



Q2 '23

Earnings Report



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Contents

I . Financial Highlights

II. Management Planning

III. Appendix

I . Financial Highlights

1. Q2 `23 Earnings Overview

Q2`23 Sales KRW 806 billion YoY 21% ↑ / OP KRW 3 billion YoY 86% ↓

(unit: KRW 100mil.)

Category	Q2 `23	Q1 `23	QoQ	Q2 `22	YoY
Sales ¹⁾	8,063	7,419	8.7%	6,692	20.5%
Power Plant& Energy	2,249	2,776	-19.0%	2,560	-12.1%
Construction & Realty Development	5,414	4,254	27.3%	3,669	47.5%
Glass Manufacturing	686	710	-3.4%	701	-3.3%
Operating profit	30	309	-90.2%	215	-85.9%
<i>Operating profit Margin</i>	<i>0.4%</i>	<i>4.2%</i>	<i>-3.8%p</i>	<i>3.2%</i>	<i>-2.8%p</i>
Net income	-229	144	-	74	-
NI attributable to owners of the company	-140	84	-	-8	-
EPS (KRW)	-983	606	-	-54	-

¹⁾ Sales : consolidated adjustments

I . Financial Highlights

2. Q2 `23 sales breakdown (Power Plant & Energy)

Heat Sales KRW 34 billion / Power Sales KRW 123 billion/ REC Sales KRW 64 billion

Heat, Adjusting sales prices according to fuel price fluctuations.

Power, Annual maintenance & SMP drop.

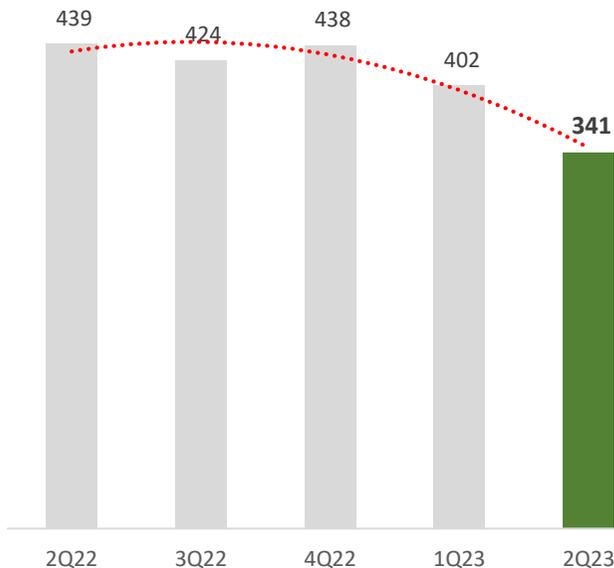
REC, Continuous increase in spot market sales volume and revaluation of '22Y sales.

