

2023 2Q Earnings Results

2023. 7. 27



Disclaimer



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

DL E&C's 2Q23 financial results and statements are presented solely for the investor's convenience and are prior to external audit. The results and numbers may be subjected to change following external audit

Please be aware that these uncertainties may cause our official results to be significantly different from the results recorded and implied in this presentation.

2Q23 Earnings Results

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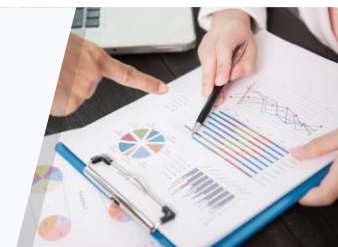
2Q Consolidated New Orders recorded **KRW2.2trn**, achieving total of **KRW5.5trn** in 1H (+23%↑ YoY compared to 1H'22)
- Order Backlog recorded **KRW27.2trn** (+3%↑ compared to 4Q'22)



2Q Revenue recorded **KRW2.0trn**, achieving total of **KRW3.8trn** in 1H (+12.6%↑ YoY compared to 1H'22)
- Due to growth in Plant, DL Construction and Overseas subsidiaries



2Q OP recorded **KRW71.9bn**, achieving total of **KRW162bn** in 1H (-37.8%↓ YoY compared to 1H'22)
- Due to Housing business profit decrease from one-off costs in certain sites, but Housing COGS is stabilizing after peaking out in 1Q



Maintaining 'best in class' financial stability with
Consolidated debt-equity ratio of **89%** and net cash of **KRW1.0trn**



(Unit: KRWbn)

	2Q22	2Q23	YoY	1H22	1H23	YoY
New Orders	3,392.6	2,237.5	-34.0%	4,481.8	5,513.7	+23.0%
Revenue	1,877.0	1,970.6	+5.0%	3,391.7	3,820.6	+12.6%
Gross Profit	240.1	191.4	-20.3%	473.2	384.3	-18.8%
Operating Profit	134.6	71.9	-46.6%	260.4	162.0	-37.8%
OP Margin	7.2%	3.6%	-3.6%p	7.7%	4.2%	-3.5%p
Net Income Before Tax	169.7	63.2	-62.8%	315.5	189.4	-40.0%
Net Income	116.0	35.5	-69.4%	218.8	129.3	-40.9%

02 Summary (Financial Status)



(Unit: KRWbn)

	End of FY2022	End of 1Q23	YoY
Total Assets	8,974.7	9,004.8	+30.1
Total Liabilities	4,282.2	4,228.4	-53.8
Total Equities	4,692.5	4,776.4	+83.9
Debt-Equity Ratio	91%	89%	-2%p
Cash/Cash Equiv.	2,269.7	2,214.7	-55.0
Debt	1,098.0	1,191.9	+93.9
Net Cash	1,171.7	1,022.8	-148.9

03 New Orders/Order Backlogs (Consolidated)



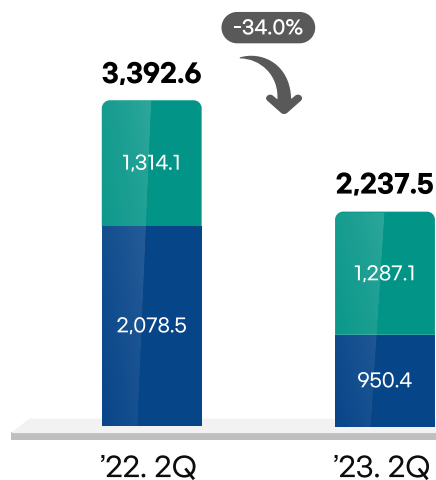
Keypoint

- ✓ 2Q New Orders recorded **KRW2.2trn**, increasing 1H New Orders to KRW5.5trn **(+23.0%)**
- ✓ Order Backlogs at end of 2Q23 recorded **KRW27.2trn**, up **+2.5%** from 4Q22 (3.6x 2022 Cons. Revenue)

