

1Q 2021 Earnings Results



2021. 05. 11





Disclaimer —

This presentation represents consolidated earnings results in accordance with **K-IFRS**.

Please be informed that DL E&C's 1Q20 financial numbers and statements are rewritten on Spin-off basis through separating E&C Unit's results from Daelim Industrial's 1Q20 results and not reviewed by independent public accountants.

DL E&C's 1Q21 financial numbers and statements are not also reviewed and presented for the investors' convenience and may vary after the review by independent public accountants.

These uncertainties may cause our official earnings results to be materially different from the results expressed and implied in this presentation

1Q 2021 Results

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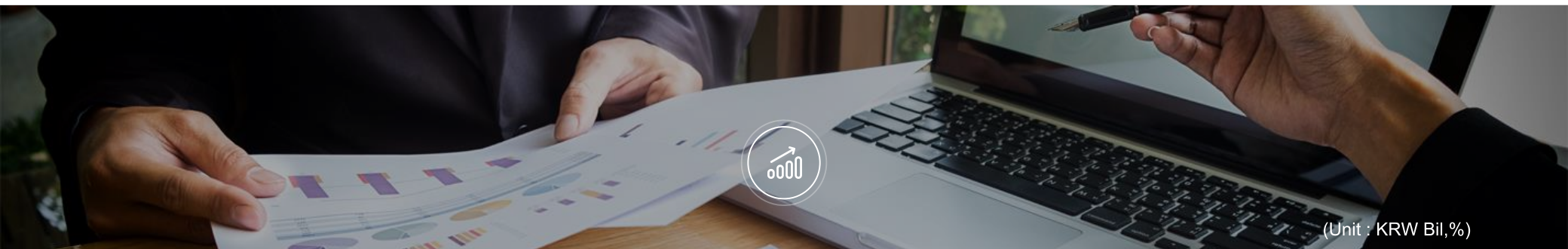
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1Q 2021 Highlights

- ▶ New orders increased 77.2% YoY backed by overseas expansion in Plant division and better results from DL Construction
 - Housing new orders are on track with the growing portion of Developer-type business
- ▶ We have outperformed our quarterly targets, despite 1Q revenue and operating profit declined YoY, which we expected based on the fact that some of our mega-size projects being completed last year, but the progress rate of our newly initiated projects are still sluggish
- ▶ We maintained best-in-class profitability with operating profit margin being marked at 11.8%, better than 2020 full-year OP margin (11.5%)
- ▶ We maintained solid financial stability at 103.6% of Debt to Equity Ratio with KRW 1.48 tril. of Net Cash

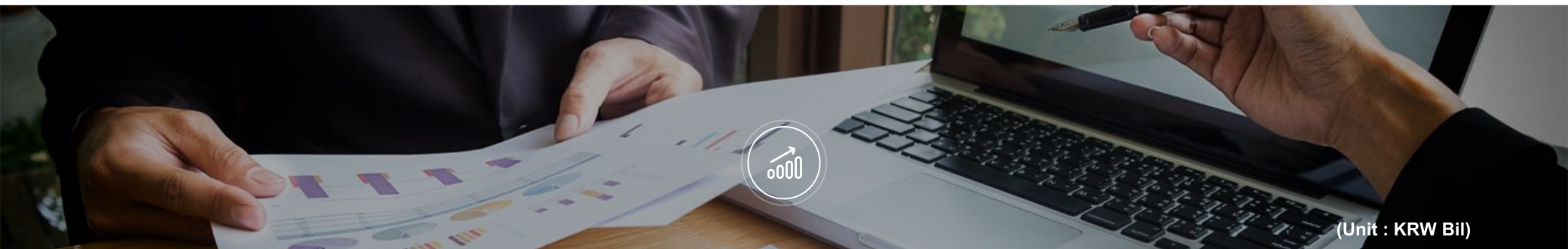
1Q 2021 Summary (Earnings Results)



(Unit : KRW Bil,%)

	1Q 20	1Q 21	Change
New Orders	829.9	1,470.3	+77.2%
Revenue	2,082.7	1,699.6	-18.4%
Gross Profit	398.1	320.6	-19.5%
Operating Profit	267.1	199.8	-25.2%
OPM	12.8%	11.8%	-1.0%p
Net Income Before Tax	308.5	231.1	-25.1%
Net Income	223.6	174.6	-21.9%

