

# 4Q21 Quarterly Earnings

# 4Q21 and FY21 Earnings

[Unit: KRW bn]

Category	'21.4Q	'21.3Q	QoQ	'20.4Q	YoY	FY '21	FY '20	YoY
<b>Revenue</b>	<b>3,816.0</b>	<b>3,439.8</b>	+10.9%	<b>3,251.4</b>	+17.4%	<b>13,553.2</b>	<b>11,294.8</b>	+20.0%
Energy and others	<b>3,107.3</b>	<b>2,740.9</b>	+13.4%	<b>2,629.2</b>	+18.2%	<b>10,946.9</b>	<b>8,728.8</b>	+25.4%
Electronic Materials	<b>708.7</b>	<b>698.9</b>	+1.4%	<b>622.2</b>	+13.9%	<b>2,606.3</b>	<b>2,566.0</b>	+1.6%
<b>Operating Profit (%)</b>	<b>265.7 (7.0%)</b>	<b>373.5 (10.9%)</b>	-28.9%	<b>246.2 (7.6%)</b>	+7.9%	<b>1,067.6 (7.9%)</b>	<b>671.3 (5.9%)</b>	+59.0%
Energy and others	<b>120.2 (3.9%)</b>	<b>201.8 (7.4%)</b>	-40.4%	<b>117.0 (4.5%)</b>	+2.7%	<b>537.6 (4.9%)</b>	<b>241.3 (2.8%)</b>	+122.8%
Electronic Materials	<b>145.5 (20.5%)</b>	<b>171.7 (24.6%)</b>	-15.3%	<b>129.2 (20.8%)</b>	+12.6%	<b>530.0 (20.3%)</b>	<b>430.0 (16.8%)</b>	+22.3%
<b>Pre-tax Profit (%)</b>	<b>511.3 (13.4%)</b>	<b>550.6 (16.0%)</b>	-7.1%	<b>429.3 (13.2%)</b>	+19.1%	<b>1,663.3 (12.3%)</b>	<b>803.4 (7.1%)</b>	+107.0%
<b>Net Profit (%)</b>	<b>391.6 (10.3%)</b>	<b>420.4 (12.2%)</b>	-6.8%	<b>341.9 (10.5%)</b>	+14.5%	<b>1,250.4 (9.2%)</b>	<b>631.0 (5.6%)</b>	+98.2%

# FY21 Financial Status

[Unit: KRW bn]

Category	Dec 31. '21	Sep 30. '21	QoQ	Dec 31. '20	YoY
<b>Assets</b>	<b>25,833.2</b>	<b>24,521.2</b>	+1,312.0	<b>21,534.2</b>	+4,299.0
Current	7,444.9	6,912.9	+532.0	5,657.4	+1,787.5
Non Current	18,388.3	17,608.3	+780.0	15,876.8	+2,511.5
<b>Liabilities</b>	<b>10,636.5</b>	<b>9,646.7</b>	+989.8	<b>8,175.3</b>	+2,461.2
Current	6,461.3	5,114.5	+1,346.8	4,983.6	+1,477.7
Non Current	4,175.2	4,532.2	-357.0	3,191.7	+983.5
<b>Shareholders' Equity</b>	<b>15,196.7</b>	<b>14,874.5</b>	+322.2	<b>13,358.9</b>	+1,837.8
Paid-in Capital	356.7	356.7	-	356.7	-
<b>Cash &amp; cash equiv.*</b>	<b>2,432.8</b>	<b>1,927.8</b>	+505.0	<b>1,668.7</b>	+764.1
<b>Debt</b>	<b>4,618.0</b>	<b>4,156.2</b>	+461.8	<b>3,911.8</b>	+706.2

\*Short-term financial instruments included

# 4Q21 Results and FY22 Outlook

## Automotive & ESS

### [ 4Q21 Earnings ]

#### Revenue growth and steady profitability

- EV battery revenue grew with supply increase of EV battery mostly for Gen.5 despite automotive chip shortage issue
- ESS revenue and profitability improved with sales increase of high-value products for RES · UPS

