



DL E&C Mid-term Strategy & Shareholder Return Policy

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- Pursuing 'Profitable Growth' based on High-margin businesses, Digital Transformation and New Businesses

Sustainable · Stable Profitable Growth

	'21	'23
Revenue	KRW 7.80 tril. → 9.60	(CAGR 11%)
OP	KRW 0.83 tril. → 1.15	(CAGR 18%)

1. High-margin Businesses

- ☑ Developer Business
- ☑ Urban Redevelopment

2. Digital Transformation

- ☑ BIM-AI based Digital Platform
- ☑ Apply to all Construction Works and Process

3. New Businesses

- ☑ Hydrogen Energy specially in Production / Liquefaction / Storage
- ☑ CCS^(*) Facility Construction

※ CCS (Carbon Capture Storage)

➤ Portfolio Enhancement into More Profitable Businesses (Developer and Urban Redevelopment Businesses)

1 Developer Business

Target Market		Business Direction	
	Housing	Non-housing	
Public offering	①		<ul style="list-style-type: none"> ▪ Digital Developer based on Proptech → Pipeline expansion <ul style="list-style-type: none"> - Big-data collection & analysis ability reinforcement - Strong partnership with Proptech companies - Digital Developer model build-up on our own ▪ Focus on equity investment (risk hedge) ▪ Form 'Agile Organization' optimized to developer business and increase further expertise through M&A
Self-leading	②		
Collaborative			

① Focus on public offering

- Land securement for mega-size public offering projects

② Explore opportunities by themes

- Seek business opportunities in social / industrial trend and government policy change
 - population decline / recession
(University, Plant-sites in downtown, Retail stores, etc.)
 - Government policy / Real estate policy
(3rd phase of residential new towns, military-sites, etc.)

2 Urban Redevelopment Business

- ☑ **Market share expansion leveraging premium brand**



- ☑ **Attracting customers by providing differentiated spatial experience**

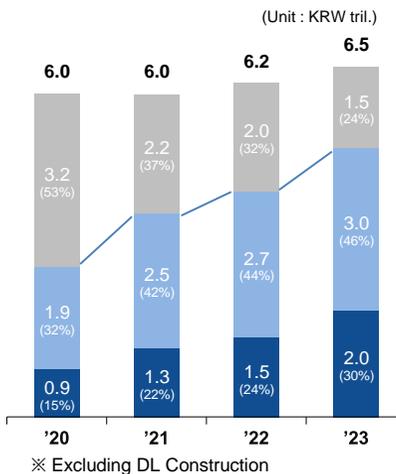


High-margin biz (Developer + Urban Redevelopment)

