

Second-Quarter 2021 Results

Halla Holdings

August 2021



2Q 2021 Highlights

✓ Consolidated 2Q results

- Sales of W 264.9 bn (YoY +134.5%)
- OP of W 43.8 bn (OP Margin 16.6%, YoY turn positive)
- Net profit of W 33.9 bn (YoY turn positive)

✓ Halla Holdings Business Unit

- Own business 2Q Sales of W 217.0 bn (YoY +71.4%) and OP of W 7.8 bn (OPM : 3.6%)
 - Imported Car Platform Service Launching (July 2021)
 - New Global Aftermarket J/V established in China (June 2021)

✓ Affiliates' highlights

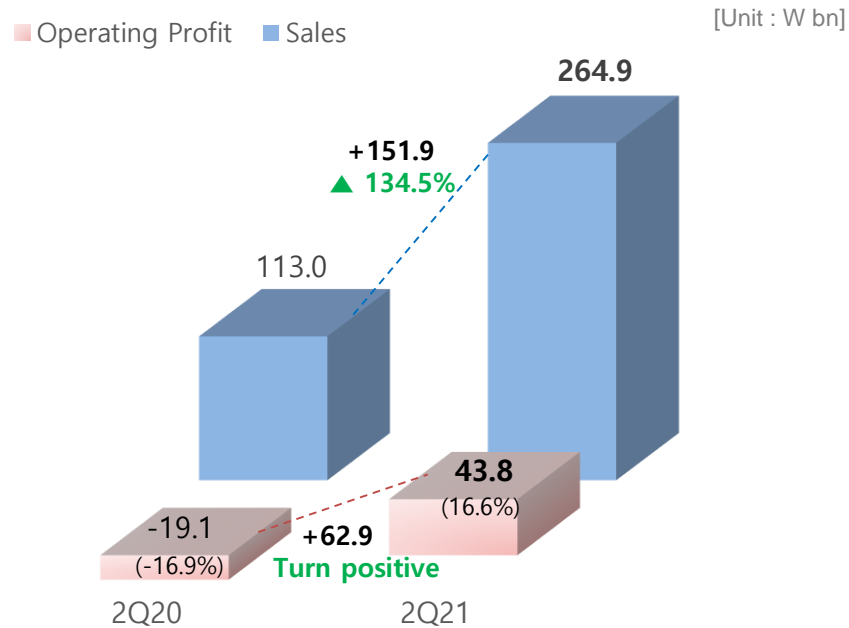
- **Automobile (Mando Corporation)**
 - Mando 2Q Sales of W 1,487.5 bn (YoY +46.8%) and OP of W 76.7 bn (OPM : 5.2%)
- **Construction (Halla Corporation)**
 - 2Q sales of W 353.9 bn (YoY -13.7%) and OP of W 18.5 bn (OPM : 5.2%)
 - Sufficiently secured housing supplies (7,000~8,000 households a year, 2021~22)

✓ Published Sustainability Report 2020 for the first time (July 2021)

Strong performance in every aspect despite Covid-19 headwinds

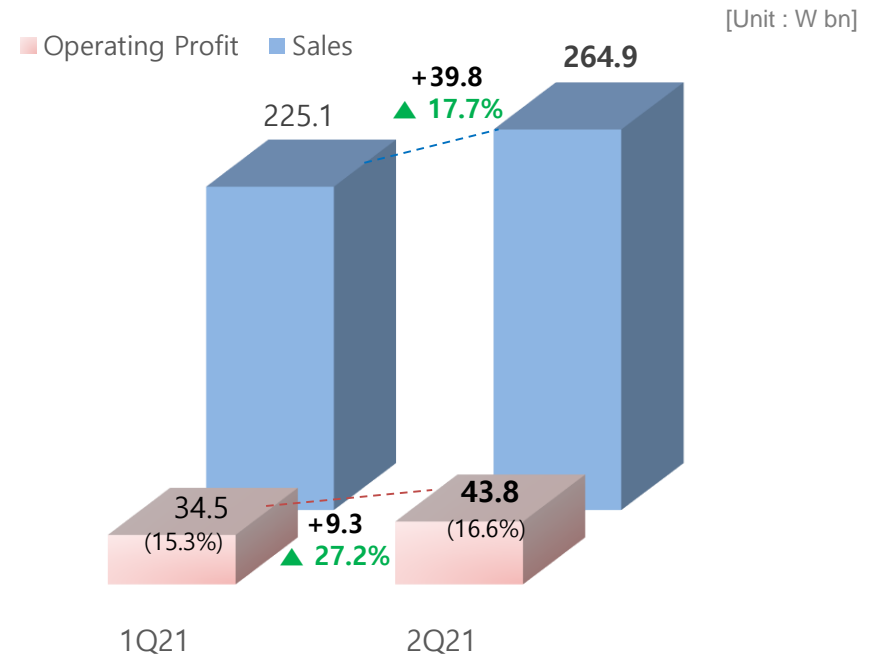
Business Performance (consolidation)

