

HL Mando Corporation

1Q24 Financial Results

April, 2024



Recent Highlights

Solid 1Q performance driven by economies of scope across a versatile product and customer portfolio amidst market volatility

✓ Summary of 1Q24 results

- Sales of KRW 2,107.3 bn. (YoY +5.5%)
- Operating profit of KRW 75.6 bn. (OPM : 3.6%)
- Net profit of KRW 145.7 bn. (NPM : 6.9%)

✓ New business wins of KRW 6.2 tn. in 1Q24 with well structured product offerings (41.1% of FY 2024 target)

- Secured sizable EPB orders from leading NA EV maker, HMG and GM serving as a foundation for stable growth
- Bolstered new EPS orders from major customers in Korea, China, NA and India region
- Strengthened presence in India through new chassis, ADAS and automotive electronics wins from local India OEMs

✓ Officially launched Tianrun Mando Joint Venture in February, 2024

- Aiming to secure first mover advantage through industry leading BN-EPS solutions and preoccupying Chinese commercial vehicle market

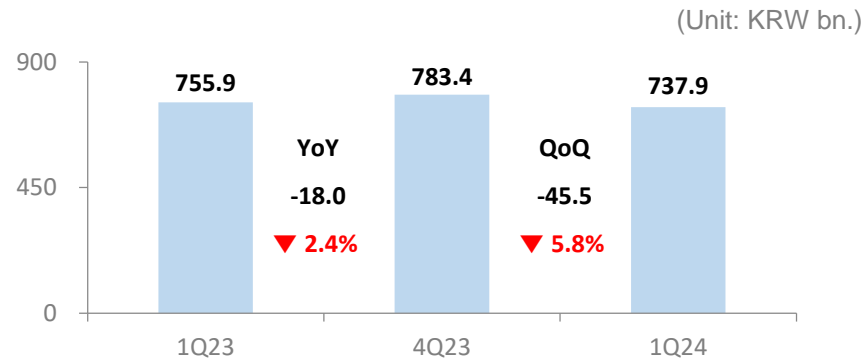
✓ ESG : HL Mando India (MAIL) received HMI's ESG Best Performance Award for three consecutive years

1Q24 *Sales by Region

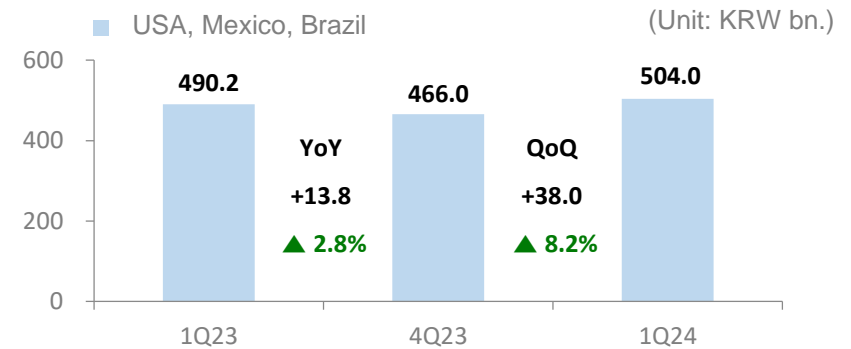
Top-line growth outperforming market driven by enhanced sales mix centered around SUV and premium vehicle mix

