



Second-Quarter 2022 Results

August 2022

Halla Holdings



2Q 2022 Highlights

- ✓ **Consolidated 2Q results**
 - Sales of W 314.3 bn (YoY +18.6%)
 - OP of W 44.4 bn (OP Margin 14.1%, YoY +1.3%)
 - Net profit of W -7.0 bn

- ✓ **Halla Holdings Business Unit**
 - Own business 2Q Sales of W 272.2 bn (YoY +25.4%) and OP of W 8.8 bn (OPM : 3.2%)
 - Steady growth in domestic and overseas Aftermarket business

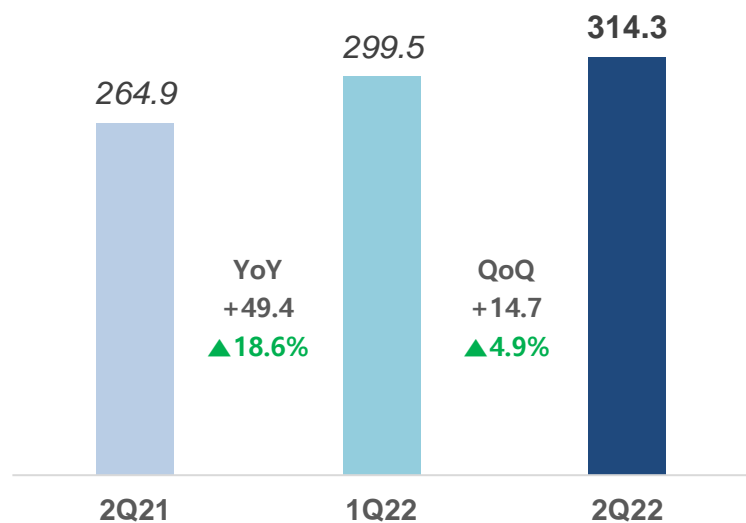
- ✓ **Affiliates' highlights**
 - **Automobile (Mando Corporation)**
 - 2Q Sales of W 1,679.0 bn (YoY +12.9%) and OP of W 45.7 bn (OPM : 2.7%)
 - **Construction (Halla Corporation)**
 - 2Q sales of W 377.4 bn (YoY +8.3%) and OP of W 13.7 bn (OPM : 3.6%)

- ✓ **SI investment in WILL BE S&T, a semiconductor material parts company (July 2022, 50.0 bn)**
- ✓ **Halla Corporation CPS transaction (cash in 10.0 bn, June 2022)**
- ✓ **Disposal shares of Halla Stackpole Corporation (expected cash in 70.3 bn, September 2022)**
- ✓ **WCP : IPO scheduled for September 2022**

Business Performance (consolidation)

Sales

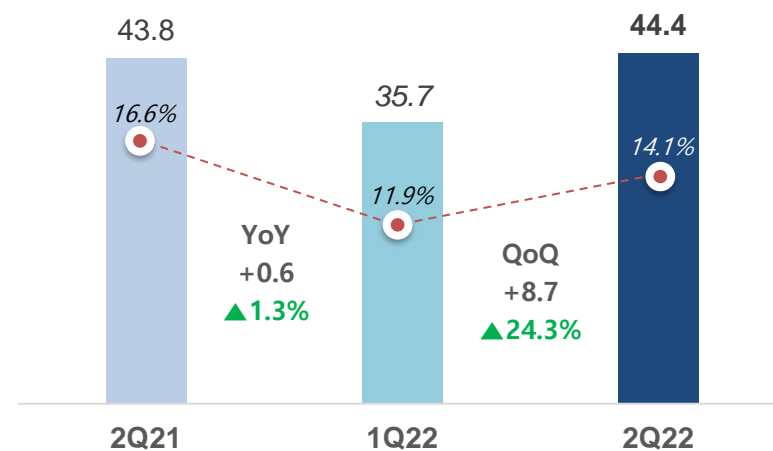
[Unit : W bn]



- **2Q Sales increase +18.6% YoY**
 - Due to increase in sales from own business
(Domestic and overseas Aftermarket , Logistics Biz)

Operating Profit (%)

[Unit : W bn]



- **2Q Operation Profit increase +1.3% YoY**
 - Own business Profit increased 1.0 bn (+13.2% YoY)

