

# 3Q22 Quarterly Earnings

2022. 10. 26

# 3Q22 Earnings and Financial Status

## [ Revenue & Profit ]

[Unit: KRW Bn]

| Category             | 3Q22             | 2Q22             | QoQ     | 3Q21             | YoY     |
|----------------------|------------------|------------------|---------|------------------|---------|
| Revenue              | 5,368.0          | 4,740.8          | +13.2%  | 3,439.8          | +56.1%  |
| Energy and Others    | 4,834.0          | 4,071.6          | +18.7%  | 2,740.9          | +76.4%  |
| Electronic Materials | 534.0            | 669.2            | △20.2%  | 698.9            | △23.6%  |
| Op. Profit (%)       | 565.9<br>(10.5%) | 429.0<br>(9.0%)  | +31.9%  | 373.5<br>(10.9%) | +51.5%  |
| Energy and Others    | 484.8<br>(10.0%) | 244.9<br>(6.0%)  | +98.0%  | 201.8<br>(7.4%)  | +140.2% |
| Electronic Materials | 81.1<br>(15.2%)  | 184.1<br>(27.5%) | △55.9%  | 171.7<br>(24.6%) | △52.8%  |
| Non-Op. Profit       | 300.5            | 99.8             | +201.1% | 177.1            | +69.7%  |
| Pre-tax Profit (%)   | 866.4<br>(16.1%) | 528.8<br>(11.2%) | +63.8%  | 550.6<br>(16.0%) | +57.4%  |
| Net Profit (%)       | 638.3<br>(11.9%) | 409.2<br>(8.6%)  | +56.0%  | 420.4<br>(12.2%) | +51.8%  |

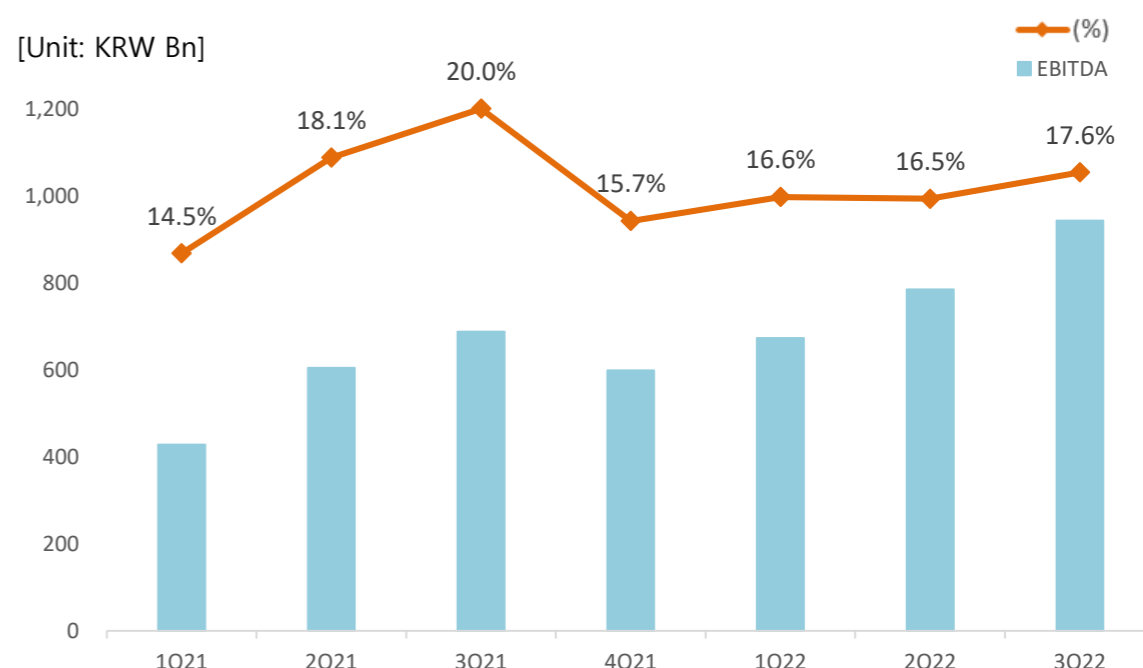
## [ B/S Summary ]