### [ 1Q22 Forecast ]

#### Steady sales and profitability

- EV battery sales to go up for major customers' new models
- ESS revenue to decline due to seasonality but profitability to maintain as product mix improves

### [ FY22 Market Outlook ]

#### EV market size, \$ 80B (YoY +38%)

\* Source : IHS, SDI Marketing

- Environmental policy such as subsidy & fuel-efficiency regulation to continue and automakers to drive active electrification strategy & new models roll-out
- Consumers' EV preference to grow with improved mileage · charging speed and charging infrastructure  
⇒ Revenue growth & Improved profitability with sales increase of high-energy-density battery

#### ESS market size, \$7.5B (YoY +31%)

\* Source : IHS, BNEF, Woodmackenzie, SDI Marketing

- Utility market to grow with stricter renewable energy policy of major countries
- UPS · RES demand to go up to respond to natural disasters, unstable electric power supply  
⇒ Improved profitability with sales increase of UPS · RES

# 4Q21 Results and FY22 Outlook

## Small-sized LIB

### [ 4Q21 Earnings ]

#### Revenue up for cylindrical battery

- Cylindrical revenue up mostly for EV and power tools
- Pouch revenue down for flagship S/phones due to seasonality

### [ 1Q22 Forecast ]

#### Sales and profitability increase

- Cylindrical sales for power tools to go down, but for M-Mobility · EV to go up
- Pouch sales to increase for new flagship S/phone

### [ FY22 Market Outlook ]

#### Small-sized LIB market, \$41B (YoY +12%)

\* Source : Strategy Analytics, Freedonia, Markets&Markets, IHS, SDI Marketing

#### [ Non-IT ]

- Steady high growth as more automakers use cylindrical battery for EV
  - Steady growth for power tools with demand increase for construction tools · outdoor power equipment
- ⇒ Strengthened market leadership with a head-start launch of new high-capacity · high-power models

#### [ IT ]

- Foldable S/phones proportion to increase, amongst weakened demand growth of total S/phone
  - Demand increase for wearable devices such as TWS and smart watch
- ⇒ New models to be launched in a timely manner, to be the first supplier of major customers' projects

# 4Q21 Results and FY22 Outlook

## Electronic Materials

### [ 4Q21 Earnings ]

#### Revenue up for high-value display materials

- Polarizer revenue slightly up mainly for large TV
- OLED materials revenue up with supply increase for S/phone · TV
- Semiconductor materials revenue slightly down due to customers' inventory adjustment

### [ 1Q22 Forecast ]

#### Steady sales despite seasonality

- Display materials sales to be steady
- Semiconductor materials sales to be similar with previous quarter

### [ FY22 Market Outlook ]

#### High demand for high-value materials

##### [ Display Materials ]

- OLED materials : Higher penetration rate for S/phone, increased launch of TV · laptop with OLED panel
  - Polarizer : Total demand in square meter(m<sup>2</sup>) to increase as demand for large LCD TV goes up
- ⇒ Strengthened technological competitiveness for high-value models

##### [ Semiconductor Materials ]

- Demand growth as customers' wafer input goes up and patterns get narrow
- ⇒ Increased product quality and timely development of new models

# FY21 Dividends and FY22 – FY24 Shareholder Return Policy

## [ FY21 Dividends ]

KRW 1,000 dividends per share (KRW 1,050 for Preferred share)

## [ FY22-FY24 Shareholder Return Policy ]

KRW 1,000 per share (KRW 1,050 for Preferred share) + 5-10% of annual free cash flow as extra dividends

- Regular dividends are KRW 1,000, to maintain minimum return to shareholders
- Pay out 5-10% of free cash flow (FCF) as additional dividends

## [ FY17-FY21 Dividend Trend ]

Type	FY17	FY18	FY19	FY20	FY21
Dividends per share (KRW)	1,000	1,000	1,000	1,000	1,000
Total dividends (KRW bn)	66.9	66.9	66.9	66.9	66.9
Payout ratio	10.2%	9.5%	18.8%	11.6%	5.7%
Dividend yield	0.49%	0.46%	0.44%	0.18%	0.16%

# Income Statement

[Unit: KRW bn]