2Q New Orders

■ DL E&C ■ DL Construction

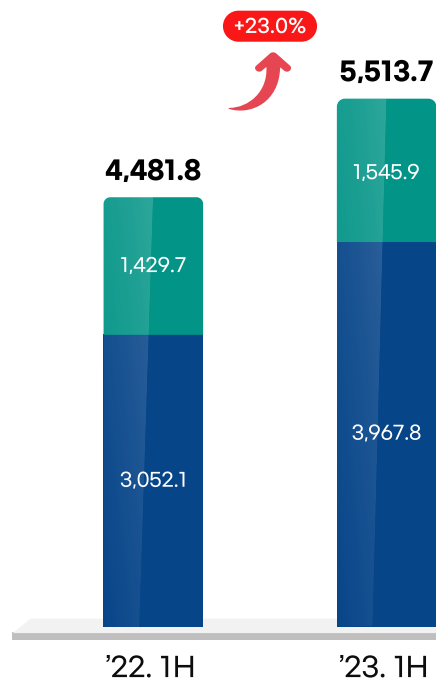
(Unit: KRWbn)



1H New Orders

■ DL E&C ■ DL Construction

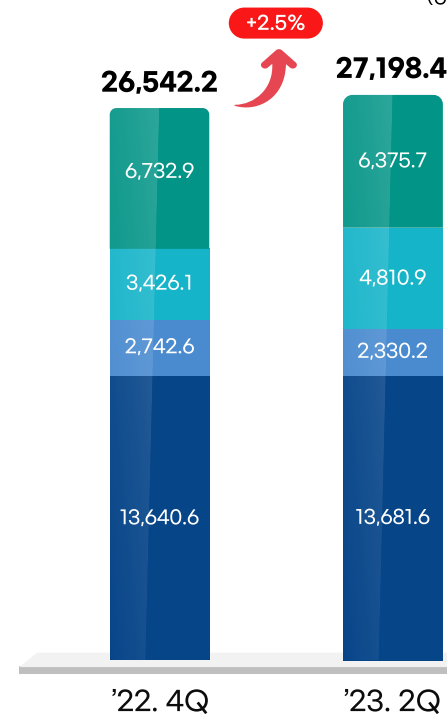
(Unit: KRWbn)



End of 2Q Order Backlogs

■ Housing ■ Civil ■ Plant ■ DL Construction

(Unit: KRWbn)



03 New Orders/Order Backlogs (Separate)



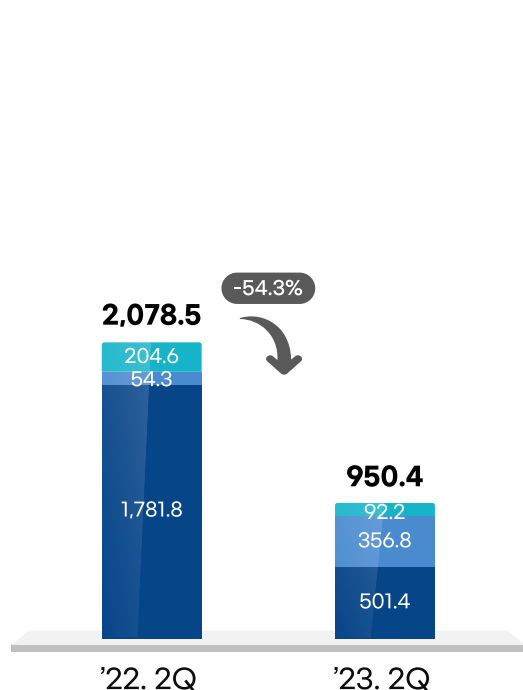
Keypoint

- ✓ Despite a weak 2Q New Orders of KRW950bn due to deferrals of some projects, 1H New Orders up **+30%** YoY, backed by strong performances from civil and plant division
- ✓ Considering that Baekhyun MICE project, which DL E&C was selected as a preferred bidder, is on the queue for 3Q, in actuality there is a substantial growth in housing division new order