[Unit: KRW Bn]

| Category    | 3Q22     | 2Q22     | QoQ      | 3Q21     | YoY      |
|-------------|----------|----------|----------|----------|----------|
| Assets      | 30,367.4 | 28,841.9 | +1,525.5 | 24,521.2 | +5,846.2 |
| Liabilities | 13,460.3 | 12,793.8 | +666.5   | 9,646.7  | +3,813.6 |
| Equity      | 16,907.1 | 16,048.1 | +859.0   | 14,874.5 | +2,032.6 |
| D/E Ratio   | 80%      | 80%      | 0%       | 65%      | +15%     |

## [ EBITDA % ]

[Unit: KRW Bn]



# Results and Outlook

# 3Q22 Earnings and Forecast

## Large-sized LIB

### 3Q, Revenue and profit leapt high amid market concerns in downbeat demand

**xEV** Sales and profitability up over increased sales of high-value products such as Gen.5 batteries, led by solid demand of premium electric vehicles

**ESS** Improved profitability by materials cost pass-through to ASP and increased sales in Europe

### 4Q, Sales growth with conventional seasonality

**xEV** Sales expected to grow on year-end seasonal increase in demand and launch of new vehicle geared with Gen.5 batteries.

Continued efforts for project acquisition over next-Gen. prismatic and 46Φ batteries.

**ESS** Higher sales expected with expanded US utility sales

## Small-sized LIB

### 3Q, Revenue and profitability increased around high-value products

Revenue up around high-voltage **power tool** applications, despite slow market growth

Profitability improvement led by revenue increase in **EV** applications resulted in higher total profits of small-sized LIB business

### 4Q, Sales expansion around EV applications

**EV** application sales to go up, with sales expansion of CVs and diversification of customer portfolio

**Power tool** application sales to have minimal impact from slowing demand, supported by long-term agreements with major customers

Supply for new **IT** application to be initiated

# 3Q22 Earnings and Forecast

## Electronic Materials

### 3Q, Revenue and profit down due to weakened market demand

**OLED** Revenue up by start of supply for new platforms

**Semiconductor** Revenue modestly up QoQ

**Polarizer** Revenue down due to low end-product demand, while customer portfolio diversified to minimize effect from slowing demand

