

# Samsung C&T

## 3Q 2022 Earnings Release

October 2022

(Contents)

1. Samsung C&T Results

2. Performance by Business Group

3. ESG, Investment, etc.

Appendix. Financial Statement Key Highlights



The figures in this document are consolidated earnings estimates based on K-IFRS.

Please be advised that this document is provided solely for the purpose of investor convenience. It was prepared before the completion of the external auditor's review, and therefore is subject to change during this process.

## 3Q 2022 Earnings Release Summary

- In Q3, C&T posted 11.3 tn (+3 tn YoY) in sales, 796.8 bn (+ 655.8 bn YoY) in operating profit on the continued earnings momentum backed by strengthened competitiveness and diversified business portfolio, even amid the rapid shifts in the business environment caused by the global economic recession, etc.
- In Q3, cumulative orders totaled 13.6 tn driven by strong high-tech orders. C&T adjusts its annual order guidance upward from 11.7 tn to 16.7 tn (+42.7%) for having surpassed the annual target in the quarter.

### [ Key Financial Indicators ]

	2020	2021	3Q22
<b>EBITDA<sup>1)</sup></b>	1.37 tn	1.71 tn	2.36 tn (7.3%)
<b>Total Debt</b>	3.15 tn	2.97 tn	5.84 tn
<b>Debt/Equity (%)</b>	65%	66%	90%

1) EBITDA (Cumulative) : Operating profit + depreciation and amortization cost

2) EBITDA margin : EBITDA / Sales

# 1. Samsung C&T Results (K-IFRS Consolidated)

(KRW billion)

	3Q22	2Q22	QoQ Change	3Q21	YoY Change	2022 Cum. (Q1~Q3)
Sales	11,256	10,819	+437	8,303	+2,953	32,514
E & C	4,189	3,359	+830	2,407	+1,782	10,567
T & I	4,796	5,415	(619)	4,363	+433	15,992
Fashion	471	515	(44)	375	+96	1,459
Leisure	227	220	+7	134	+93	534
F & B*	703	655	+48	573	+130	1,926
Biologics**	870	655	+215	451	+419	2,036
Gross Profit	1,744	1,391	+353	815	+929	4,394
SG&A	947	835	+112	674	+273	2,500
Operating Profit	797	556	+241	141	+656	1,894
E & C	324	155	+169	(130)	+454	634
T & I	59	129	(70)	82	(23)	378
Fashion	29	62	(33)	17	+12	132
Leisure	48	22	+26	0	+48	46
F & B*	24	34	(10)	16	+8	72
Biologics**	313	154	+159	156	+157	632
Non-Operating Profit	175	295	(120)	357	(182)	741
Financial Profit	(115)	(37)	(78)	16	(131)	(141)
Equity Method Investment	17	50	(33)	26	(9)	122
Pre-Tax Profit	874	864	+10	540	+334	2,616
Net Profit	597	633	(36)	375	+222	1,879
└ Controlling	495	515	(20)	294	+201	1,571

\* Welstory: 100% Subsidiary, \*\* Biologics: 43.06% Subsidiary

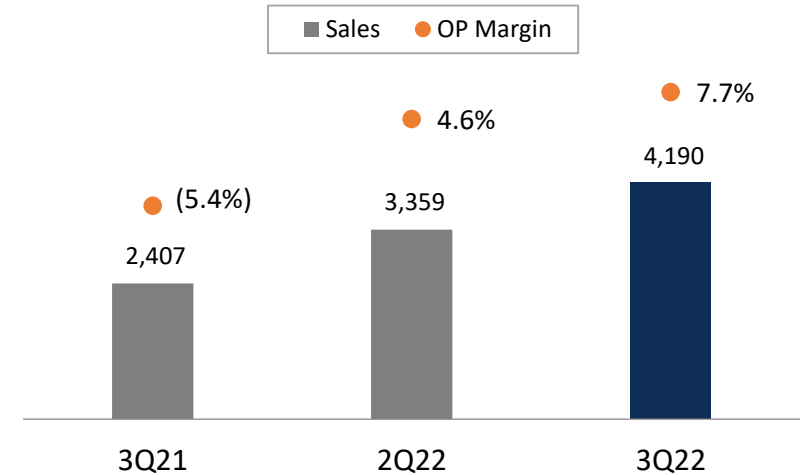
## 2. Performance by Business Group: Engineering & Construction