* Note : Sales to external customers

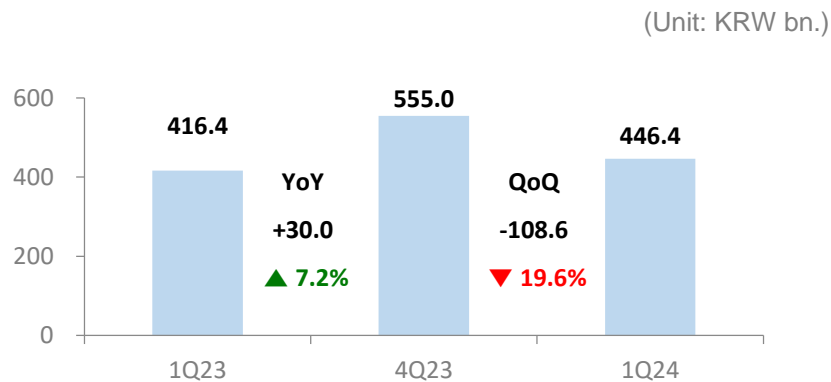
Korea



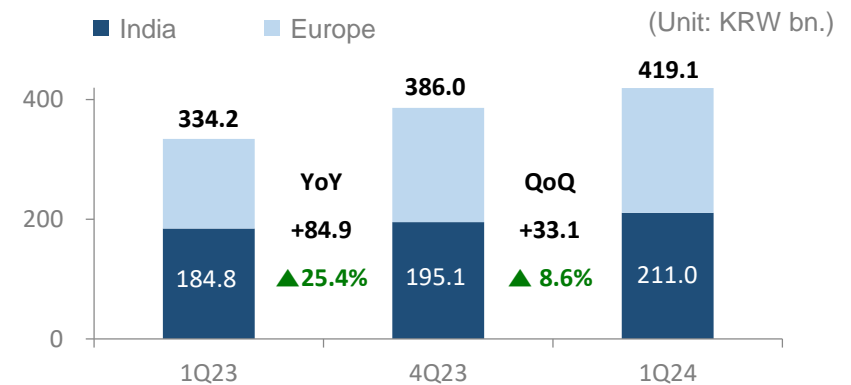
Americas



China



Others



1Q24 Financial Results

(Unit: KRW bn.)

Description	1Q24	1Q23	YoY	4Q23	QoQ
Sales	2,107.3	1,996.7	+110.6	2,190.4	-83.1
			+5.5%		-3.8%
(COGS)	(1,811.8)	(1,722.2)		(1,912.2)	
Operating profit	75.6	70.2	+5.4	50.6	+25.0
(%)	3.6%	3.5%	+0.1%p	2.3%	+1.3%p
<i>Interest</i>	-18.4	-13.8	-4.4	-18.8	+0.4
<i>F/X</i>	12.6	11.5	+1.1	-1.0	+13.6
<i>Equity method</i>	-1.0	-0.3	-0.7	-2.7	+1.7
Profit before tax	215.2	70.8	+144.4	41.8	+173.4
(%)	10.2%	3.5%	+6.7%p	1.9%	+8.3%p
Net income	145.7	43.6	+102.1	40.6	+105.1
(%)	6.9%	2.2%	+4.7%p	1.9%	+5.0%p

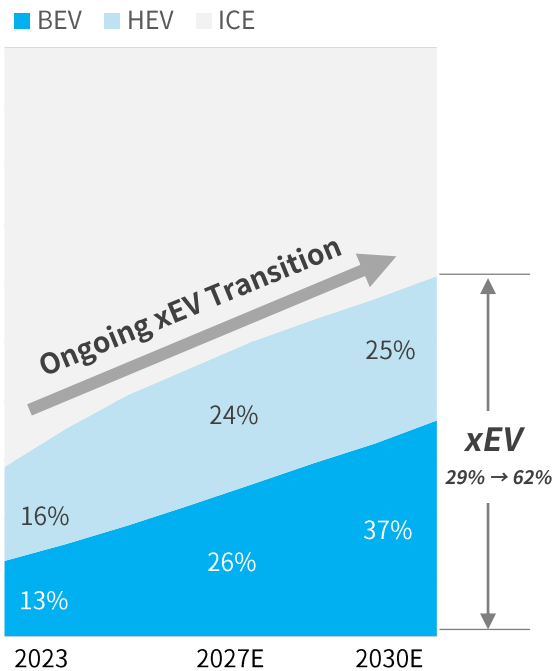
※ 1Q24 PBT increase mainly owing to gain on valuation of financial assets (below OP)

Market-responsive Product Offerings

Flexibly responding to continued xEV (HEV, BEV) transition, despite slow growth in BEV, with well-structured product offerings, as higher Contents Per Vehicle further boosts sales growth