1Q 2021 Summary (Financial Status)



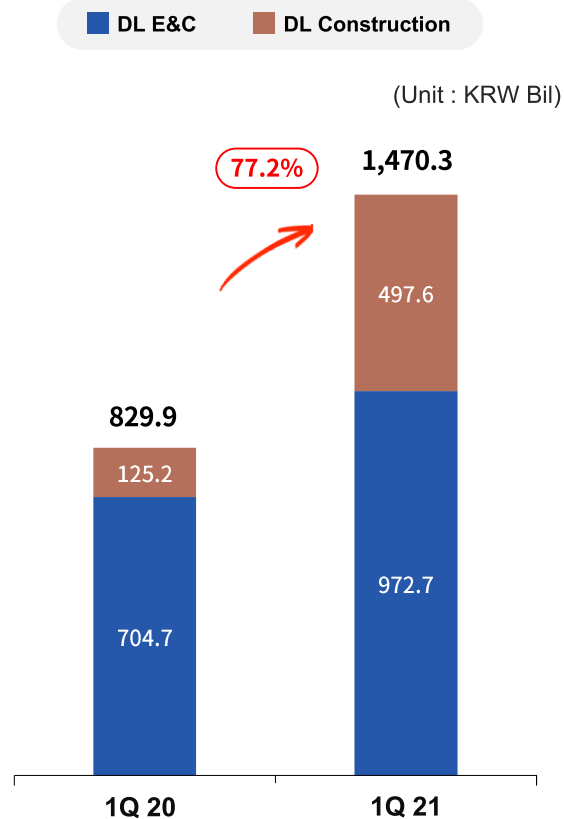
(Unit : KRW Bil)

	Dec. 31, 2020	Mar. 31, 2021	Change
Total Assets	7,796.3	8,185.0	388.7
Total Liabilities	3,937.4	4,164.0	226.6
Total Equities	3,858.9	4,021.0	162.1
Debt-Equity Ratio	102.0%	103.6%	+1.6%p
Cash / Cash Equiv.	1,836.8	2,374.3	537.5
Debts	828.7	894.2	65.5
Net Debt	-1,008.1	-1,480.1	-472.0

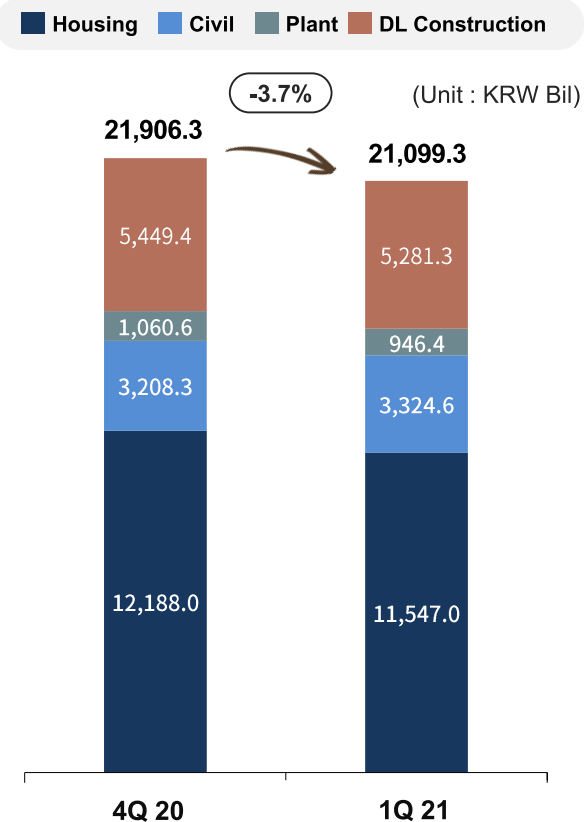
New Orders / Order Backlogs (Consolidated)

- ▶ New Orders rose backed by growth from DL E&C's Plant and DL Construction (YoY +77.2%)
- ▶ Order backlogs declined slightly compared to 4Q20, while continuous increase is expected for the rest of 2021

New Orders by Company (Consol.)