Heat: QoQ -15.1%, YoY -22.3%

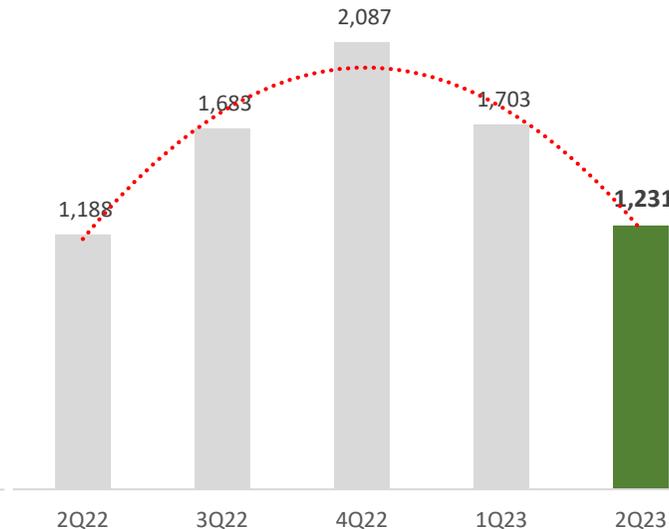
Power: QoQ -27.7%, YoY +3.7%

REC: QoQ +0.3%, YoY -25.4%

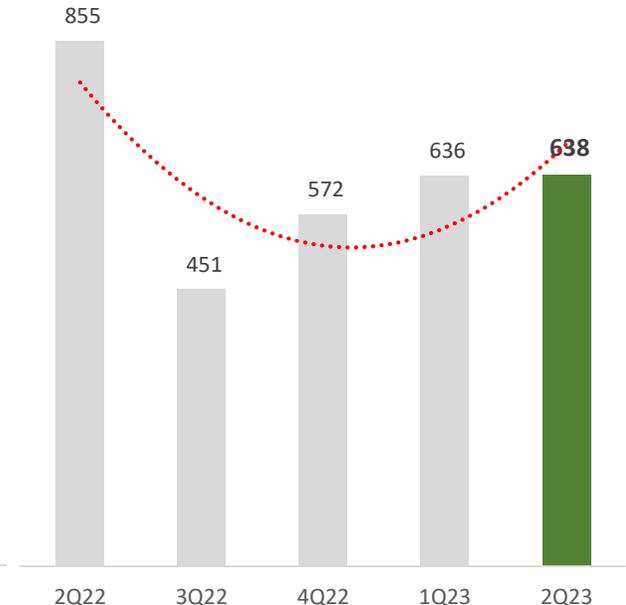
(unit: KRW 100mil.)



(unit: KRW 100mil.)



(unit: KRW 100mil.)



I . Financial Highlights

2. Q2 `23 sales breakdown (Construction & Realty Development)

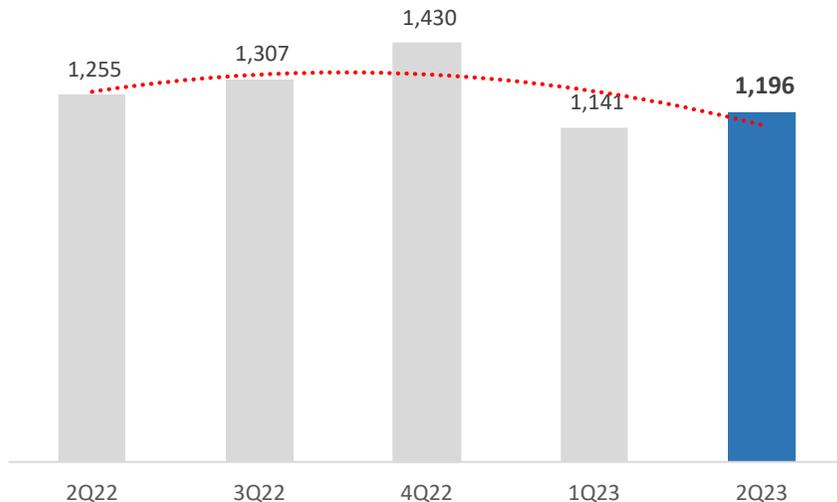
Sales from Home Building KRW 120 billion / Sales from Plant Const. KRW 420 billion won

1H sales of 960 billion KRW (60%) and orders received of 700 billion KRW (35%) (compared to the target).

Continuing to receive high-quality orders for eco-friendly power plants, etc.

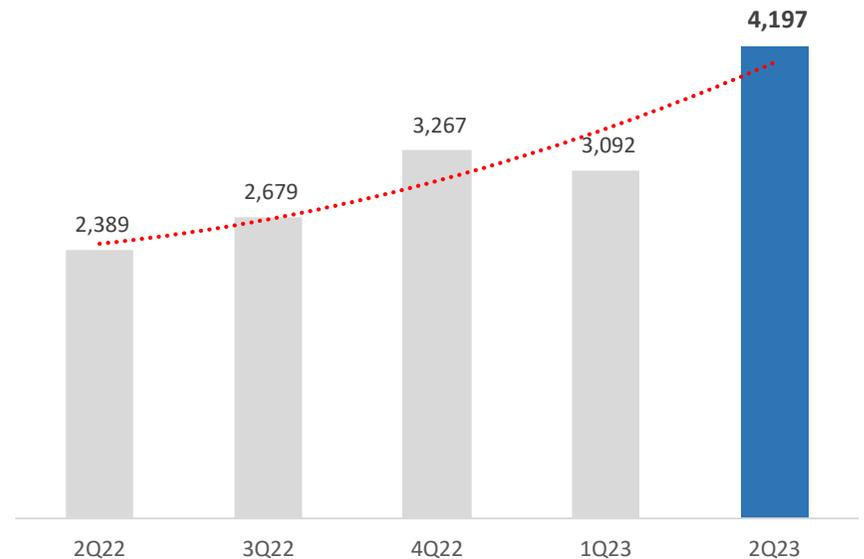
Home Building sales: QoQ +4.8%, YoY -4.7%

(unit: KRW 100mil.)