### 4Q, Revenue increase around OLED materials

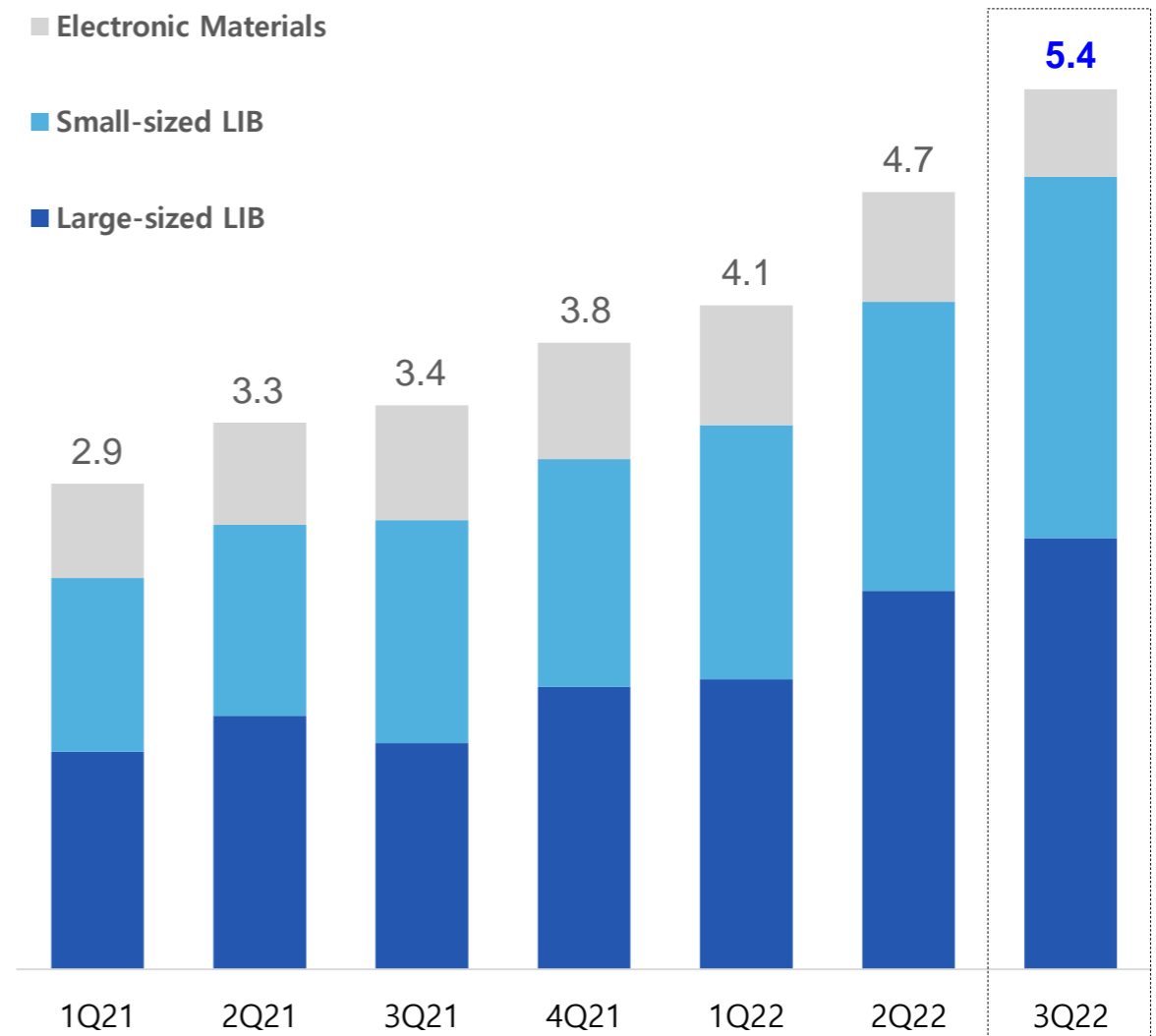
**OLED** Sales expected to increase with mass production initiated for new platform

**Semiconductor** Revenue up owing to capacity increase of major customers

**Polarizer** Revenue to rebound amid alleviation of inventory overload and diversification of customer portfolio and applications

## Total Revenue

[Unit : KRW Tn]



# Appendix

# Income Statement

[Unit: KRW Bn]