YoY



- **2Q Sales & OP increased dramatically**
 - Due to increase in 2Q21 profits from affiliates and own business sales increase

QoQ



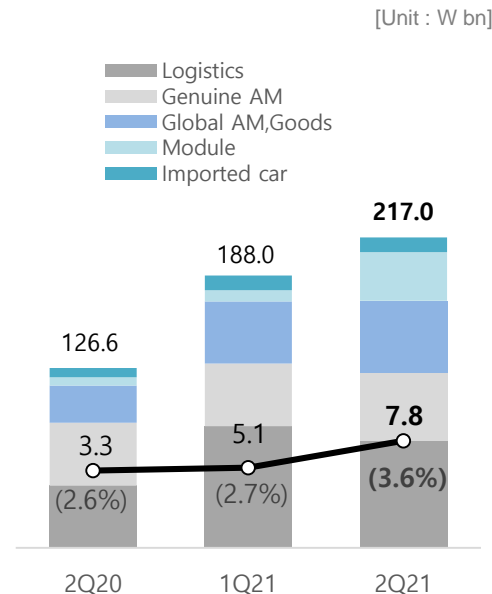
- **2Q Sales & OP increased in every aspect**
 - Profits from affiliates and own business sales / profit increase

Fast recovery from Covid-19 impact, Strong performance from affiliates and own Biz