- % : Y20 47% → Y23 76%
(Developer Y20 15% → Y23 30%)
- Target OP margin : 20%↑

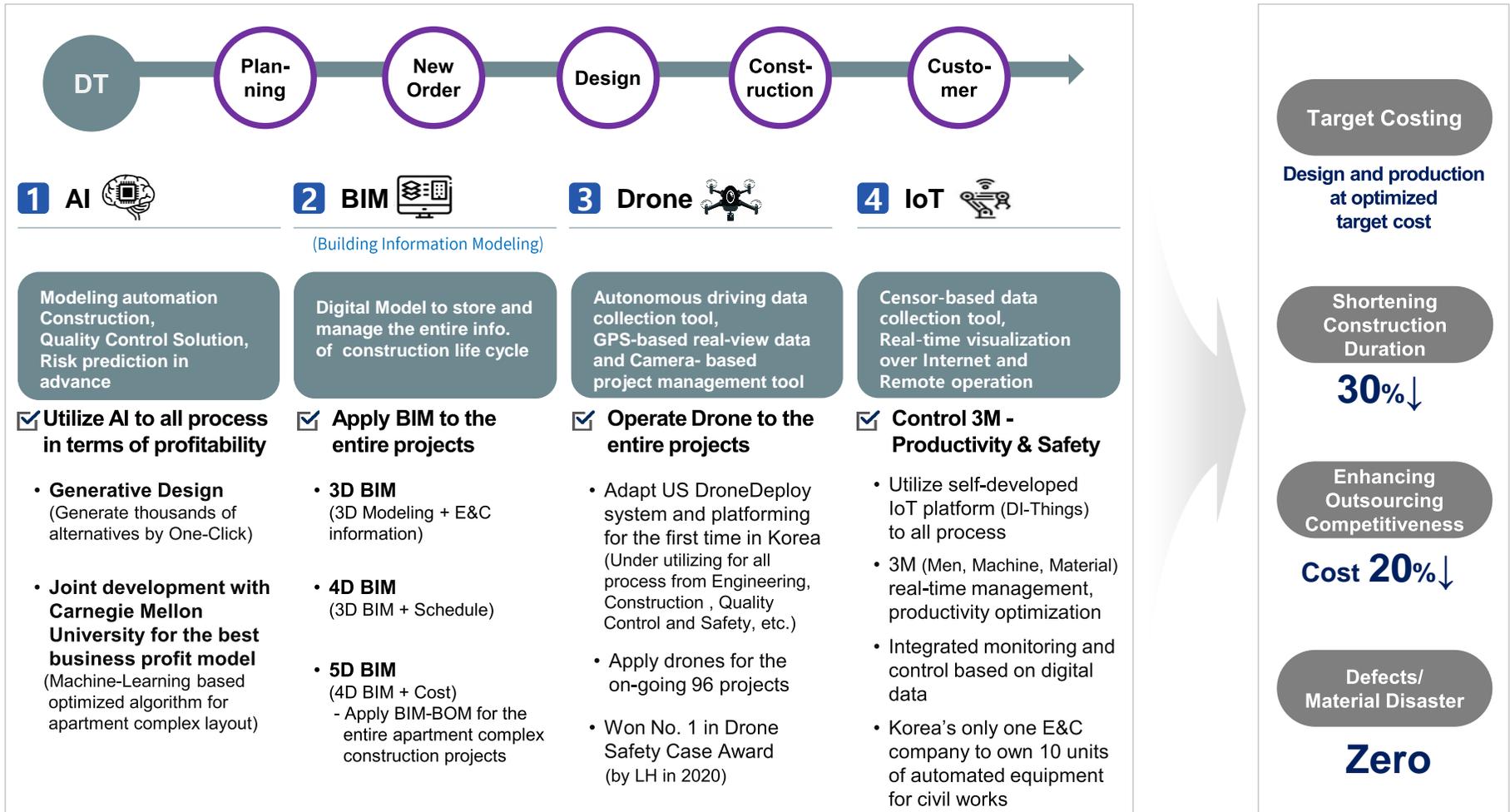
New-Order Target (Housing)

■ Developer ■ Urban Redevelopment ■ Others

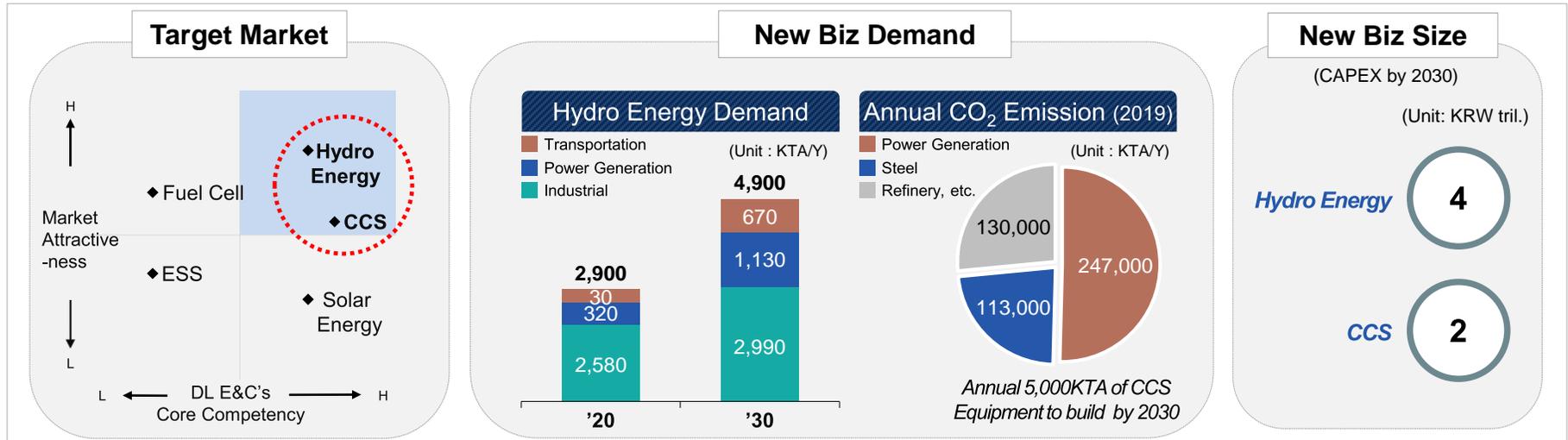


2. Digital Transformation

- Build Data-based Decision Making Organization & Internalize Digitech in Housing, Civil and Plant
 - Provide the Best Quality Products with the Lowest Cost at the Fastest Pace using Automated Design Tech. (BIM-AI Platform)



