



**Q4 '23**

**Earnings Report**



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# Contents

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**I . Financial Highlights**

**II. Management Planning**

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**III. Appendix**

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# I . Financial Highlights

## 1. `23 Earnings Overview

**`23 Sales KRW 3.02 trillion KRW, Exceed 7% of annual target of KRW 2.83 trillion**

(unit: KRW 100mil.)

Category	2023	2022	YoY	비고
<b>Sales <sup>1)</sup></b>	<b>30,241</b>	<b>28,233</b>	<b>7.1%</b>	
Power Plant& Energy	9,868	11,188	-11.8%	SGC Energy + SGC Greenpower
Construction & Realty Development	18,723	15,317	22.2%	SGSC eTEC + SGC Development
Glass Manufacturing	2,838	2,877	-1.3%	SGC Solution
<b>Operating profit</b>	<b>1,099</b>	<b>2,094</b>	<b>-47.5%</b>	
<i>Operating profit Margin</i>	<i>3.6%</i>	<i>7.4%</i>	<i>-3.8%p</i>	
<b>Net income</b>	<b>128</b>	<b>1,484</b>	<b>-91.4%</b>	
NI attributable to controlling-interests	360	1,128	-68.1%	
NI attributable to non-controlling-interests	-233	356	-165.3%	
EPS (KRW)	2,585	8,093	-68.1%	

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

# I . Financial Highlights

## 1. Q4 `23 Earnings Overview

**Q4`23 Sales KRW 676 billion YoY 18% ↓ / OP KRW 16 billion YoY 76% ↓**

(unit: KRW 100mil.)

Category	Q4 `23	Q3 `23	QoQ	Q4 `22	YoY
<b>Sales <sup>1)</sup></b>	<b>6,755</b>	<b>8,005</b>	<b>-15.6%</b>	<b>8,260</b>	<b>-18.2%</b>
Power Plant& Energy	2,329	2,514	-7.3%	3,132	-25.6%
Construction & Realty Development	3,976	5,078	-21.7%	4,717	-15.7%
Glass Manufacturing	698	745	-6.4%	772	-9.6%
<b>Operating profit</b>	<b>163</b>	<b>597</b>	<b>-72.7%</b>	<b>672</b>	<b>-75.7%</b>
<i>Operating profit Margin</i>	<i>2.4%</i>	<i>7.5%</i>	<i>-5.1%p</i>	<i>8.1%</i>	<i>-5.7%p</i>
<b>Net income</b>	<b>-157</b>	<b>369</b>	<b>Swing to loss</b>	<b>567</b>	<b>Swing to loss</b>
NI attributable to owners of the company	61	336	-81.7%	552	-88.9%
EPS (KRW)	514	2,330	-77.9%	3,962	-87.0%

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

# I . Financial Highlights

## 2. Q4 `23 sales breakdown (Power Plant & Energy)

**Heat Sales KRW 33 billion / Power Sales KRW 121 billion/ REC Sales KRW 71 billion**

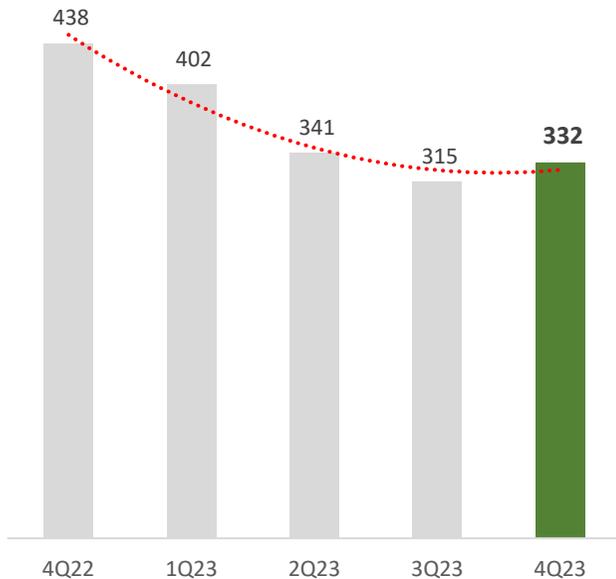
**Heat, Adjustment of sales prices due to increased supply and decrease in fuel costs.**