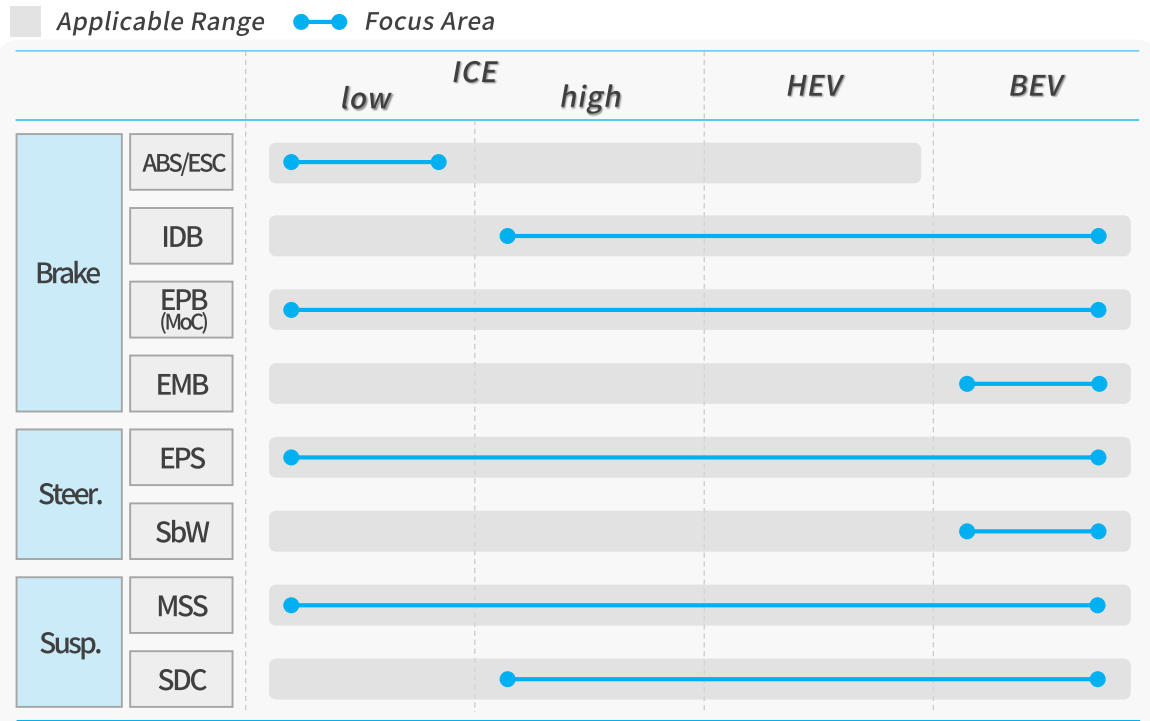
Fluidly Adapting to xEV Market Changes

Vehicle Production Outlook



Source: GlobalDataPlc (2023.12)

HL Mando Key Chassis Product Coverage (ICE → BEV)



HL Klemove Updated Strategies for AD Market

Harnessing the rapid growth of the autonomous market, we're focusing our expertise on the Level 2/2+ AD/ADAS market, responding to the demand for safety and convenience

HL Klemove Updated Strategy

Approach

Executes a **two-track approach**

- **Collaborative Growth and Partnerships**
 - Enhancing market presence alongside key partners with full-service turn-key solutions
- **New Horizons and Market Penetration**
 - Establishing new connections and tapping into major OEM networks, with a spotlight on Indian and North American market

- Securing **High-performance product portfolio** to address SDVs*
- Developing **Cross-domain capabilities** (e.g. AD & IVI)

*SDV: Software Defined Vehicle

AD Level

Adoption Rate
(Source: Roland Berger)

Level 1

2021 2030
37% → 29%

Level 2

2021 2030
9% → 29%

Level 2+

2021 2030
2% → 26%

Level 3~

2021 2030
2% → 5%

Product

Offers a **comprehensive portfolio**

Front Sensing



+ Rear/Corner Sensing



+ Additional Sensors, HPC*(Driving, Parking)



+ Full-surround Sensing, HPC(Integrated)



*HPC: High Performance Computing

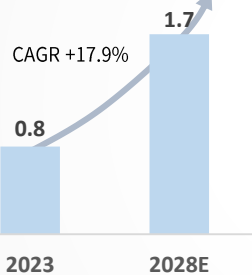
Competitive Advantages in Regions Outperforming Market (India, China)

Reaping topline benefits of early entry into high-growth markets

India – Further heightened sales growth momentum

[Revenue Forecast]

(Unit : KRW tn.)

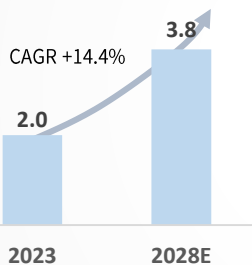


- Exponential growth in electronic chassis products driven by intensified safety regulations (e.g. ESC, EPB)
- Gaining a strategic edge as partners in regional markets rapidly adopt AD/ADAS products, capturing a significant market share (M/S approx. 90%)

China – Customer & product expansion to propel future growth

[Revenue Forecast]

(Unit : KRW tn.)



- Expanded collaboration with market leaders for growth over market
 - Enabled by our product offerings and localization (R&D, Sales, SCM)



Consolidated Statements of Financial Position, 1Q24

(Unit: KRW bn.)

Description	1Q24	4Q23	Variance
Asset	7,040.8	6,286.7	+754.1
(Cash)	1,129.7	614.9	+514.8
Liability	4,513.9	3,930.5	+583.4
(Debt)	2,475.1	2,017.1	+458.0
Equity	2,526.9	2,356.2	+170.7
(Capital)	47.0	47.0	0.0
L/E ratio	178.6%	166.8%	+11.8%p
D/E ratio	98.0%	85.6%	+12.3%p
Net D/E ratio	53.2%	59.5%	-6.3%p

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

Disclaimer

The 1Q 2024 results of HL Mando Corporation are prepared on a consolidated basis in accordance with IFRS.

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