| Category                       | 3Q22    | 2Q22    | 1Q22    | FY21     | 4Q21    | 3Q21    | 2Q21    |
|--------------------------------|---------|---------|---------|----------|---------|---------|---------|
| Revenue                        | 5,368.0 | 4,740.8 | 4,049.4 | 13,553.2 | 3,816.0 | 3,439.8 | 3,334.3 |
| COGS                           | 4,194.0 | 3,728.0 | 3,193.8 | 10,475.6 | 2,980.6 | 2,572.0 | 2,566.2 |
| Gross Profit                   | 1,173.9 | 1,012.8 | 855.6   | 3,077.6  | 835.4   | 867.8   | 768.1   |
| (%)                            | (21.9%) | (21.4%) | (21.1%) | (22.7%)  | (21.9%) | (25.2%) | (23.0%) |
| Operating Profit               | 565.9   | 429.0   | 322.3   | 1,067.6  | 265.7   | 373.5   | 295.2   |
| (%)                            | (10.5%) | (9.0%)  | (8.0%)  | (7.9%)   | (7.0%)  | (10.9%) | (8.9%)  |
| Non-Operating Profit           | 300.5   | 99.8    | 131.6   | 595.8    | 245.5   | 177.1   | 100.9   |
| Pre-Tax Profit                 | 866.4   | 528.8   | 453.9   | 1,663.3  | 511.3   | 550.6   | 396.1   |
| (%)                            | (16.1%) | (11.2%) | (11.2%) | (12.3%)  | (13.4%) | (16.0%) | (11.9%) |
| Tax                            | 228.1   | 119.6   | 91.2    | 412.9    | 119.6   | 130.2   | 107.8   |
| Net Profit                     | 638.3   | 409.2   | 362.7   | 1,250.4  | 391.6   | 420.4   | 288.3   |
| (%)                            | (11.9%) | (8.6%)  | (9.0%)  | (9.2%)   | (10.3%) | (12.2%) | (8.6%)  |
| NP less Minority Interests (%) | 602.9   | 391.3   | 356.6   | 1,169.8  | 365.5   | 395.3   | 274.8   |
| (%)                            | (11.2%) | (8.3%)  | (8.8%)  | (8.6%)   | (9.6%)  | (11.5%) | (8.2%)  |
| Depreciation                   | 376.8   | 355.6   | 350.5   | 1,252.2  | 333.3   | 314.4   | 309.2   |
| CAPEX                          | 518.1   | 589.7   | 569.6   | 2,180.2  | 876.4   | 542.9   | 527.3   |

# Balance Sheet

[Unit: KRW Bn]

| Category                    | Sep 30, '22     | Jun 30, '22 | Mar 31, '22 | Dec 31, '21 | Sep 31, '21 | Jun 30, '21 |
|-----------------------------|-----------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total assets</b>         | <b>30,367.4</b> | 28,841.9    | 27,005.0    | 25,833.2    | 24,521.2    | 23,215.4    |
| <b>Current Assets</b>       | <b>10,343.9</b> | 9,418.2     | 8,063.3     | 7,444.9     | 6,912.9     | 6,440.6     |
| Cash & Cash equiv.*         | <b>3,290.2</b>  | 2,567.1     | 2,315.3     | 2,432.8     | 1,927.8     | 1,954.2     |
| A/R & Others                | <b>3,488.3</b>  | 3,493.1     | 3,117.5     | 2,524.8     | 2,480.0     | 2,455.4     |
| Inventory                   | <b>3,565.4</b>  | 3,358.0     | 2,630.5     | 2,487.3     | 2,505.1     | 2,031.0     |
| <b>Non-Current Assets</b>   | <b>20,023.5</b> | 19,423.7    | 18,941.7    | 18,388.3    | 17,608.3    | 16,774.8    |
| Investment Assets           | <b>9,817.3</b>  | 9,815.7     | 9,726.5     | 9,542.7     | 9,446.4     | 9,124.9     |
| Tangible&Intangible Assets  | <b>9,696.8</b>  | 9,163.2     | 8,794.4     | 8,434.9     | 7,762.3     | 7,257.7     |
| Others                      | <b>509.4</b>    | 444.8       | 420.8       | 410.7       | 399.6       | 392.2       |
| <b>Liabilities</b>          | <b>13,460.3</b> | 12,793.8    | 11,344.7    | 10,636.5    | 9,646.7     | 9,030.7     |
| Current Liab.               | <b>8,291.4</b>  | 7,550.7     | 6,717.6     | 6,463.6     | 5,114.5     | 4,971.1     |
| Non-Current Liab.           | <b>5,168.9</b>  | 5,243.1     | 4,627.1     | 4,172.9     | 4,532.2     | 4,059.6     |
| <b>Shareholder's Equity</b> | <b>16,907.1</b> | 16,048.1    | 15,660.3    | 15,196.7    | 14,874.5    | 14,184.7    |
| Paid in Capital             | <b>356.7</b>    | 356.7       | 356.7       | 356.7       | 356.7       | 356.7       |
| <b>D/E Ratio</b>            | <b>80%</b>      | 80%         | 72%         | 70%         | 65%         | 64%         |

\*Short-term financial instruments included



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