**Power, Decrease in operational rate due to maintenance of some facilities.**

**REC, Expansion of sales due to increased supply of contracted volumes.**

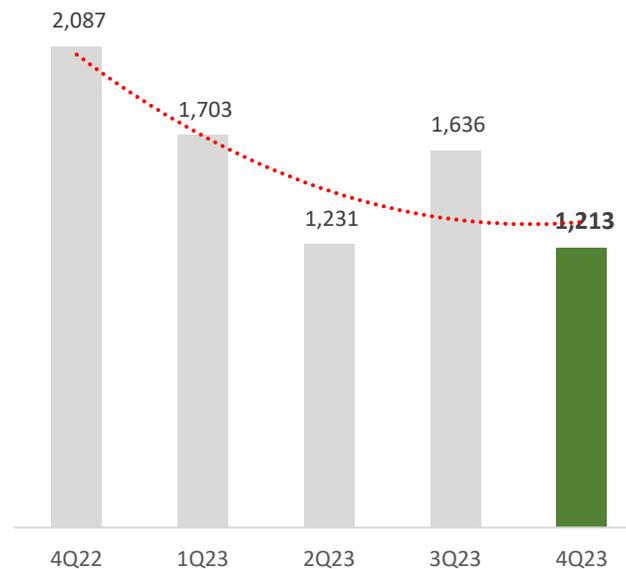
**Heat: QoQ +5.3%, YoY -24.2%**

(unit: KRW 100mil.)



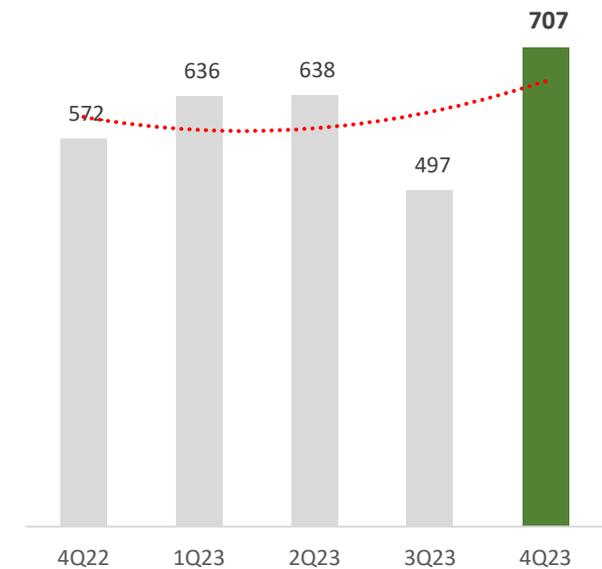
**Power: QoQ -25.9%, YoY -41.9%**

(unit: KRW 100mil.)



**REC: QoQ +42.4%, YoY +23.7%**

(unit: KRW 100mil.)