Business Performance of 2Q 2022

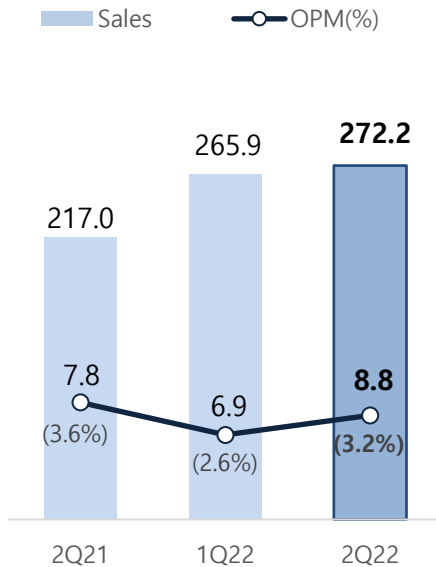
Own Business

Construction

Automobile

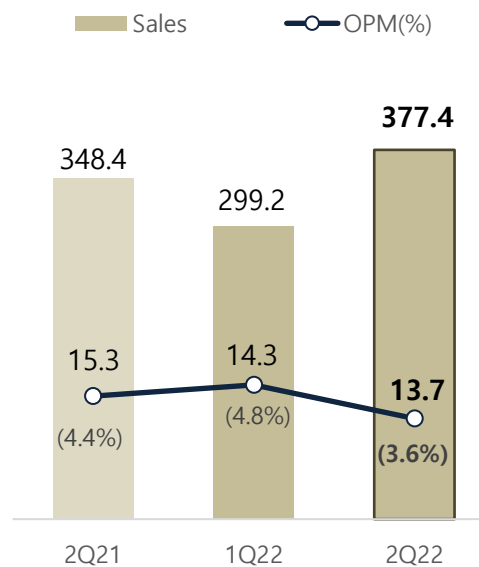
Aftermarket and Logistics

[Unit : W bn]



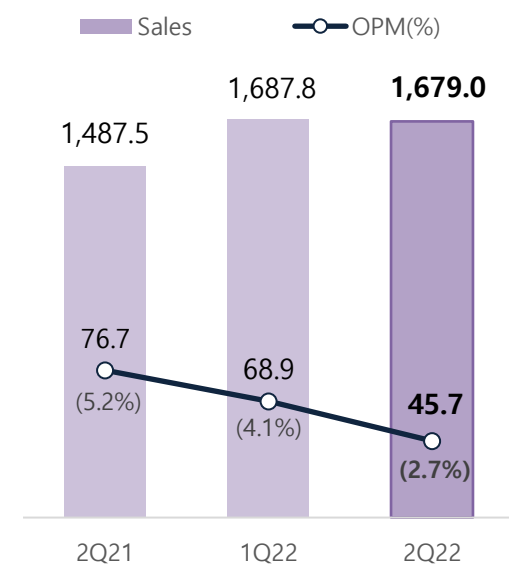
Halla Corporation

[Unit : W bn]



Mando

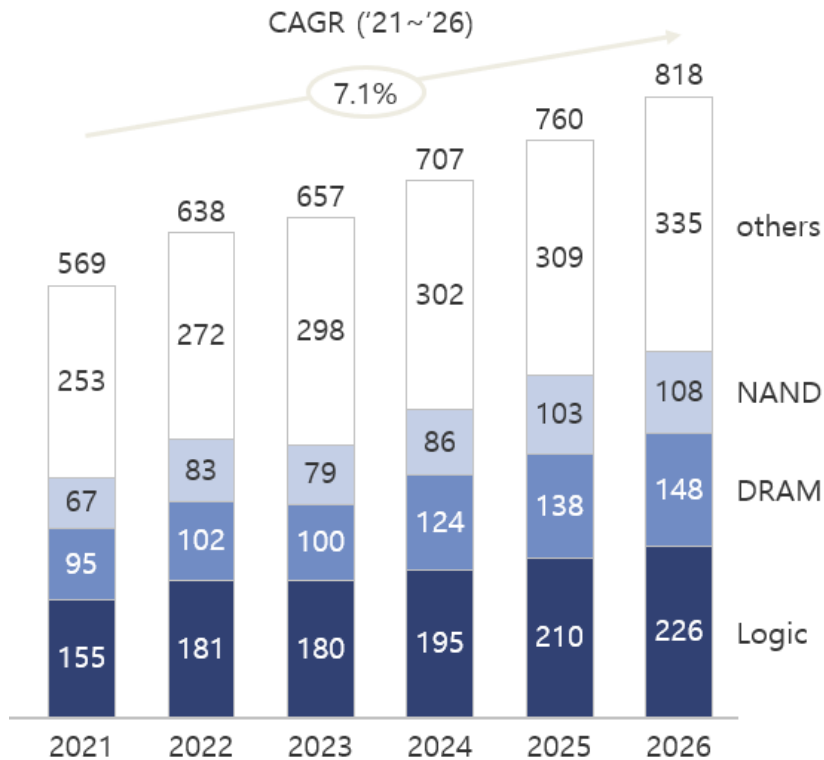
[Unit : W bn]