2Q New Orders

■ Housing ■ Civil ■ Plant

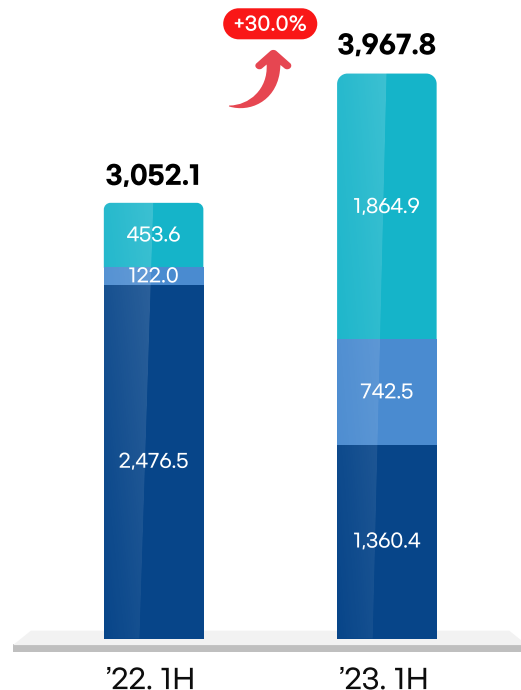
(KRW: bn)



1H New Orders

■ Housing ■ Civil ■ Plant

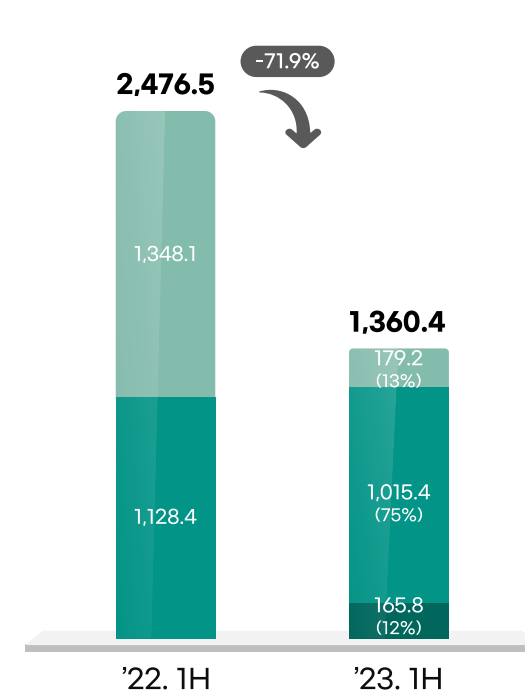
(KRW: bn)



Housing New Orders by Category

■ Developer ■ Urban Redevelopment ■ Others

(KRW: bn)