### Engineering & Construction

(KRW billion)

	3Q22	2Q22	Change	3Q21	Change	3Q22 Cum.
Sales	4,189	3,359	+830	2,407	+1,782	10,567
Building	3,078	2,402	+676	1,654	+1,424	7,672
Civil	230	248	(18)	263	(33)	698
Plant	768	627	+141	429	+339	1,949
Domestic	2,569	2,251	+318	1,625	+944	7,010
Overseas	1,621	1,108	+513	782	+839	3,557
Gross Profit	513	326	+187	22	+491	1,181
Operating Profit	324	155	+169	(130)	+454	634

※ Total sales include figures falling under Other Sales



- Earnings improved thanks to progress in high-tech constructions, revenue from new construction projects overseas, improved P&L of completed projects at home and abroad, etc.

### √ New Orders

(KRW billion)

	3Q22	3Q22 Backlog
Total	4,943	28,503
Building	4,801	15,888
Civil	57	3,204
Plant	85	9,411
Domestic	3,552	12,076
Overseas	1,391	16,427

※ Major Projects: Pyeongtaek FAB 4 2.3 tn, U.S. Taylor FAB 1.1 tn, Hwaseong HPC Center 0.3 tn, Yangpyeong 13 0.2 tn, etc.

※ Total & Domestic include landscape orders of Resort  
(New orders 30.5 bn, Backlog 154.1 bn)

## 2. Performance by Business Group: Trading & Investment, Fashion

### Trading & Investment

(KRW/billion)

	3Q22	2Q22	Change	3Q21	Change	3Q22 Cum.
Sales	4,796	5,415	(619)	4,363	+433	15,992
Chemicals	1,801	1,869	(68)	1,351	+450	6,070
Steel	1,558	1,667	(109)	1,319	+239	4,868
Energy	91	95	(4)	120	(29)	302
Materials	1,346	1,784	(438)	1,573	(227)	4,752
Gross Profit	297	315	(18)	261	+36	954
Operating Profit	59	129	(70)	82	(23)	378

※ Contribution to OP (3Q22 Cumulative): Trading (66%), Operation sites (31%), Business Development (3%)

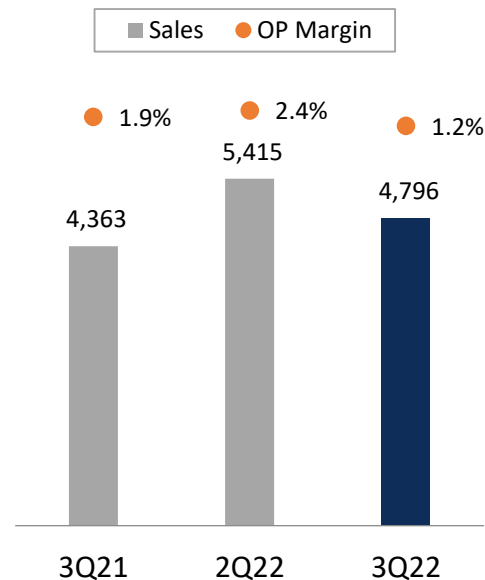
※ Operation sites: Otelinox stainless precision mill, etc. / Business Development: U.S. solar power development, etc.

### Fashion

(KRW/billion)

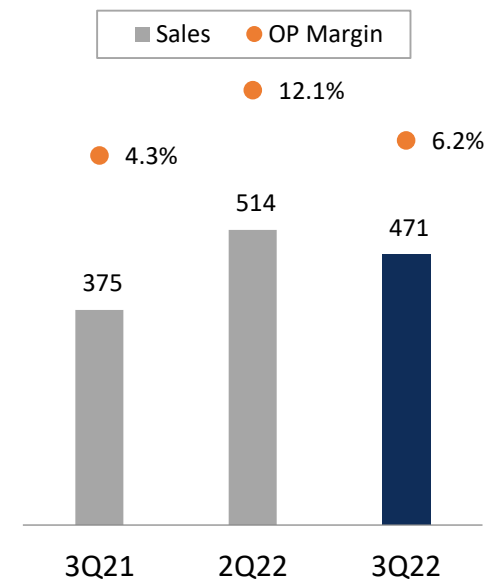
	3Q22	2Q22	Change	3Q21	Change	3Q22 Cum.
Sales	471	514	(43)	375	+96	1,459
Operating Profit	29	62	(33)	16	+13	132