# I . Financial Highlights

## 2. Q4 `23 sales breakdown (Construction & Realty Development)

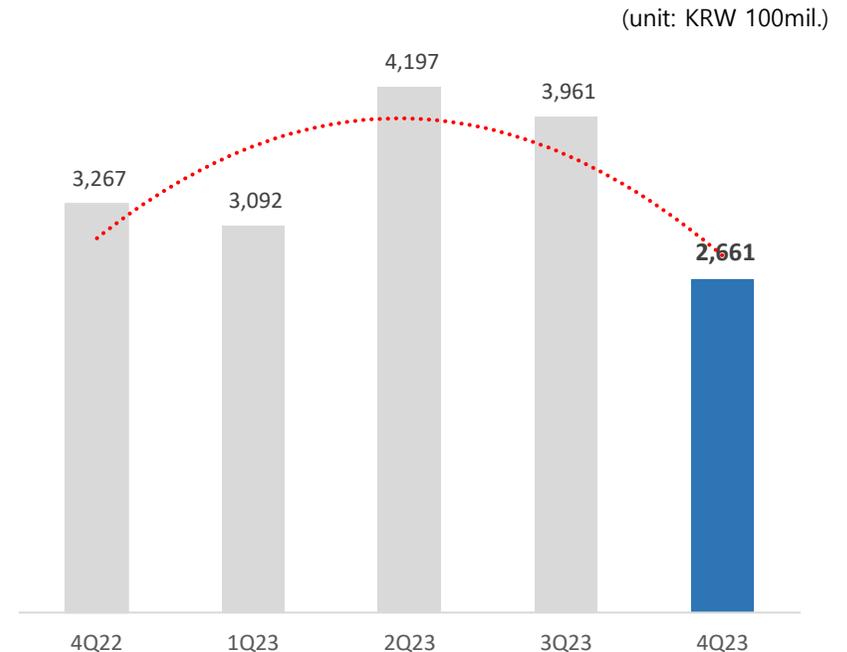
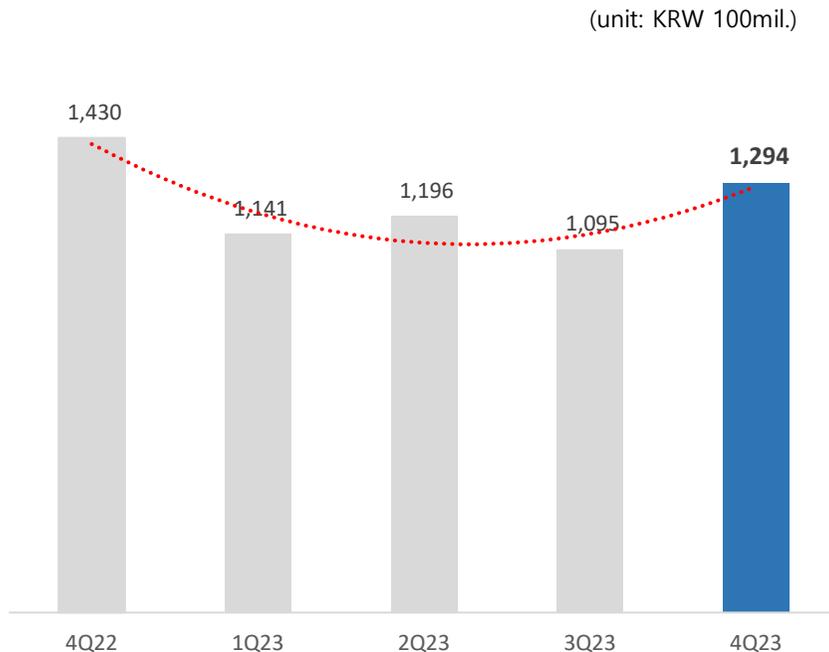
**Sales from Home Building KRW 129 billion / Sales from Plant Const. KRW 266 billion won**

'23 sales of 1.86 trillion KRW (116%) and orders received of 2.08 trillion KRW (107%) (compared to the target)

**Impact of order progress and reflection of cost increase.**

**Home Building sales: QoQ +18.2%, YoY -9.5%**

**Plant Const. sales: QoQ -32.8%, YoY -18.5%**



# I . Financial Highlights

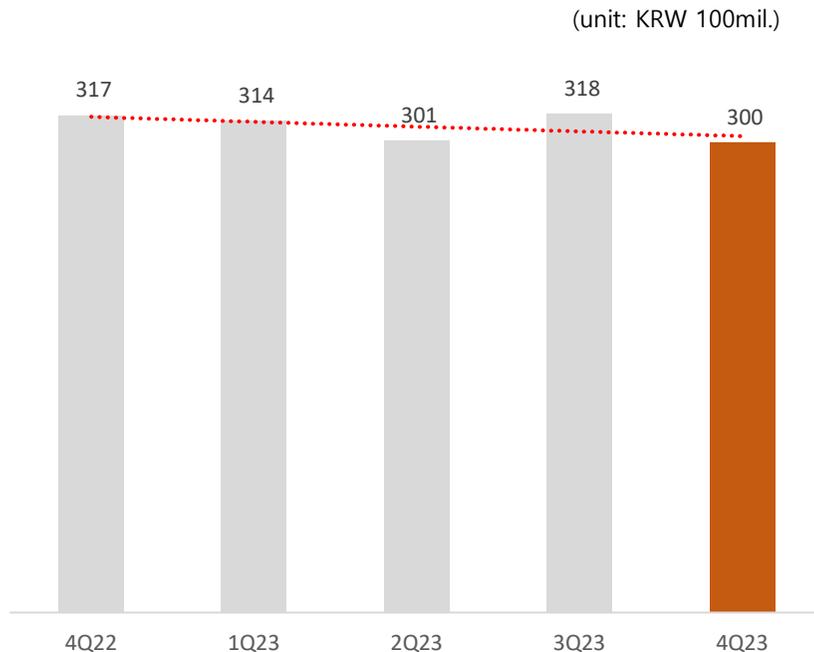
## 2. Q4 `23 sales breakdown (Glass Manufacturing)