Business Performance of 2Q 2021

Own Business

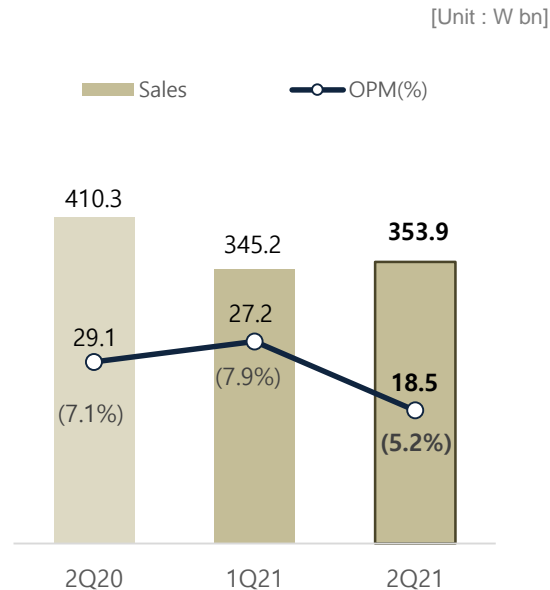
Aftermarket and Logistics



Construction

Halla Corporation

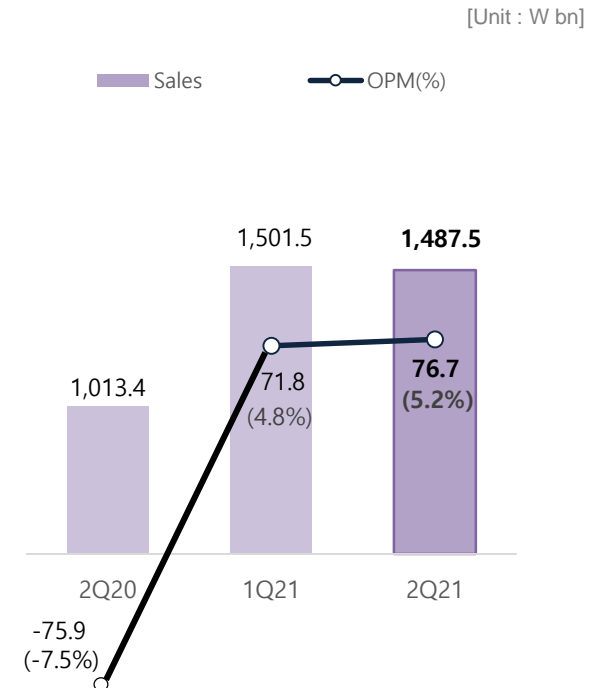
(Affiliates under the equity method)



Automobile

Mando

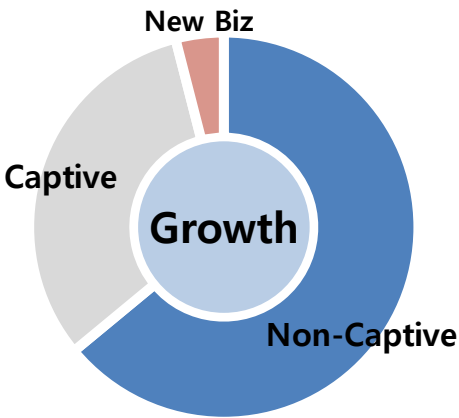
(Affiliates under the equity method)



Continuous solid results in Own Business & Automobile

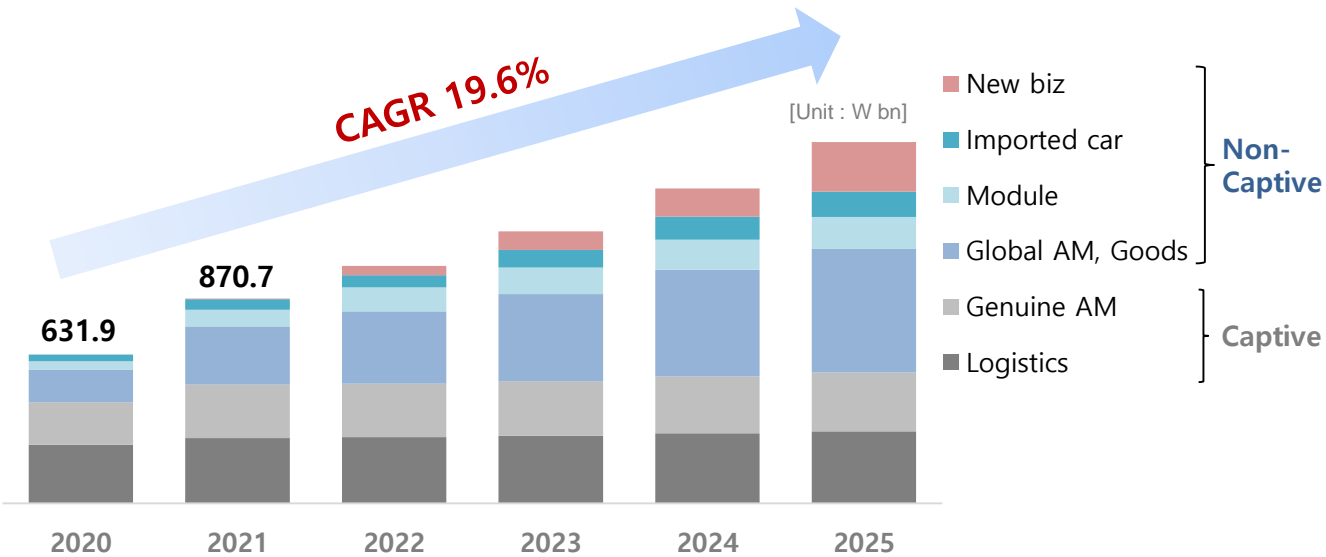
“Beyond Captive, Going Global, Inorganic Growth”