### Trading & Investment



- Earnings declined QoQ as the trading volume and unit prices have fallen with a decline in global trading volume, sluggish demand in the upstream industry, etc.

### Fashion



- Earnings declined QoQ due to off-peak season. Yet, YoY earnings increased thanks to the continued growth of imported brands, online sales, and improved fast fashion business

## 2. Analysis by Business Group : Leisure, F&B, Bio

### Leisure

(KRW billion)

	3Q22	2Q22	Change	3Q21	Change	3Q22 Cum.
Sales	227	220	+7	134	+93	534
Operating Profit	48	22	+26	0	+48	46

### F&B

(KRW billion)

	3Q22	2Q22	Change	3Q21	Change	3Q22 Cum.
Sales	703	655	+48	573	+130	1,926
Operating Profit	24	34	(10)	16	+8	72

\* Welstory: 100% Subsidiary

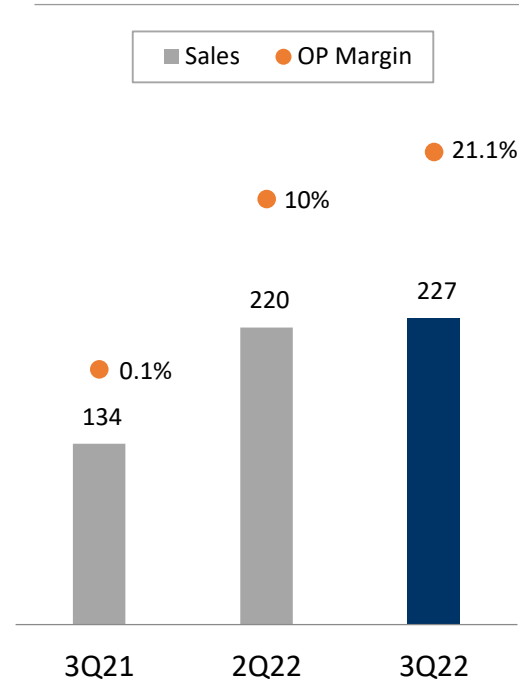
### Biologics

(KRW billion)

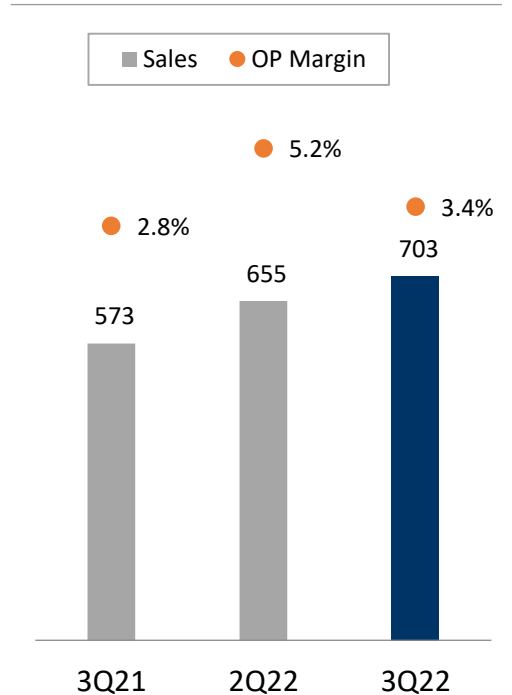
	3Q22	2Q22	Change	3Q21	Change	3Q22
Sales	870	655	+215	451	+419	2,036
Operating Profit	313	154	+159	156	+157	632