04 Revenue (Consolidated)

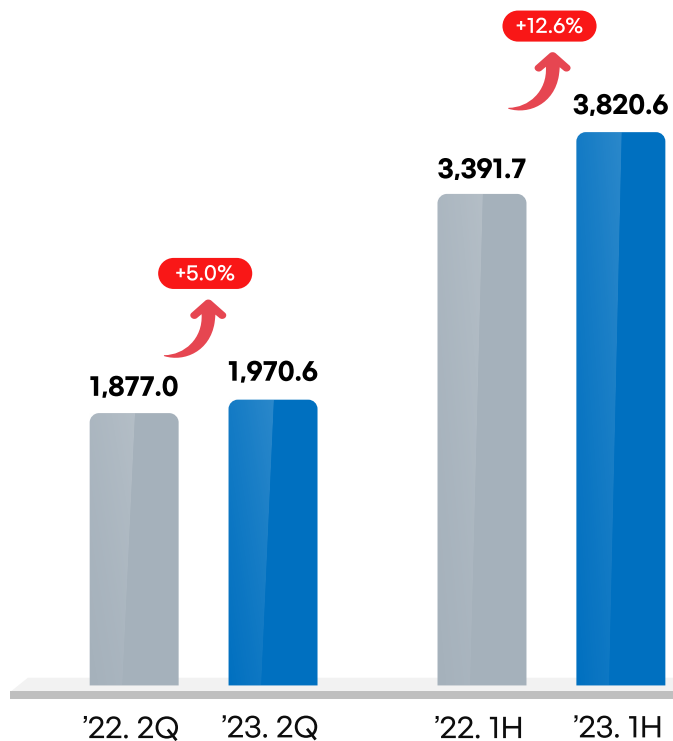


Keypoint

✓ With 2Q Consolidated Revenue up **+5.0%** YoY, driven by increased revenue in overseas subsidiaries and DL Construction, 1H Consolidated Revenue up **+12.6%** YoY to KRW3.82trn

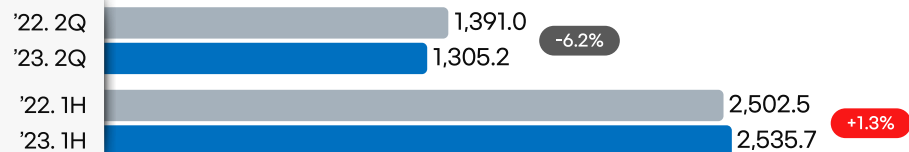
Revenue(Consolidated)

(Unit: KRWbn)

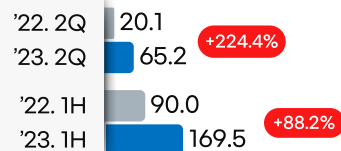


DL E&C (Separate)

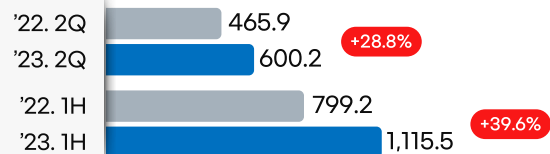
(Unit: KRWbn)



DL E&C (Overseas)



DL Construction



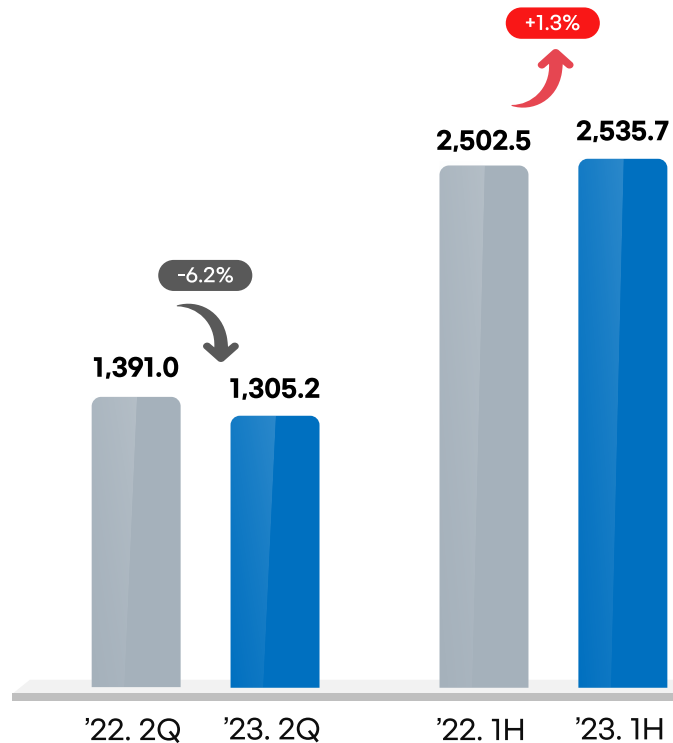
04 Revenue (Separate)

Keypoint

- Although 2Q Separate Revenue is down **-6.2%** YoY mainly due to construction delays in Housing division, 1H Revenue is up **+1.3%** with the revenue increase in Plant division offsetting the reduction from Housing and Civil