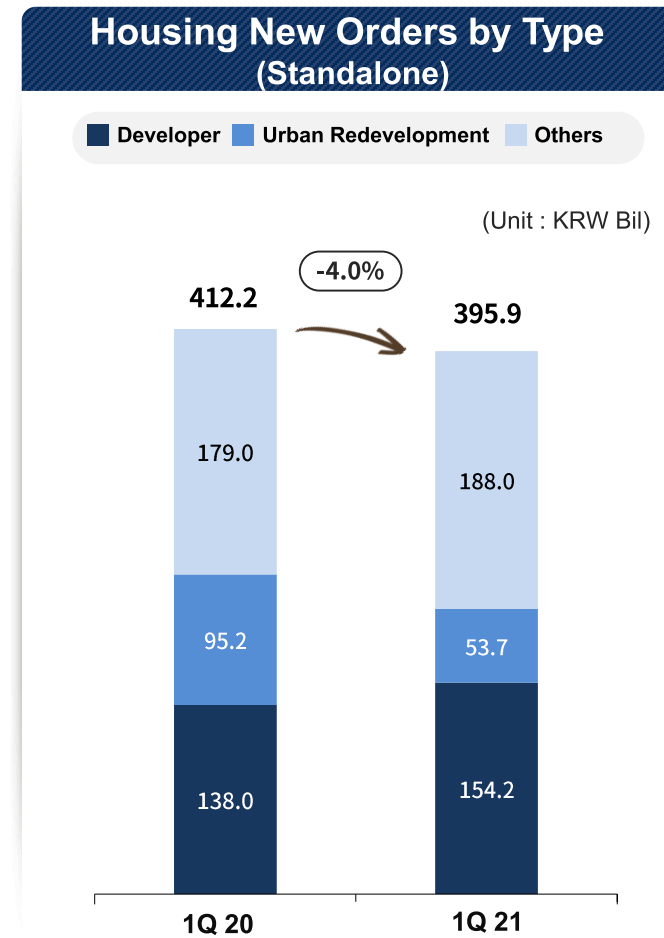
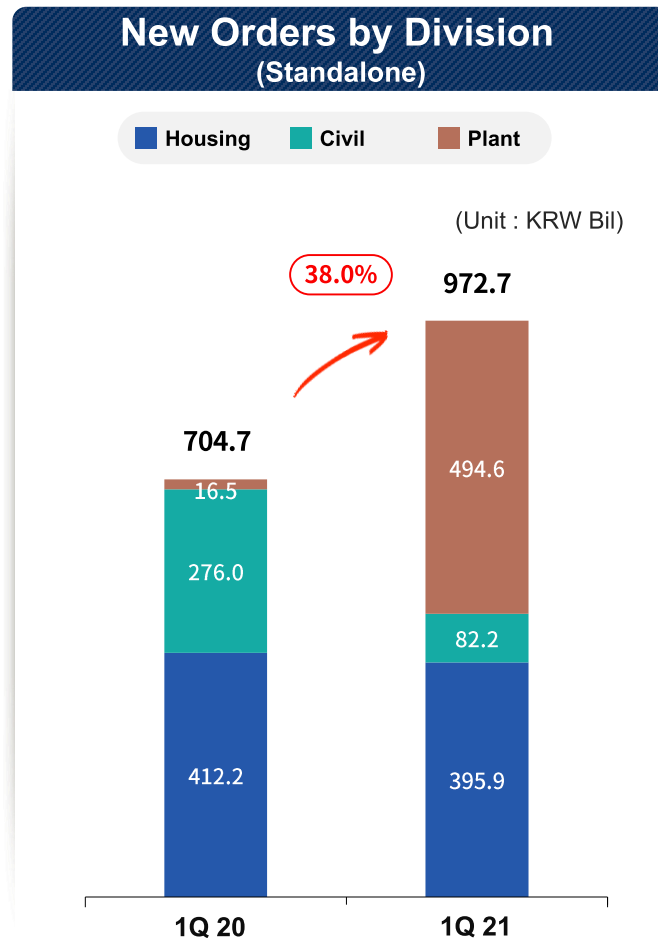


Order Backlogs (consol.)