Plant Const. sales: QoQ +35.7%, YoY +75.7%

(unit: KRW 100mil.)



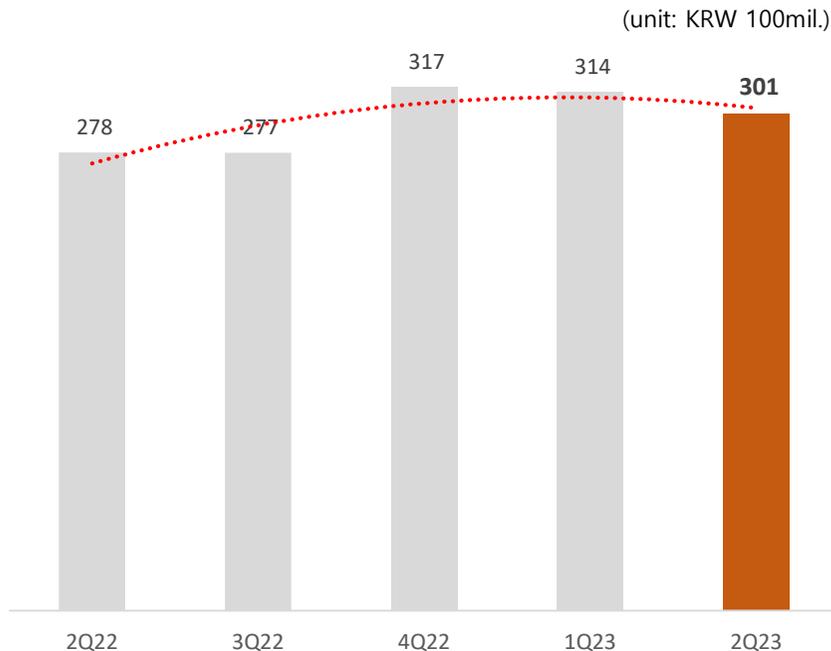
I . Financial Highlights

2. Q2 `23 sales breakdown (Glass Manufacturing)

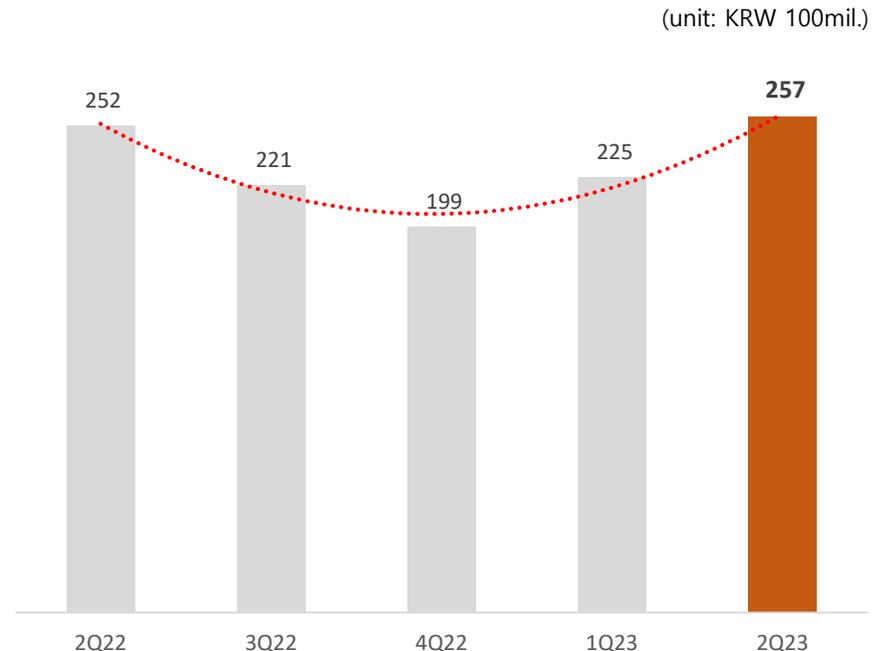
Q2 `23 sales of glass bottle KRW 30 billion / sales of glass kitchenware KRW 26 billion