➤ Seek New Business Opportunities in ESG Issues → Target Eco-friendly Hydrogen Energy & CCS*
 (* Carbon Capture Storage)



1 Hydrogen Energy

Market Outlook

- Hydrogen economy expects to grow at fast rate backed by power generation, transportation and industrial demand
- Enter into EPC biz for hydrogen production, liquefaction and Storage area
- About KRW 4 tril. of investment by 2030
 - Power Generation KRW 1 tril., Transportation 0.5 tril., Industrial KRW 2.4 tril.
- Numerous EPC track-records in traditional hydrogen reforming production plant
 - Oman SRIP (120 KTA/Y)
 - Russia OMSK (78 KTA/Y)
- Ammonia plant EPC experiences, known to the highest possibility as Hydrogen Energy Carrier in the future
 - Completed : Saudi Ma'aden Ammonia II
 - Under Construction: Saudi Ma'aden Ammonia III

DL E&C's Capabilities

2 CCS (Carbon Capture Storage)

- Target companies with higher CO₂ emission cost and economic burdens from eco-friendly related issues
 - Provide CCS equipment to Power generation (major power generation subsidiaries) and steel industry
- Annual 5,000KTA of CCS Equipment to build by 2030 (About KRW 2 tril. of CAPEX)
- Basic Design and EPC capability with CO₂ capture up to 3,000 Ton / Day
- Participated Phase 1 & 2 of CCS government-assigned projects by KEPRI (Korea Electronic Power Research Institute)
 - Constructed Boryeong thermal power CO₂ capture plant with 10MW (200 Ton / day) capacity
 - Executed Design and FEED for CO₂ capture plant with 150MW capacity