**Q4 `23 sales of glass bottle KRW 32 billion / sales of glass kitchenware KRW 25 billion**

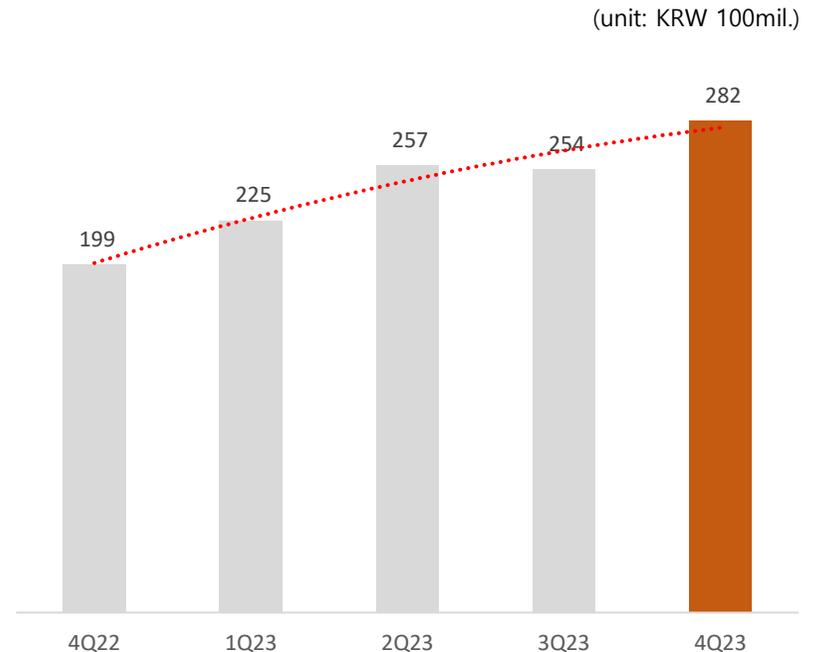
**Glass bottle, Preemptive stockpiling scheduled for furnace maintenance.**

**Glass Kitchenware, Continuation of increased export volumes.**

**Glass bottle sales: QoQ -5.7%, YoY -5.5%**



**Glass Kitchenware sales: QoQ +11.0%, YoY +41.4%**



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**I . Financial Highlights**

