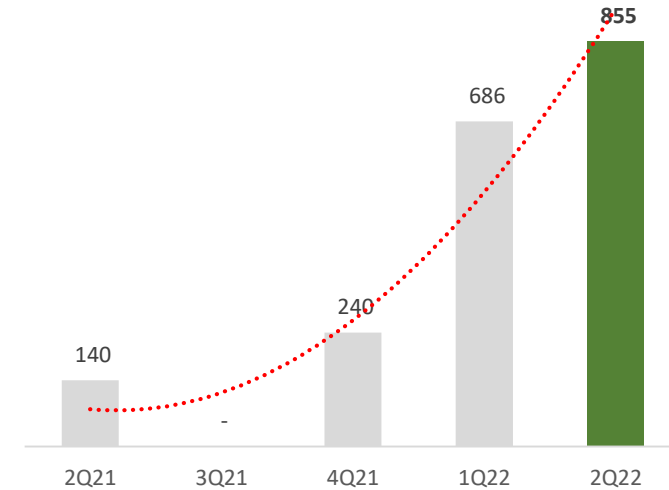
Power: QoQ -30.4%, YoY +118.2%

(unit: KRW 100mil.)



REC: QoQ +24.6%, YoY +510.9%

(unit: KRW 100mil.)



I . Financial Highlights

2. Q2 `22 sales breakdown (Construction & Realty Development)

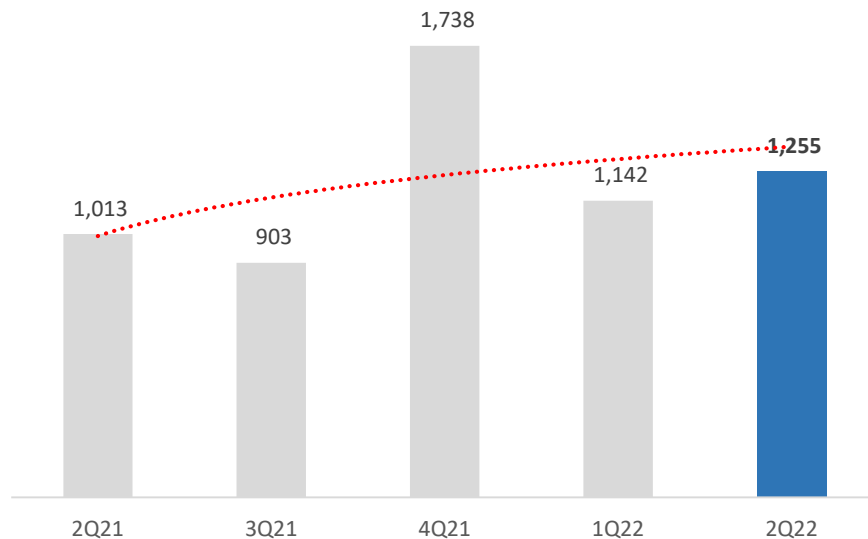
Sales from Home Building KRW 126 billion / Sales from Plant Const. KRW 239 billion won

Sales increased as projects proceed & meet the schedules.

New order overseas added to plant const. sales (Vietnam, \$300M)