← Affiliates under the equity method →

Global Semiconductor Market Forecast

[Unit : \$ bn]



Source: WSTS, IC insights, OMDIA, Yole, Looxent Analysis

1 Manufacturing essential material parts for growing forward industries

- Increasing investment by customers as forward industry grows
- Parts per semiconductor increase due to process advancement

2 Unrivaled market position with proven business capabilities

- No.1 CMP Retainer Ring company that supplies more than 60% of the market share to major customers
- 35 Years of Trust / Long-term proven capabilities

3 Stable and outstanding ability to create cash flow

- Sales growth of 27% and high operating margin of 22% Securing
- High EBITDA to FCF conversion rate due to low CapEx investment and working capital requirements

4 Inorganic Growth through Bolt-on → Group Portfolio Diversification

- Various expandable companies in the semiconductor supply chain are under review → Inorganic Growth through Bolt-on

Resources for future growth engines

Halla Stackpole



- Disposal shares of Halla Stackpole (20%)
(BOD date : 11 Aug. 2022)
- Put Price : 70.3 W bn (Estimated)
- Closing date : Sep. 2022

WCP



더블유씨피 (주)



- KOSDAQ preliminary examination for listing (24 June)
- Demand forecasting (14~15 Sep.)
- Confirmed public offering price (19 Sep.)
- Stock subscription date (20~21 Sep.)

Halla Corporation CPS



- 25 W bn (Sep. 2021) → 10 W bn (June 2022)
- Up to 40% of separate net income is used for treasury stock buybacks / cancellations

Securing Resources through continuous financial investment (equity or PEF)



Small Size Deal & Bolt-on



Sizable M&A

Future Growth Engine

Appendix

Appendix | Key Financial Metrics

[Unit : bn. KRW, %]	2Q 2022	YoY		QoQ	
		2Q 2021	B/(W)	1Q 2022	B/(W)
Sales	314.3	264.9	+49.4 +18.6%	299.5	+14.7 +4.9%
Operating Profit	44.4 14.1%	43.8 16.6%	+0.6 +1.3%	35.7 11.9%	+8.7 +24.3%
Net Profit	-7.0 -2.2%	33.9 12.8%	-40.9 (Turn red)	21.3 7.1%	-28.3 (Turn red)
EBITDA	49.3 15.7%	48.3 18.3%	+1.0 +1.9%	40.4 13.5%	+8.9 +22.0%

Appendix | Consolidated Statements of Financial Position

[Unit : W bn, %]

Description	2Q 2022	1Q 2022	Variance
Asset	2,300.4	2,352.7	-52.3
(Cash)	196.0	140.9	+55.1
Liability	1,272.8	1,328.9	-56.1
(Debt)	747.8	781.9	-34.0
Equity	1,027.6	1,023.8	+3.8
(Capital)	55.1	55.1	-
L/E ratio	123.9%	129.8%	-6.0%
D/E ratio	72.8%	76.4%	-3.6%
Net D/E ratio	53.7%	62.6%	-8.9%

※ 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	
	2Q22	2Q21	2Q22	2Q21
Sales	272.2	217.0	16.1	6.6
Operating Profit	8.8	7.8	12.7	3.2
(%)	3.2%	3.6%	78.9%	48.2%
Pre-tax Profit	n/a	n/a	-43	0.2
Net Profit	n/a	n/a	-39	0.2

➤ Affiliates under the Equity Method of Accounting

[Unit : W bn, %]

	Mando		Halla Stackpole		Halla	
	2Q22	2Q21	2Q22	2Q21	2Q22	2Q21
Sales	1,679	1,488	42.0	44.1	377.4	348.4
Operating Profit	45.7	76.7	0.9	4.4	13.7	15.3
(%)	2.7%	5.2%	8.1%	10.1%	3.6%	4.4%
Pre-tax Profit	68.9	102.2	2.6	5.1	11.3	14.4
Net Profit	38.8	80.4	2.0	3.8	6.2	14.7

Disclaimer

The 2Q 2022 results of Halla Holdings are prepared on a consolidated basis in accordance with IFRS.

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