**II. Management Planning**

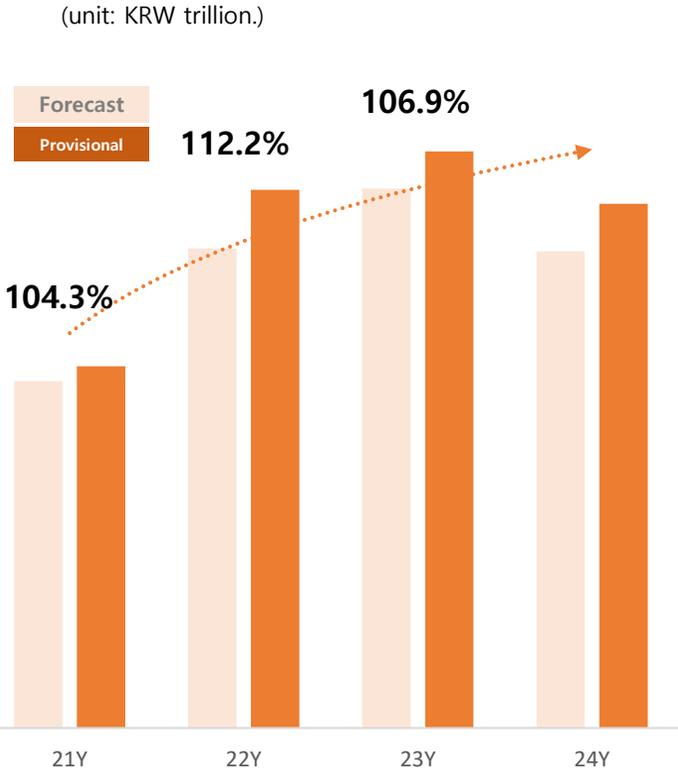
**III. Appendix**

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# II. Management Planning

## 1. 2024 outlook

Sales target of KRW 2.5 trillion in '24



\* Achievement rate (%)

**Power & Energy**

- **Cost** (Coal, Woodpallet) : Contribution to stable profits due to increased supply.
- **Power** : Expected decrease in fuel prices, anticipation of wider profit margins.
- **REC** : Expected increase in profits due to rising base prices.
- **Carbon Credit** : Sales volume exceeding 1 million tons.

**Const/ Real Estate**

- **HB** : Secure selective orders focusing on stable contracting business.
- **Plant Const.** : Full-scale overseas orders (Saudi Arabia, Malaysia).

**Glass MFG**

- **Glass Bottle** : Completion of regular maintenance of the furnace, improvement in yield.
- **Kitchenware** : Expectation of increased sales and operational rate due to securing new overseas clients.

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**I . Financial Highlights**

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**II. Management Planning**

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**III. Appendix**

# III. Appendix

## 1. Consolidated financial statements (Consolidated)

(In millions of KRW)	4Q23	3Q23	2Q23	1Q23	4Q22
<b>Sales</b>	<b>675,434</b>	<b>800,500</b>	<b>806,258</b>	<b>741,860</b>	<b>826,009</b>
Power Plant & Energy	232,947	251,408	224,889	277,594	313,183
Construction & Real Estate	397,550	507,816	541,414	425,431	471,743
Glass	69,771	74,236	68,557	70,985	77,173
	298	298	187	176	15
<b>Operating profit</b>	<b>16,317</b>	<b>59,501</b>	<b>3,025</b>	<b>30,852</b>	<b>67,174</b>
Operating profit Margin (%)	2%	7%	0%	4%	8%
Finance income	7,480	9,764	8,062	16,470	18,542
Finance costs	22,242	22,743	20,134	29,223	16,833
<b>Income before taxes</b>	<b>-12,355</b>	<b>46,310</b>	<b>-20,365</b>	<b>19,883</b>	<b>80,221</b>
Income tax expense	3,164	8,971	2,421	5,458	23,504
<b>Net income</b>	<b>-15,724</b>	<b>37,339</b>	<b>-22,785</b>	<b>14,424</b>	<b>56,718</b>
profit, attributable to owners of the company	6,133	34,047	-13,543	8,441	55,221
profit, attributable to non-controlling interests	-21,857	3,292	-9,242	5,983	1,497
EBITDA Rate	7%	11%	4%	8%	12%