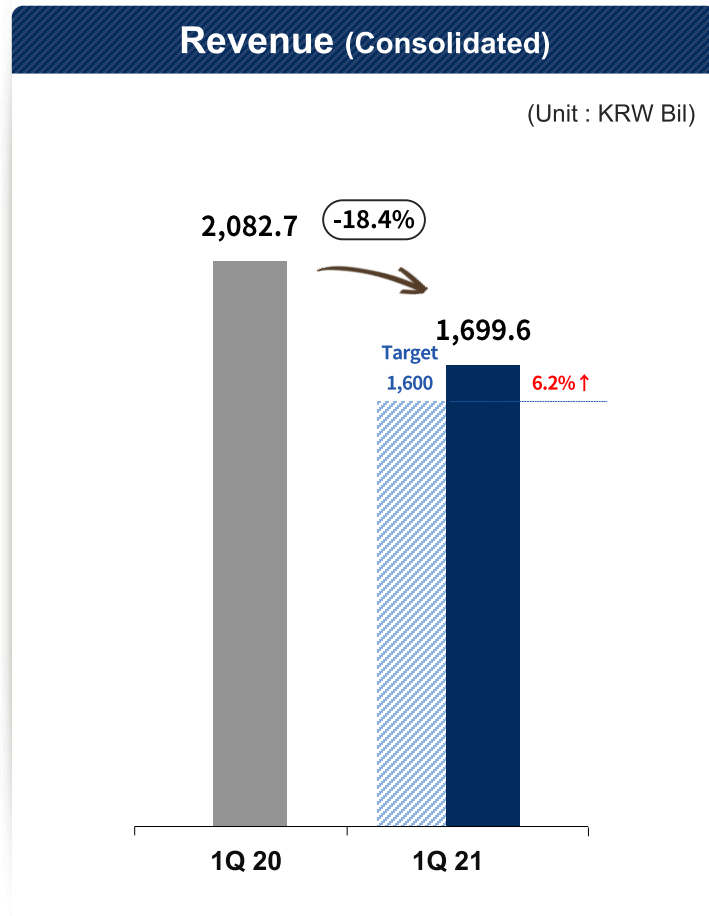
New Orders (Standalone)

- Overall DL E&C's new orders increased 38% YoY led by overseas expansion in Plant division
- Total KRW 3.0 tril of Housing new businesses are secured, including 1Q21 new orders (KRW 0.4 tril.) and already-secured construction rights (KRW 2.6tril.)



Revenue (consolidated)

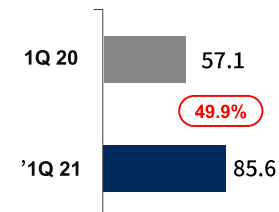
- Consolidated revenue fell due to the decline in DL E&C(standalone) and DL Construction (6.2% higher than 1Q target)
- Such a temporal revenue decline was attributable to the completion of mega-size housing projects in 2020, and low progress rates in newly initiated projects



DL E&C
Stand-
alone



DL E&C
Overseas

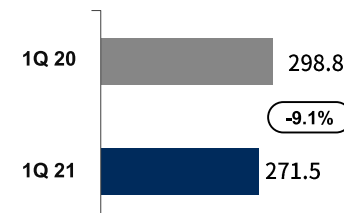
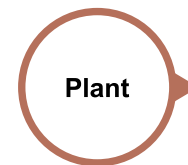
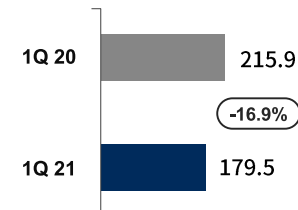
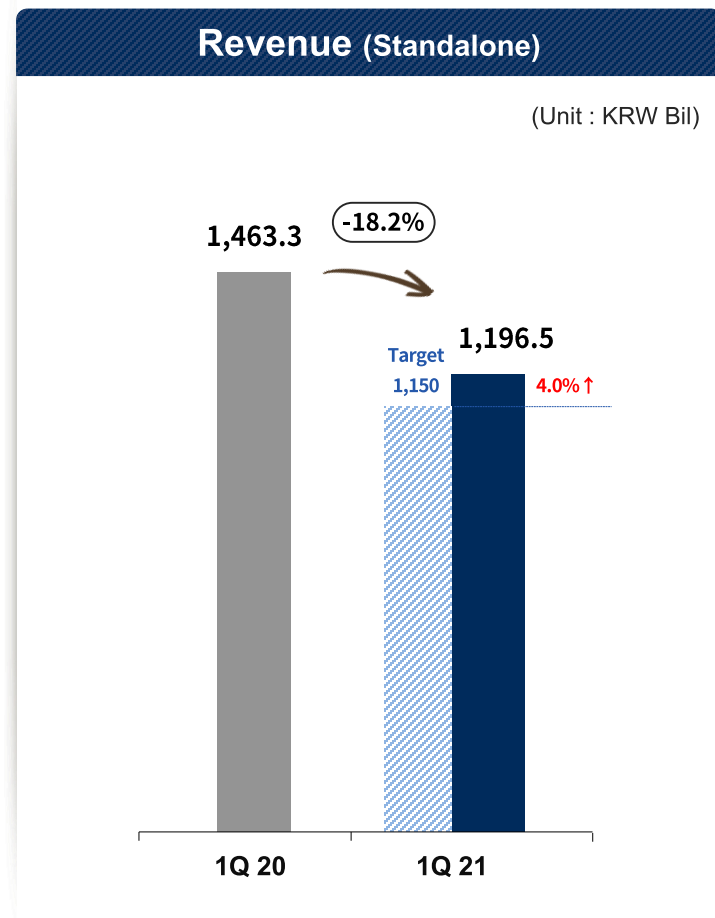