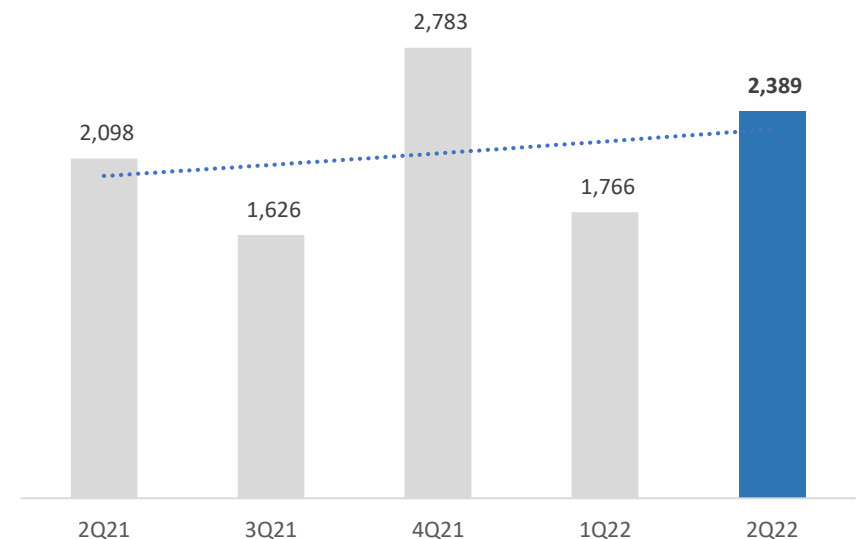
Home Building sales: QoQ +9.9%, YoY +23.9%

(unit: KRW 100mil.)



Plant Const. sales: QoQ +35.3%, YoY +13.9%

(unit: KRW 100mil.)



I . Financial Highlights

2. Q2 `22 sales breakdown (Glass Manufacturing)

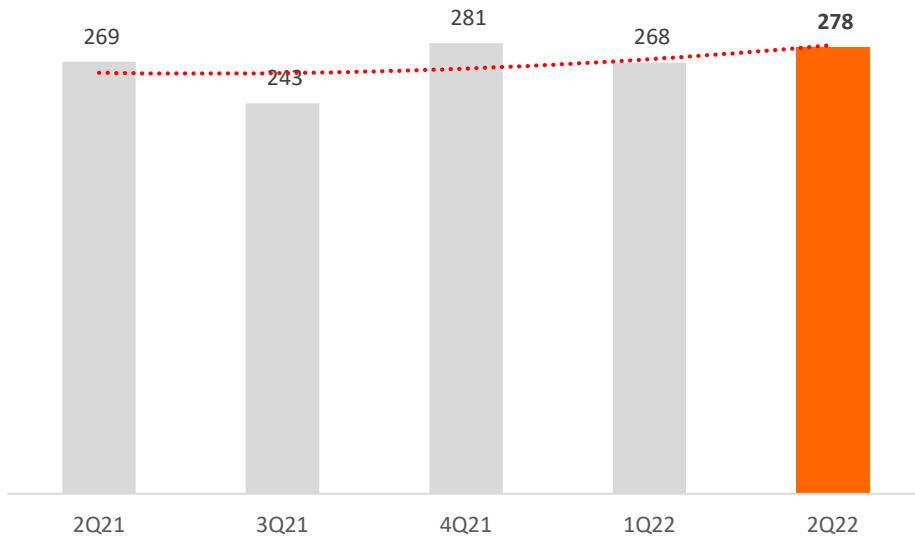
Q2 `22 sales of glass bottle KRW 28 billion / sales of glass kitchenware KRW 25 billion

For glass bottle biz, mark-up improved sales and profitability.

For kitchenware biz, sales up and FX effect (weak KRW) also better profitability.