Category	FY '21	'21.4Q	'21.3Q	'21.2Q	'21.1Q	FY '20	'20.4Q	'20.3Q
Revenue	13,553.2	3,816.0	3,439.8	3,334.3	2,963.2	11,294.8	3,251.4	3,087.2
COGS	10,475.6	2,980.6	2,572.0	2,566.2	2,356.9	8,914.2	2,551.2	2,384.3
Gross Profit (%)	3,077.6 (22.7%)	835.4 (21.9%)	867.8 (25.2%)	768.1 (23.0%)	606.3 (20.5%)	2,380.6 (21.1%)	700.2 (21.5%)	702.9 (22.8%)
Operating Profit (%)	1,067.6 (7.9%)	265.7 (7.0%)	373.5 (10.9%)	295.2 (8.9%)	133.2 (4.5%)	671.3 (5.9%)	246.2 (7.6%)	267.4 (8.7%)
Non-operating Profit	595.8	245.5	177.1	100.9	721	132.1	183.1	30.8
Pre-tax Profit (%)	1,663.3 (12.3%)	511.3 (13.4%)	550.6 (16.0%)	396.1 (11.9%)	205.3 (6.9%)	803.4 (7.1%)	429.3 (13.2%)	298.2 (9.7%)
Tax	412.9	119.6	130.2	107.8	55.3	172.4	87.4	57.5
Net Profit (%)	1,250.4 (9.2%)	391.6 (10.3%)	420.4 (12.2%)	288.3 (8.6%)	150.0 (5.1%)	631.0 (5.6%)	341.9 (10.5%)	240.7 (7.8%)
NP less Minority Interests(%)	1,169.8 (8.6%)	365.5 (9.6%)	395.3 (11.5%)	274.8 (8.2%)	134.2 (4.5%)	574.7 (5.1%)	317.9 (9.8%)	223.0 (7.2%)
Depreciation	1,252.2	333.3	314.4	309.2	295.3	1,083.5	293.1	280.8
CAPEX	1,697.7	522.2	455.3	401.6	318.6	1,571.9	564.7	371.0



# Balance Sheet

[Unit: KRW bn]

Category	Dec 31. '21	Sep 30. '21	Jun 30. '21	Mar 31. '21	Dec 31. '20	Sep 30. '20
<b>Total Assets</b>	25,833.2	<b>24,521.2</b>	23,215.4	21,922.8	21,534.2	20,809.4
<b>Current Assets</b>	7,444.9	<b>6,912.9</b>	6,440.6	5,770.5	5,657.4	5,565.8
Cash & Cash equiv.*	2,432.8	<b>1,927.8</b>	1,954.2	1,703.0	1,668.7	1,424.3
A/R & Others	2,524.8	<b>2,480.0</b>	2,455.4	2,205.7	2,177.9	2,177.4
Inventory	2,487.3	<b>2,505.1</b>	2,031.0	1,861.8	1,810.8	1,964.1
<b>Non-current Assets</b>	18,388.3	<b>17,608.3</b>	16,774.8	16,152.3	15,876.8	15,243.6
Investment Assets	9,542.7	<b>9,446.4</b>	9,124.9	8,818.9	8,575.9	8,075.7
Tangible & Intangible Assets	8,434.9	<b>7,762.3</b>	7,257.7	6,952.6	6,921.7	6,776.5
Others	410.7	<b>399.6</b>	392.2	380.8	379.2	391.4
<b>Liabilities</b>	10,636.5	<b>9,646.7</b>	9,030.7	8,280.5	8,175.3	7,844.7
Current liabilities	6,461.3	<b>5,114.5</b>	4,971.1	4,984.0	4,983.6	4,919.8
Non-current liabilities	4,175.2	<b>4,532.2</b>	4,059.6	3,296.5	3,191.7	2,924.9
<b>Shareholders' Equity</b>	15,196.7	<b>14,874.5</b>	14,184.7	13,642.3	13,358.9	12,964.7
Paid-in Capital	356.7	<b>356.7</b>	356.7	356.7	356.7	356.7

\*Short-term financial instruments included

# End Of Document