Mobility & Logistics
Service Provider

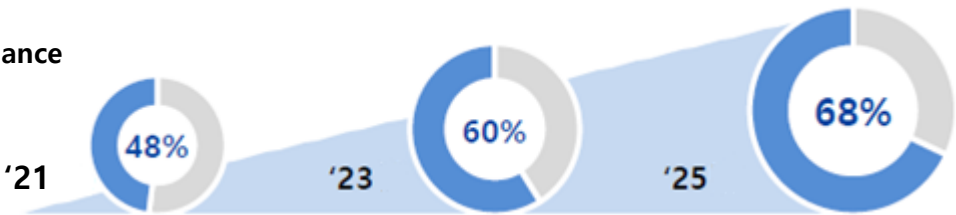


Sustainable Growth

Captive	Profit Management, Maintenance
Non-Captive	Business expansion
New Biz	Collaborate with startups



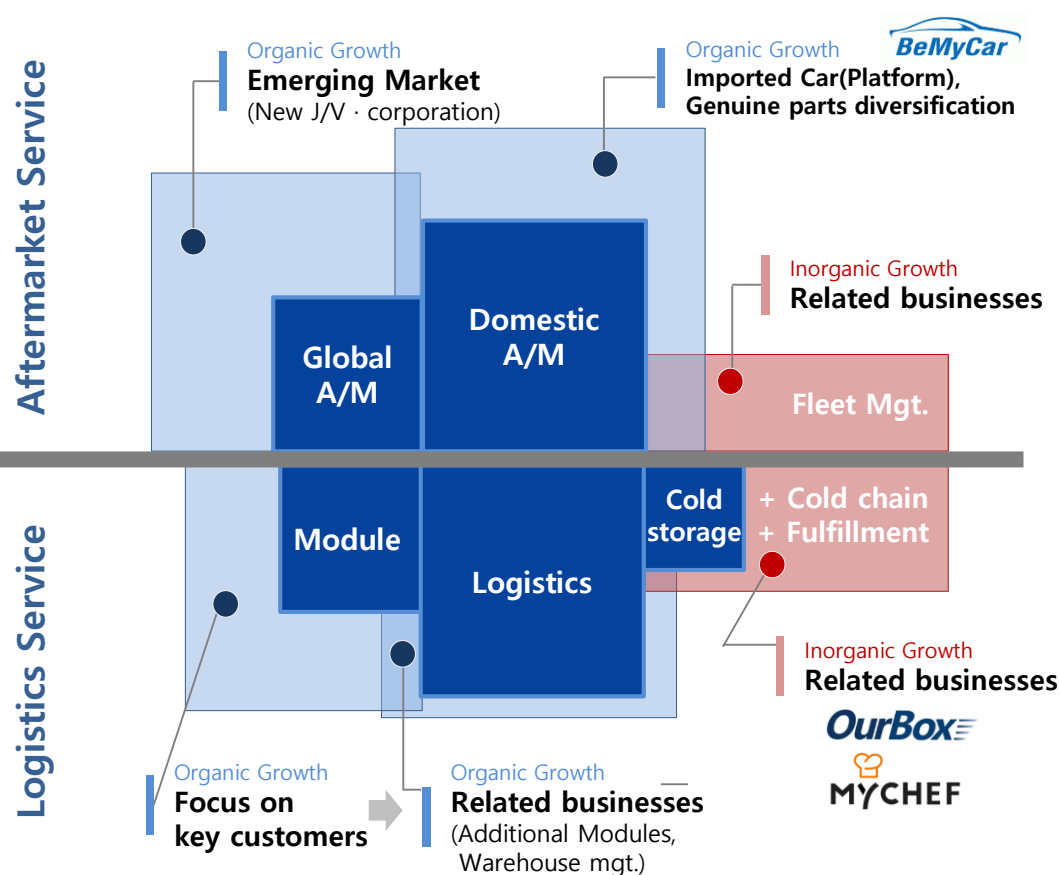
Non-Captive ratio (%)