**Glass bottle, Expansion of profitability through price increase in sales.
Glass Kitchenware, Continued increase in sales of door glass. (Up 120% from '22)**

Glass bottle sales: QoQ -1.0%, YoY +17.0%



Glass Kitchenware sales: QoQ +12.8%, YoY +3.7%



I . Financial Highlights

II. Management Planning

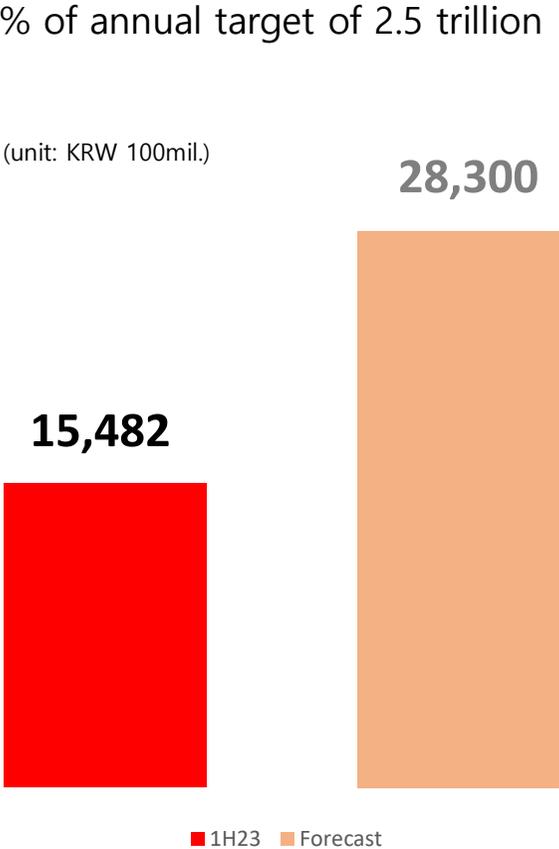
III. Appendix

II. Management Planning

1. H2 '23 outlook

55% of annual target of 2.5 trillion

(unit: KRW 100mil.)



Power & Energy

- **Cost** (Coal, Woodpallet) : Expectation of price stability and expansion of profit spread.
- **Power** : Expected SMP increase, fuel cost preservation.
- **REC** : Expectation of strong stability in spot prices, increased supply of long-term contract volumes.
- **New business** : CCU facility completion. (Nov '23)
Submission of bid for hydrogen fuel cell power generation. (Jul '23)
Ongoing negotiations for battery recycling.

Const/ Real Estate

- **Plant Const.** : Expectation of overseas petrochemical projects. (Vietnam, Saudi)

Glass MFG

- **Glass Bottle** : Completion of maintenance, normalization of operating rates by line.
- **Kitchenware** : Increase in Glasslock sales prices and expansion of online sales.

I . Financial Highlights

II. Management Planning

III. Appendix

III. Appendix

1. Consolidated financial statements (Consolidated)

(In millions of KRW)	2Q23	1Q23	4Q22	3Q22	2Q22
Sales	806,258	741,860	826,009	707,648	669,228
Power Plant & Energy	224,889	277,594	313,183	263,104	255,981
Construction & Real Estate	541,414	425,431	471,743	400,661	366,939
Glass	68,557	70,985	77,173	70,304	70,875
	187	176	15	11	9
Operating profit	3,037	30,852	67,174	46,766	21,508
Operating profit Margin (%)	0%	4%	8%	7%	3%
Finance income	8,062	16,470	18,542	9,505	6,496
Finance costs	14,439	29,143	16,833	21,025	16,987
Income before taxes	-20,351	19,883	80,221	34,797	8,956
Income tax expense	2,541	5,458	23,504	4,726	1,578
Net income	-22,893	14,424	56,718	30,070	7,379
profit, attributable to owners of the company	-14,035	8,441	55,221	22,341	-750
profit, attributable to non-controlling interests	-8,857	5,993	1,497	7,729	8,129
EBITDA Rate	4%	8%	12%	11%	8%