※ Sales : consolidated adjustments

(In millions of KRW)	2023.12.31	2022.12.31	2021.12.31
<b>Current assets</b>	<b>1,203,779</b>	<b>1,311,038</b>	<b>829,789</b>
Cash and cash equivalents	275,992	282,973	201,030
Short-term financial instruments	9,310	4,028	4,452
Account & Other Receivables	453,717	381,055	303,258
<b>Non-current assets</b>	<b>1,757,453</b>	<b>1,743,324</b>	<b>1,761,761</b>
Tangible assets	1,448,525	1,423,351	1,486,012
Intangible assets	8,903	11,718	9,503
Right-of-use assets	56,875	61,366	66,591
investments in real estate	104,665	112,307	115,339
Deferred income tax assets	36,509	34,330	39,131
<b>Total assets</b>	<b>2,961,232</b>	<b>3,054,362</b>	<b>2,591,550</b>
<b>Current liabilities</b>	<b>1,629,362</b>	<b>1,623,194</b>	<b>1,115,767</b>
Accounts & Other payables	460,498	491,969	320,244
Borrowings and debentures	1,002,811	862,019	616,953
Lease liabilities	6,767	5,818	5,677
Current income tax liability	17,081	29,746	60,104
<b>Non-current liabilities</b>	<b>467,864</b>	<b>564,681</b>	<b>736,366</b>
Borrowings and debentures	376,147	465,771	625,982
Lease liabilities	59,495	62,524	66,517
<b>Total liabilities</b>	<b>2,097,226</b>	<b>2,187,875</b>	<b>1,852,133</b>
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	426,556	426,503	426,480
Retained earnings	225,679	224,592	130,542
Non-controlling interest	152,451	172,430	139,642
<b>Total shareholders' equity</b>	<b>864,006</b>	<b>866,487</b>	<b>739,417</b>
<b>Total liabilities and equity</b>	<b>2,961,232</b>	<b>3,054,362</b>	<b>2,591,550</b>

# III. Appendix

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

(In millions of KRW)	4Q23	3Q23	2Q23	1Q23	4Q22
<b>Sales</b>	<b>193,461</b>	<b>200,684</b>	<b>185,905</b>	<b>221,267</b>	<b>249,664</b>
Cost of sales	163,770	161,722	172,334	196,768	185,146
<b>Operating profit</b>	<b>26,702</b>	<b>36,509</b>	<b>10,909</b>	<b>22,296</b>	<b>62,064</b>
Ratio of operating gain to revenue (%)	14%	18%	6%	10%	25%
Financial income	2,961	2,706	2,601	4,947	7,499
Financial expense	8,892	10,370	9,361	11,288	5,655
<b>Profit before income tax</b>	<b>8,687</b>	<b>28,813</b>	<b>648</b>	<b>15,856</b>	<b>64,462</b>
Income tax expense	3,501	5,406	1,433	3,469	15,479
<b>Net income</b>	<b>5,187</b>	<b>23,407</b>	<b>-785</b>	<b>12,387</b>	<b>48,984</b>
EBITDA Rate	24%	28%	16%	19%	33%

(In millions of KRW)	2023.12.31	2022.12.31	2021.12.31
<b>Current assets</b>	<b>322,116</b>	<b>420,424</b>	<b>264,763</b>
Cash and cash equivalents	157,111	113,637	62,109
Short-term financial instruments	-	-	400
Account & Other Receivables	69,867	71,381	102,799
<b>Non-current assets</b>	<b>1,268,756</b>	<b>1,268,660</b>	<b>1,294,336</b>
Tangible assets	309,804	318,994	318,994
Intangible assets	887,715	881,630	907,903
Right-of-use assets	4,292	3,010	1,817
investments in real estate	52,817	56,452	59,969
<b>Total assets</b>	<b>1,590,872</b>	<b>1,689,084</b>	<b>1,559,099</b>
<b>Current liabilities</b>	<b>806,545</b>	<b>810,547</b>	<b>592,608</b>
Accounts & Other payables	91,867	142,384	89,214
Borrowings and debentures	688,843	632,980	480,116
Lease liabilities	3,112	2,850	2,632
Current income tax liability	16,084	26,961	15,829
<b>Non-current liabilities</b>	<b>139,136</b>	<b>247,817</b>	<b>397,988</b>
Borrowings and debentures	65,102	172,013	314,698
Lease liabilities	57,741	60,434	62,821
Deferred corporate tax liability	908	1,318	3,598
<b>Total liabilities</b>	<b>945,681</b>	<b>1,058,364</b>	<b>990,596</b>
Capital stock	73,385	73,385	73,385
Capital surplus(Other capital)	420,105	420,105	420,105
Retained earnings	-91	-11,421	-11,421
Non-controlling interest	151,531	148,729	86,512
<b>Total equity</b>	<b>645,191</b>	<b>630,720</b>	<b>568,503</b>
<b>Total liabilities and equity</b>	<b>1,590,872</b>	<b>1,689,084</b>	<b>1,559,099</b>

**Thank you**

**SGC**