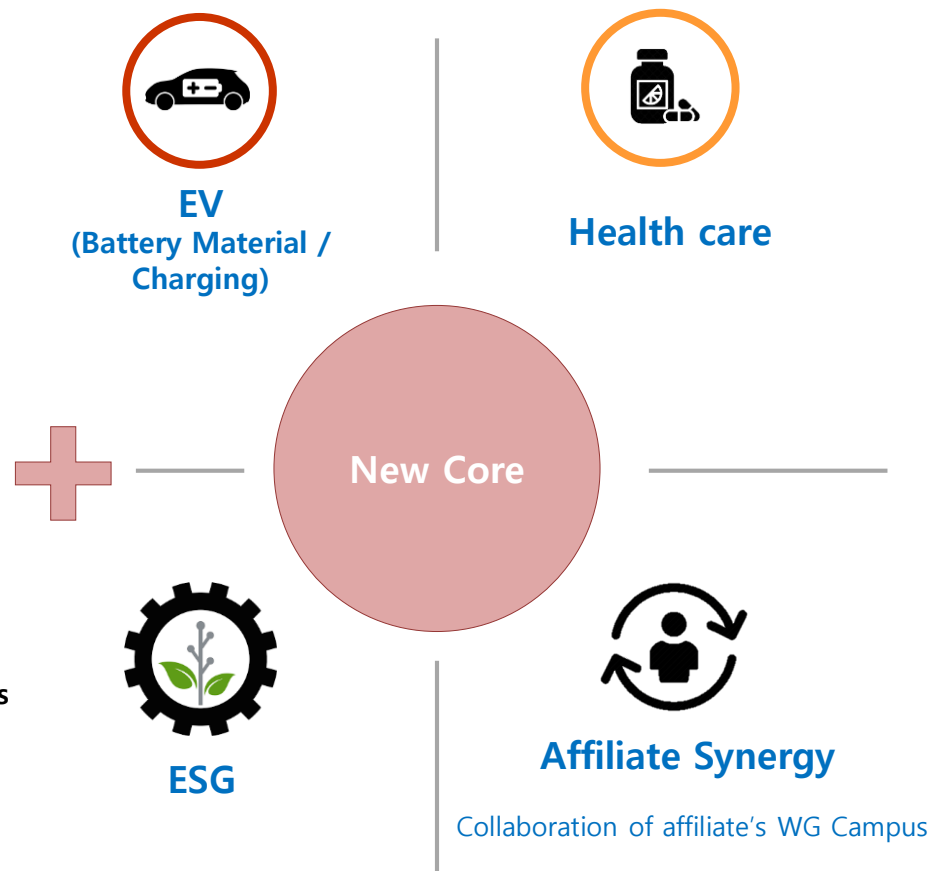
Value-up / M&A Strategies

Own Business - 'Value up'

B2B, wholesaler → B2C, e-Commerce



Business Portfolio Diversity

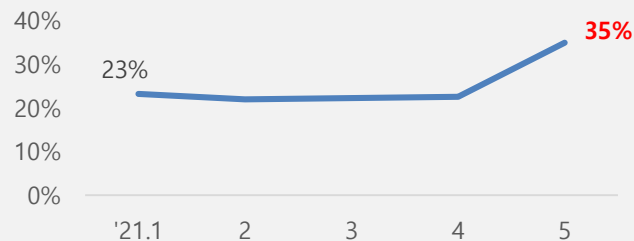


Aftermarket Business Value up

Global Aftermarket

New J/V plan (~21.4Q)

HKMC Market Share in India

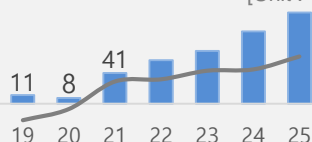


- A/M demand grow up as M/S increase
- Indian and neighboring Asian markets
- High import tariffs → Local sourcing strategy (MAIL)

Halla Corporation Shanghai

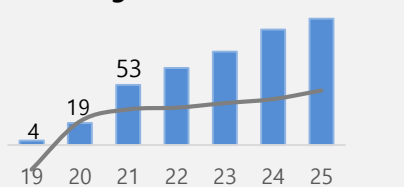
- J/V established (June '21)
- Turnaround success in '21.1Q~

Automakers' Logistics
Advertisement & Marketing
Consulting [Unit : W bn]



Halla Corporation Europe

- Fast recovery from Covid-19 impact in Europe
- Low Cost mgt. through local sourcing