※ Sales : consolidated adjustments

(In millions of KRW)	2023.06.30	2022.12.31	2021.12.31
Current assets	1,259,626	1,311,038	829,789
Cash and cash equivalents	196,906	282,973	201,030
Short-term financial instruments	-	4,028	4,452
Account & Other Receivables	564,078	381,055	303,258
Non-current assets	1,737,938	1,743,324	1,761,761
Tangible assets	1,437,401	1,423,351	1,486,012
Intangible assets	13,810	11,718	9,503
Right-of-use assets	57,752	61,366	66,591
investments in real estate	105,060	112,307	115,339
Deferred income tax assets	35,730	34,330	39,131
Total assets	2,997,564	3,054,362	2,591,550
Current liabilities	1,666,386	1,623,194	1,115,767
Accounts & Other payables	501,741	491,969	320,244
Borrowings and debentures	933,666	862,019	616,953
Lease liabilities	6,283	5,818	5,677
Current income tax liability	9,987	29,746	60,104
Non-current liabilities	488,458	564,681	736,366
Borrowings and debentures	396,618	465,771	625,982
Lease liabilities	61,036	62,524	66,517
Total liabilities	2,154,844	2,187,875	1,852,133
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	426,556	426,503	426,480
Retained earnings	194,739	224,592	130,542
Non-controlling interest	165,393	172,430	139,642
Total shareholders' equity	842,720	866,487	739,417
Total liabilities and equity	2,997,564	3,054,362	2,591,550

III. Appendix

2. Summary Financial Statements (non-Consolidated)

(In millions of KRW)	2Q23	1Q23	4Q22	3Q22	2Q22
Sales	185,905	221,267	249,664	214,613	209,183
Cost of sales	172,334	196,768	185,146	178,578	206,623
Operating profit	10,909	22,296	62,064	33,869	275
Ratio of operating gain to revenue (%)	6%	10%	25%	16%	0%
Financial income	2,601	4,947	7,499	1,400	851
Financial expense	9,361	11,288	5,655	12,482	9,853
Profit before income tax	648	15,856	64,462	22,583	-11,004
Income tax expense	1,433	3,469	15,479	6,103	-2,814
Net income	-785	12,387	48,984	16,479	-8,190
EBITDA Rate	16%	19%	33%	25%	9%

(In millions of KRW)	2023.06.30	2022.12.31	2021.12.31
Current assets	301,202	420,424	264,763
Cash and cash equivalents	116,354	113,637	62,109
Short-term financial instruments	-	-	400
Account & Other Receivables	63,876	71,381	102,799
Non-current assets	1,274,657	1,268,660	1,294,336
Tangible assets	318,994	318,994	318,994
Intangible assets	885,214	881,630	907,903
Right-of-use assets	5,886	3,010	1,817
investments in real estate	54,956	56,452	59,969
Total assets	1,575,859	1,689,084	1,559,099
Current liabilities	782,403	810,547	592,608
Accounts & Other payables	90,897	142,384	89,214
Borrowings and debentures	669,387	632,980	480,116
Lease liabilities	3,160	2,850	2,632
Current income tax liability	8,061	26,961	15,829
Non-current liabilities	175,658	247,817	397,988
Borrowings and debentures	101,507	172,013	314,698
Lease liabilities	59,233	60,434	62,821
Deferred corporate tax liability	1,869	1,318	3,598
Total liabilities	958,061	1,058,364	990,596
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	420,105	420,105	420,105
Retained earnings	-11,760	-11,421	-11,421
Non-controlling interest	135,807	148,729	86,512
Total equity	617,798	630,720	568,503
Total liabilities and equity	1,575,859	1,689,084	1,559,099

Thank you

SGC