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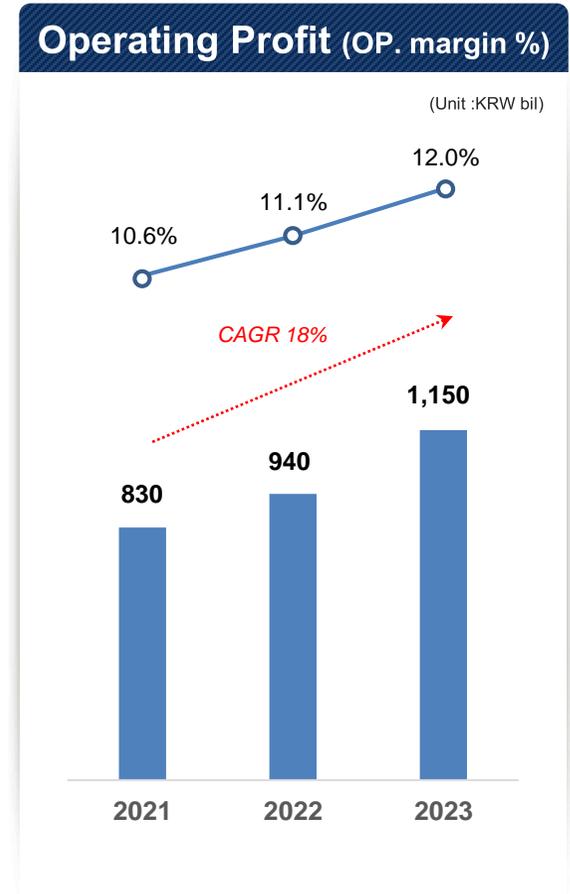
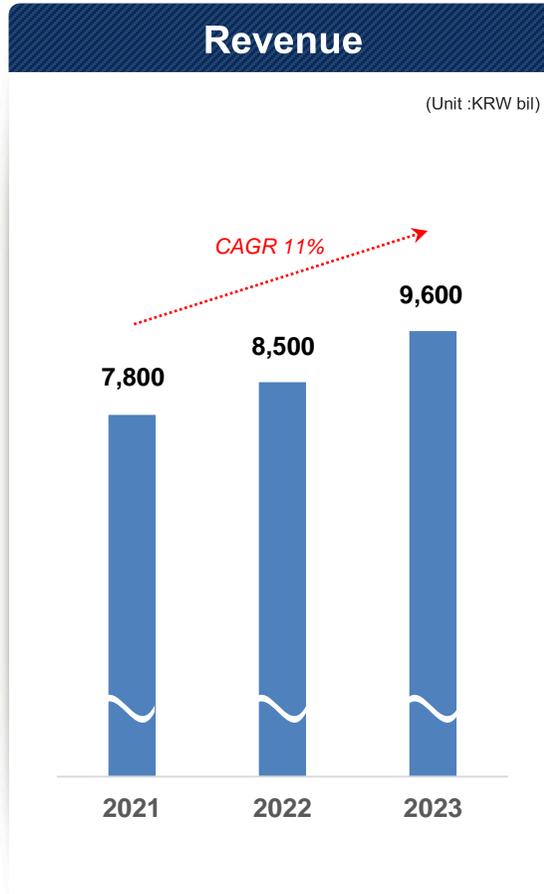
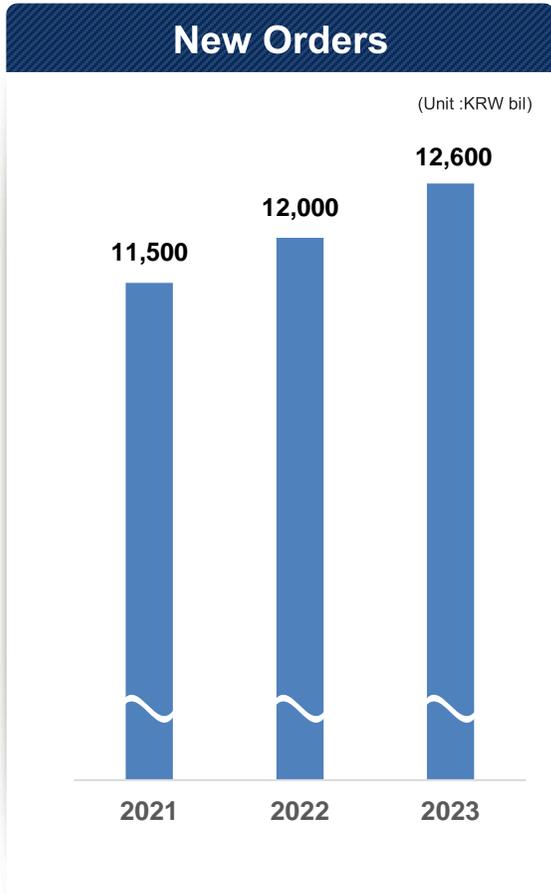
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- Revenue Growth by Increase in New Orders & Profitability Improvement by Productivity Enhancement
→ Operating Profit Growth at CAGR 18%



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- Plan to Return 15% of Annual Net Income to Shareholders ('21~'23)
- Retained Earnings Be Spent for the Investment to Support Future Growth and Top-tier Financial Stability

Shareholder Return Policy ('21~'23)

Plant to return 15% of Net Income attributable to controlling interests to shareholders in '21~'23

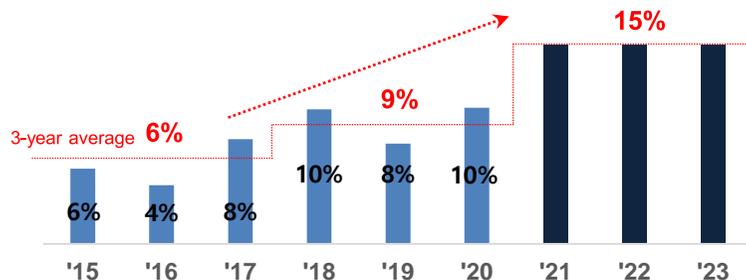
1 Cash Dividend

- ☑ 10% of Net Income (attributable to controlling interests)

2 Share Buyback

- ☑ 5% of Net Income (attributable to controlling interests)

※ Shareholder Return (3-year average trend)



※ '15~'20 : Daelim Industrial Shareholder Return

Investment Plan

Consistent investment to enhance corporate value for the sustainable growth in the future

1 Housing-oriented Developer

- ☑ Portfolio enhancement through expanding high-margin businesses
 - ※ About KRW 200bil. of annual investment for the next 3 years

2 Urban Redevelopment Business

- ☑ Operating Assets such as bid deposits, etc.
 - ※ About KRW 100bil. of annual investment for the next 3 years

3 ESG-related New Business

- ☑ Under review on Eco-friendly business, Hydrogen Energy and CCS (Carbon Capture Storage)

Thank You