DL Cons-
truction



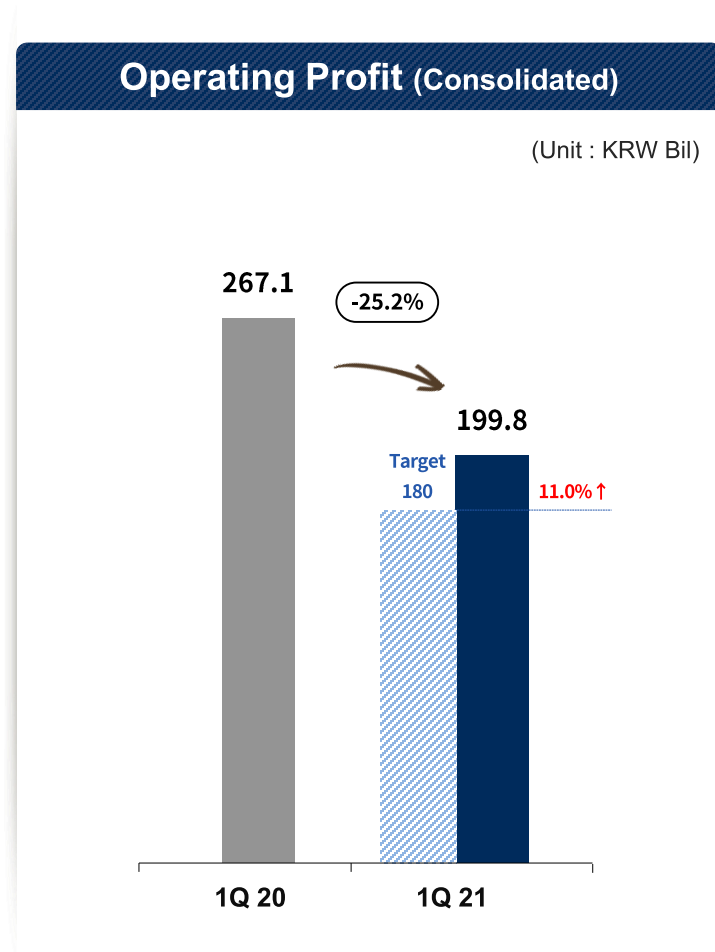
Revenue (Standalone)

- Standalone revenue fell 18.2% YoY, mainly due to the completion of mega-size housing projects and low progress rates in newly initiated projects (4.0% higher than 1Q target)

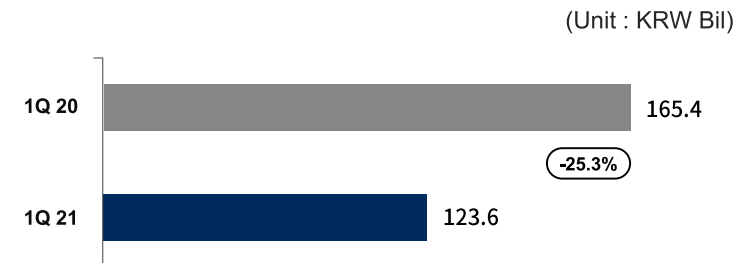


Operating Profit (Consolidated)