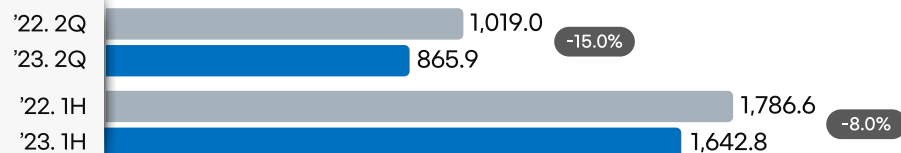
Revenue(Separate)

(Unit: KRWbn)

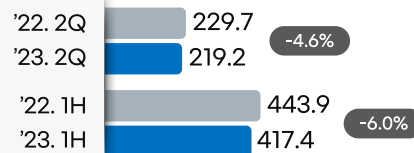


Housing

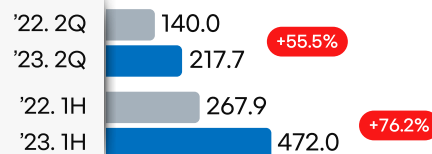
(Unit: KRWbn)



Civil



Plant

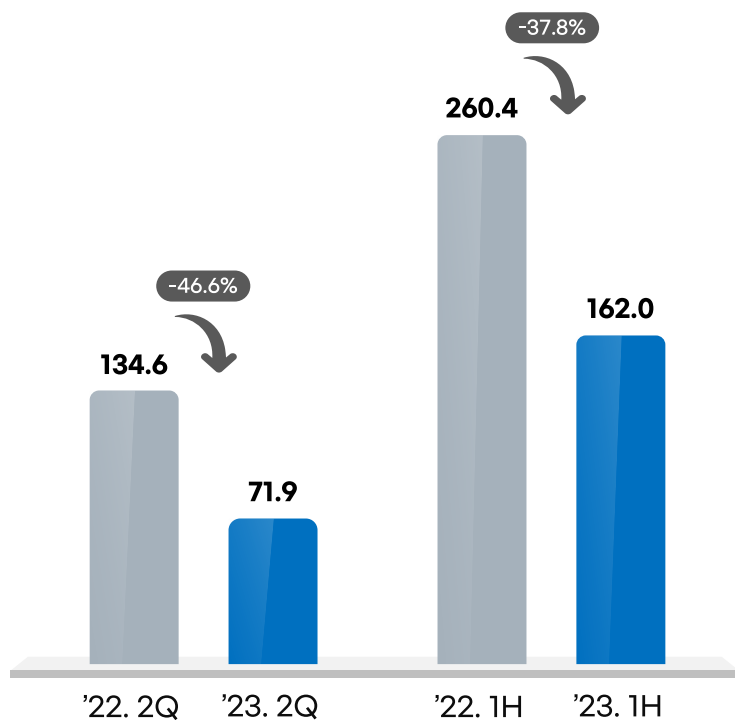


Keypoint

- 2Q OP YoY decrease can be attributed to sharp decrease in DL E&C separate OP, caused by increase in Housing division COGS, reflecting rising raw material cost and outsourcing cost

Operating Profit (Consolidated)

(Unit: KRWbn)

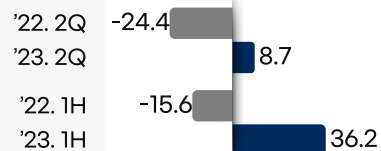


DL E&C (Separate)

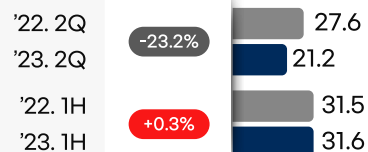
(Unit: KRWbn)



DL E&C (Overseas)