\* Biologics: 43.06% Subsidiary

### Leisure



### F&B



- Earnings continue to improve driven by growing park visitors and seasonality
- F&B's earnings improved YoY with higher revenue driven by new cafeteria orders from non-group affiliates and the growth of the food distribution business

#### Investment/New Business Development

- **C&T's eco-friendly businesses have begun to take concrete shapes**
  - Hydrogen: Continue to build partnerships for hydrogen production and utilization. Secure technological prowess by seeking a pilot project in UAE and cooperation with water electrolysis companies.
  - Solar Power: Expand the pipeline of the U.S. solar power development business and advance into the Australian market. Seek EPC business opportunities in Australia and Southeast Asia drawing on its PV+ESS capability.
  - SMR: Strengthen capability by seeking to participate in the construction of first SMR in the U.S. and prepare for global projects in East Europe, etc
- **As for smart city business, C&T will cooperate with modular companies and smart solution providers and strengthen its capability and seek business opportunities through pilot projects**
  - Participate in modular-based smart city projects in Saudi Arabia (e.g. NEOM), Southeast Asia, etc., and seek more opportunities as a renewables-based integrated service provider to smart city
- **In Oct. 2022, Biologics completed the construction of Plant 4 – the world's largest single bio plant (240,000 liters) and has started partial operations (global no.1 company with the largest CMO capacity)**
  - Full utilization by 2023 to reach a total capacity of around 600,000 liters
  - Signed land purchase deal to construct its second Bio campus in July 2022

#### ESG

- **E&C and Fashion received the highest grade in the 2022 Win-Win Growth Index (WWGI)**
  - Fashion Group is the first company in the industry to receive the highest WWGI grade and E&C received the highest grade for three consecutive years from 2020 to 2022.
  - \* Win-Win Growth Index: An indicator that evaluates corporate compliance with the Fair Trade Commission's Fair Trade Agreement (50%) and the level of shared growth with SMEs through the Korea Commission for Corporate Partnership's survey (50%)
- **In its 2022 Sustainability Report, C&T published its 2021 progress and 2023 targets aligned with its mid-to-long-term ESG strategy**
  - Enhanced communication with stakeholders by including a climate-related TCFD report in the Sustainability Report
- **C&T's roadmap to achieve Net Zero is in the course of development**



# Appendix 1. Statement of Financial Position (K-IFRS Consolidated)

(KRW billion)

		3Q22	2Q22	Change	End of 2021	Change
Assets		58,149	57,322	+827	55,245	+2,904
	Current	20,950	19,409	+1,541	15,144	+5,806
	└ C&CE*	6,317	5,445	+872	4,092	+2,225
	Non-current	37,199	37,913	(714)	40,101	(2,902)
Liabilities		27,532	26,506	+1,026	21,893	+5,639
	Current	16,120	15,702	+418	11,675	+4,445
	Non-current	11,412	10,804	+608	10,218	+1,194
	※ Total debt	5,840	6,355	(515)	2,973	+2,867
Equity		30,617	30,817	(200)	33,352	(2,735)
	Controlling	25,526	25,818	(292)	30,405	(4,879)
	Non-controlling	5,091	4,999	+92	2,947	+2,144
Debt/Equity (%)		90%	86%	+4%p	66%	+24%p

\* C&CE: Cash and cash equivalents + short-term financial instruments, etc.

## Appendix 2. Statement of Cash Flow (K-IFRS Consolidated)

(KRW billion)

	3Q22	2Q22	2021
Cash (Beginning of period)	2,087	2,337	2,402
Cash flows from operating activities	+1,467	+81	+1,196
Net profit	+597	+633	+1,829
Changes in operating assets and liabilities	+486	(719)	(1,414)
Others	+384	+167	+781
Cash flows from investing activities	+114	(3,659)	(804)
Changes in tangible/intangible assets	(317)	(218)	(541)
Changes in equities	+239	(1,169)	+315
Others	+192	(2,272)	(578)
Cash flows from financing activities	(553)	+3,328	(539)
Changes in borrowings	(600)	+2,195	(182)
Others	+47	+1,133	(357)
Increase in cash	+1,028	(250)	(147)
Cash (End of period)	3,115	2,087	2,255