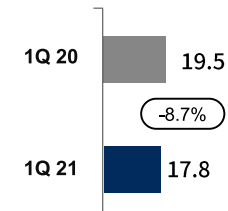
- Consolidated OP decreased 25.2% YoY due to revenue drop and slight increase in COGS rates
(11.0% higher than 1Q target)



DL E&C
Stand-
alone



DL E&C
Overseas

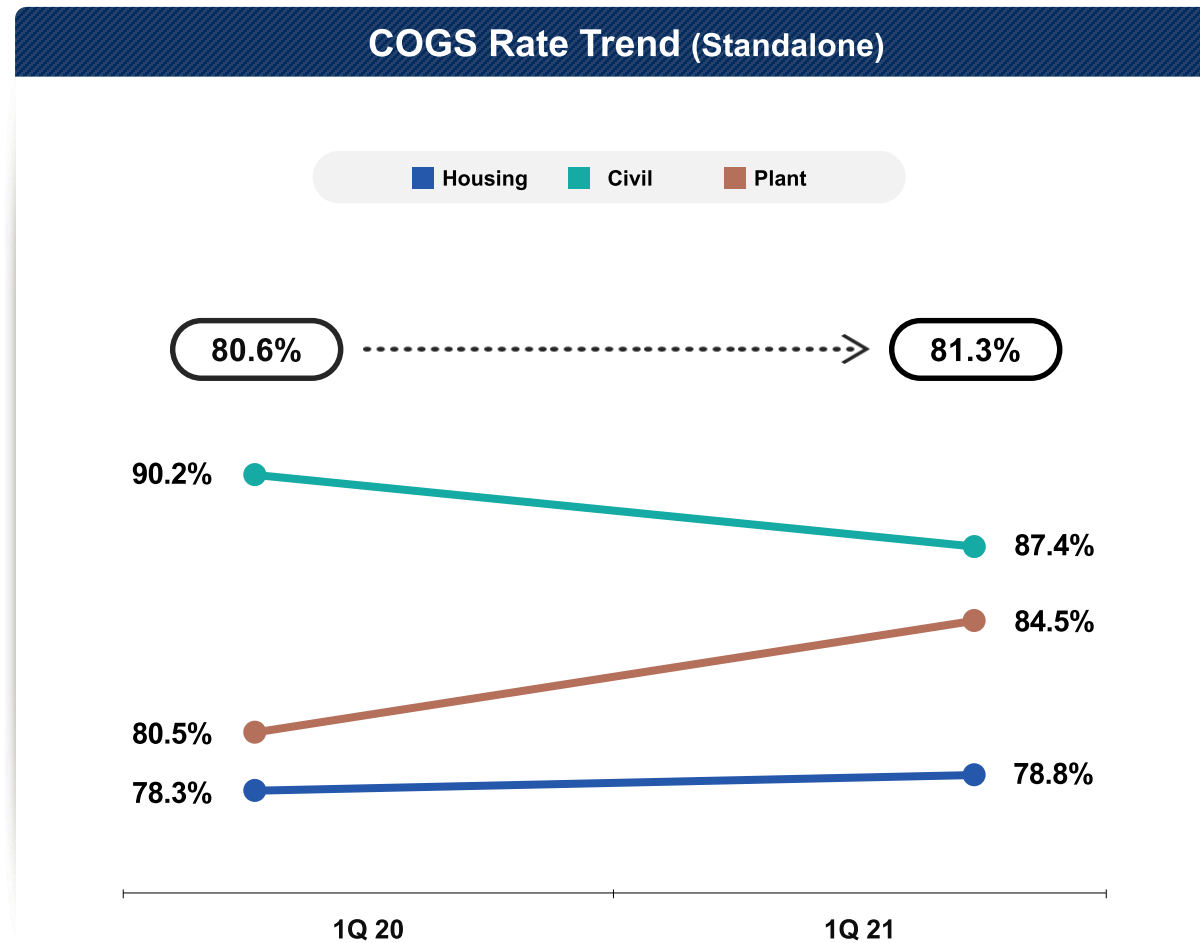


DL Cons-
truction



COGS Rates (Standalone)

- COGS rates slightly increased compared to the corresponding period of last year when Plant marked irregular low COGS rates, while this is improved figures compared to the 2020 full year rates of 81.8%



Thank You