Domestic Aftermarket

Imported Car Platform Service Launching ('21.7~)

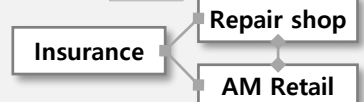
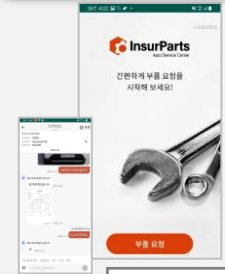
Portion(%) of imported cars



(Source : Korea Import Automobile Association)

Halla BeMyCar

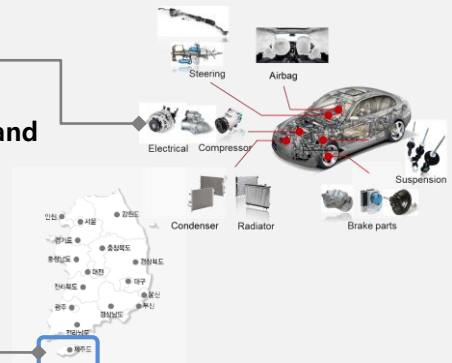
Platform



Genuine parts

- Expanding distribution items
- Open a new agency in Jeju Island (June 2021)

→ Nationwide distribution network Secured



Appendix

Appendix | Key Financial Metrics

	YoY			QoQ	
	2Q 2021	2Q 2020	B/(W)	1Q 2021	B/(W)
[Unit : bn. KRW, %]					
Sales	264.9	113.0	+151.9 +134.5% ↑	225.1	+39.8 +17.7% ↑
Operating Profit	43.8 16.6%	-19.1 -16.9%	+62.9 (turn positive) ↑	34.5 15.3%	+9.3 +27.2% ↑
Net Profit	33.9 12.8%	-27.1 -24.0%	+61.0 (turn positive) ↑	31.4 14.0%	+2.5 +7.9% ↑
EBITDA	48.3 18.3%	-16.7 -14.8%	+65.0 (turn positive) ↑	38.7 17.2%	+9.6 +24.8% ↑

Appendix | Consolidated Statements of Financial Position

[Unit : W bn, %]

Description	2Q 2021	1Q 2021	Variance
Asset	2,116.9	2,081.9	+34.9
(Cash)	257.8	286.4	-28.6
Liability	1,164.5	1,172.0	-7.5
(Debt)	729.3	764.9	-35.6
Equity	952.4	909.9	+42.5
(Capital)	55.1	55.1	-
L/E ratio	122.3%	128.8%	-6.5%
D/E ratio	76.6%	84.1%	-7.5%
Net D/E ratio	49.5%	52.6%	-3.1%

※ L/E ratio(Liability to Equity ratio), D/E ratio(Debt to Equity ratio), Net D/E ratio(Net Debt to Equity ratio)

Appendix | Performance Summary by Affiliates

➤ Business Unit of Holdings & Consolidated Affiliate

[Unit : W bn, %]

	Business Unit of Holdings		Consolidated Affiliate JJ Halla	
	2Q21	2Q20	2Q21	2Q20
Sales	217.0	126.6	6.6	3.9
Operating Profit	7.8	3.3	3.2	0.7
(%)	3.6%	2.6%	48.7%	17.2%
Pre-tax Profit	n/a	n/a	0.2	-2.5
Net Profit	n/a	n/a	0.2	-2.5

➤ Affiliates under the Equity Method of Accounting

[Unit : W bn, %]

	Mando		Halla Stackpole		Halla	
	2Q21	2Q20	2Q21	2Q20	2Q21	2Q20
Sales	1,487.5	1,013.4	44.1	37.1	353.9	410.3
Operating Profit	76.7	-75.9	4.4	1.3	18.5	29.1
(%)	5.2%	-7.5%	10.1%	3.5%	5.2%	7.1%
Pre-tax Profit	102.2	-109.5	5.1	1.1	17.1	24.2
Net Profit	80.4	-111.9	3.8	0.7	14.7	17.2

Disclaimer

The 2Q 2021 results of Halla Holdings are prepared on a consolidated basis in accordance with IFRS.

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