DL Construction



06 COGS Rates (Separate)

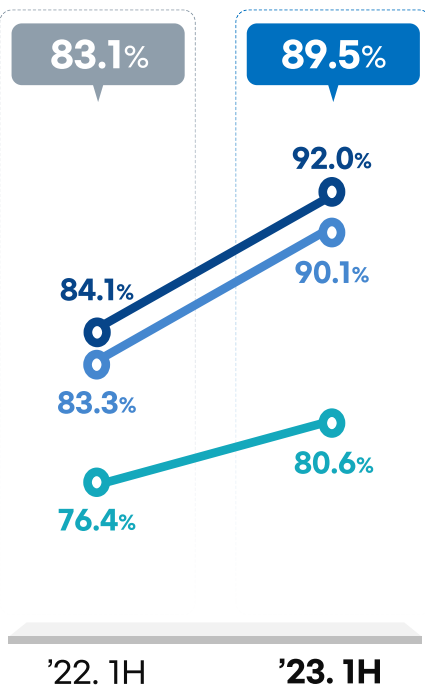


Keypoint

- ✓ 1H COGS Rate increased **+6.4% YoY** to **89.5%**
- ✓ However, Housing COGS Rate transitioned into a declining trend, after peaking out in 1Q23, and is expected to further stabilize 2H onwards

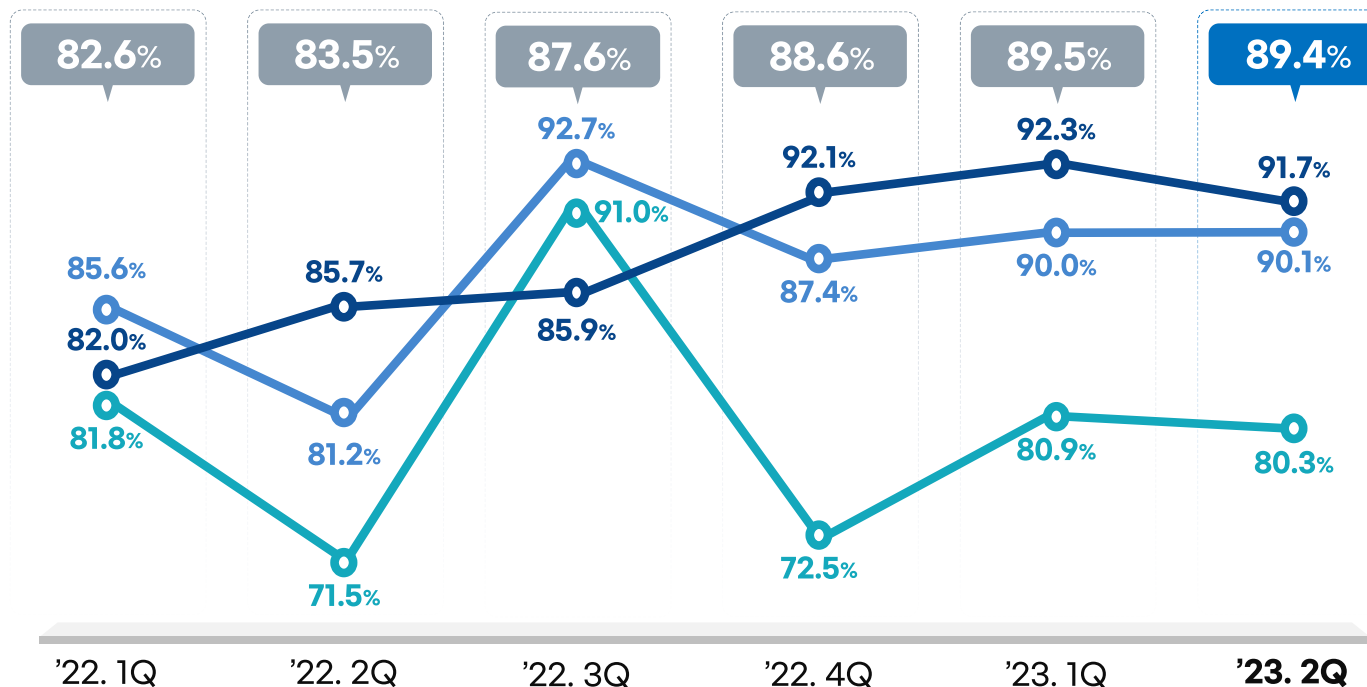
1H COGS Rate

● Housing ● Civil ● Plant



Quarterly COGS Rate Trend

● Housing ● Civil ● Plant





2023 2Q Earnings Results

Thank You

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