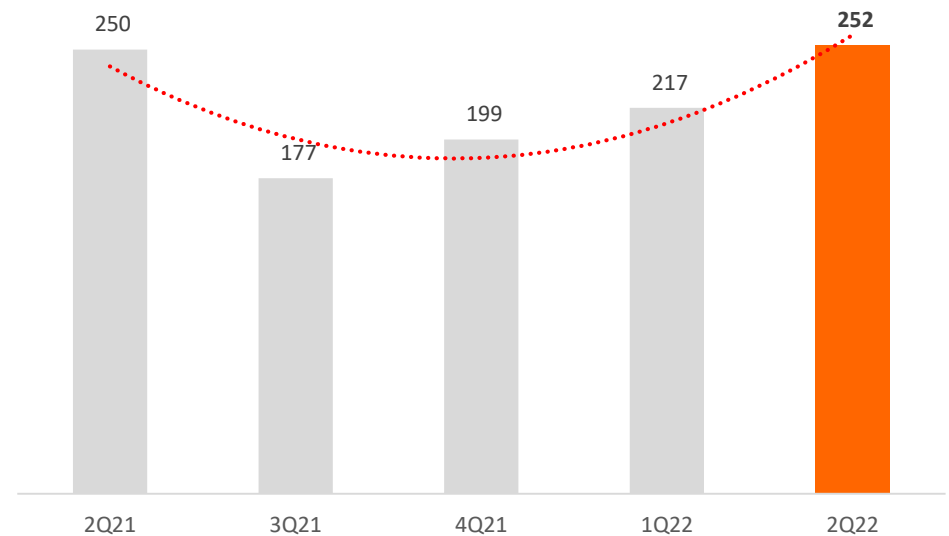
Glass bottle sales: QoQ +3.5%, YoY +3.3%

(unit: KRW 100mil.)



Glass Kitchenware sales: QoQ +16.2%, YoY +0.9%

(unit: KRW 100mil.)



I . Financial Highlights

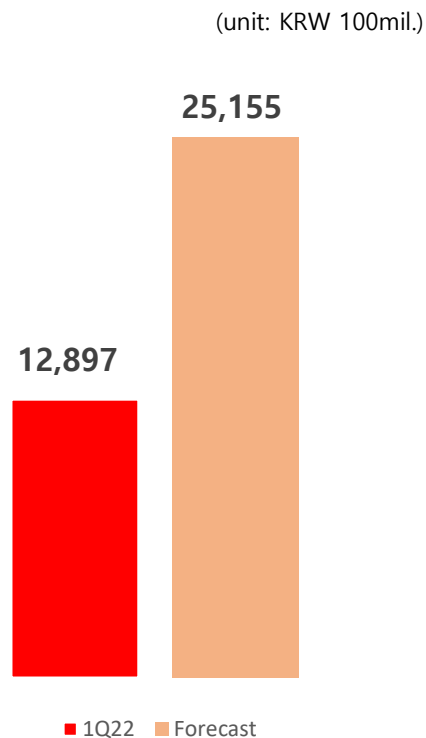
II. Management Planning

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II. Management Planning

1. H2 `22 outlook

51% of annual target of 2.5 trillion



Power & Energy

- **Steam** : Steam supply to go up as customers maintenance season ends.
- **Power** : Power sales to go up so does profitability as off-peak season ends and raw materials secured in advance.
- **REC** : Spot price to rise & new supply contracts expected
- **Carbon credit** : Price of KAU22 expected to rise
- ※ **Regulatory Issue** (SMP Cap system introduction)) to be resolved

Const/ Real Estate

- **HB** : Housing brand 'THE LIV' continue to gain brand awareness.
- **Plant Const.** : More overseas project orders expected as demand for oil & chem facilities rise.

Glass MFG

- **Glass Bottle** : Sales expected to in rise as more bottled liquor consumed
- **Kitchenware** : B2B biz to expand for specialized glasses for washers.

I . Financial Highlights

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2. Consolidated financial statements (Consolidated)

(In millions of KRW)	2Q22	1Q22	4Q21	3Q21	2Q21
Sales	669,228	620,449	664,849	393,818	422,765
Power Plant & Energy	255,981	286,571	192,485	104,549	96,744
Construction & Real Estate	366,939	292,362	453,867	254,976	313,171
Glass	70,875	69,340	63,201	51,685	68,843
	9	-	-	-	-
Operating profit	21,508	73,952	62,821	28,241	30,264
Operating profit Margin (%)	3%	12%	9%	7%	7%
Finance income	6,486	11,643	2,355	2,239	2,392
Finance costs	16,600	11,974	10,471	7,780	7,988
Income before taxes	9,333	74,454	57,719	24,599	23,627
Income tax expense	1,578	20,208	15,931	6,545	7,940
Net income	7,755	54,245	43,966	18,055	15,686
profit, attributable to owners of the company	-374	35,994	32,538	10,065	3,753
profit, attributable to non-controlling interests	8,129	18,251	11,428	7,990	11,933
EBITDA Rate	7%	16%	13%	13%	13%

※ Sales : consolidated adjustments

(In millions of KRW)	2022.06.30	2021.12.31	2020.12.31
Current assets	866,168	829,789	780,569
Cash and cash equivalents	191,806	201,030	174,682
Short-term financial instruments	34,281	4,452	18,111
Account & Other Receivables	272,058	303,258	337,897
Non-current assets	1,727,370	1,761,761	1,894,824
Tangible assets	1,449,745	1,486,012	1,451,249
Intangible assets	13,561	9,503	8,321
Right-of-use assets	63,839	66,591	78,961
investments in real estate	113,170	115,339	106,708
Deferred income tax assets	29,735	39,131	6,061
Total assets	2,593,538	2,591,550	2,675,393
Current liabilities	1,103,483	1,115,767	1,385,618
Accounts & Other payables	323,288	320,244	332,907
Borrowings and debentures	651,028	616,953	809,360
Lease liabilities	5,460	5,677	5,494
Current income tax liability	12,351	60,104	8,011
Non-current liabilities	710,897	736,366	611,975
Borrowings and debentures	596,196	625,982	489,487
Lease liabilities	64,676	66,517	77,359
Total liabilities	1,814,380	1,852,133	1,997,593
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	426,484	426,480	426,461
Retained earnings	145,275	130,542	92,745
Non-controlling interest	164,236	139,642	105,346
Total shareholders' equity	779,158	739,417	668,800
Total liabilities and equity	2,593,538	2,591,550	2,675,393

III. Appendix

3. Summary Financial Statements (non-Consolidated)

(In millions of KRW)	2Q22	1Q22	4Q21	3Q21	2Q21
Sales	209,183	230,002	168,277	104,548	96,744
Cost of sales	206,623	188,525	136,216	86,212	83,529
Operating profit	275	39,587	28,794	16,369	11,196
Ratio of operating gain to revenue (%)	0%	17%	17%	16%	12%
Financial income	851	1,863	616	-882	1,056
Financial expense	9,853	6,882	6,205	7,497	6,511
Profit before income tax	-11,004	34,414	27,692	8,619	5,717
Income tax expense	-2,814	9,066	8,893	2,357	1,934
Net income	-8,190	25,348	18,775	6,260	3,784
EBITDA Rate	9%	26%	29%	33%	31%

(In millions of KRW)	2022.06.30	2021.12.31	2020.12.31
Current assets	296,714	264,763	160,653
Cash and cash equivalents	91,999	62,109	32,530
Short-term financial instruments	-	400	2,362
Account & Other Receivables	90,143	102,799	63,693
Non-current assets	1,275,100	1,294,336	1,485,570
Tangible assets	318,994	318,994	313,994
Intangible assets	886,510	907,903	960,221
Right-of-use assets	5,429	1,817	1,482
investments in real estate	58,045	59,969	71,056
Total assets	1,571,814	1,559,099	1,646,223
Current liabilities	634,968	592,608	700,101
Accounts & Other payables	115,281	89,214	36,555
Borrowings and debentures	502,079	480,116	617,150
Lease liabilities	2,636	2,632	2,671
Current income tax liability	8,017	15,829	4,015
Non-current liabilities	372,819	397,988	385,639
Borrowings and debentures	291,535	314,698	268,229
Lease liabilities	61,566	62,821	72,215
Deferred corporate tax liability	3,125	3,598	5,631
Total liabilities	1,007,787	990,596	1,085,741
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	82,036	86,512	68,749
Total equity	564,027	568,503	560,481
Total liabilities and equity	1,571,814	1,559,099	1,646,223

Thank you

