

First-Quarter 2021 Results

Halla Holdings

May 2021



1Q 2021 Highlights

- ✓ **Consolidated 1Q results**
 - 1Q Sales of W 225.1 bn (YoY +25.4%)
 - 1Q OP of W 34.5 bn (OP Margin 15.3%, YoY +98.4%)
 - 1Q Net profit of W 31.4 bn (YoY +173.2%)

- ✓ **Halla Holdings Business Unit**
 - Own business 1Q Sales of W 188.0 bn (YoY +19.4%) and OP of W 5.1 bn (OPM : 2.7%)
 - Establishment of Halla Corporation Berlin for module biz.
 - Continuous solid results in aftermarket biz.

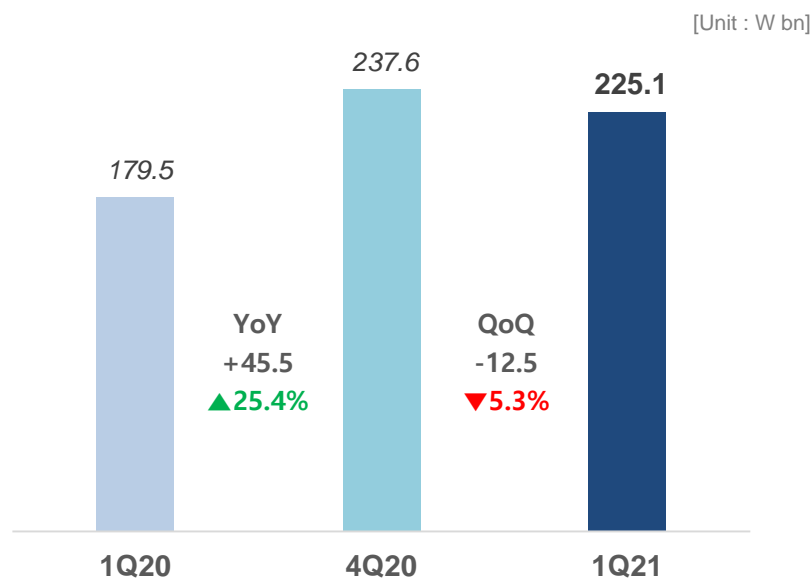
- ✓ **Affiliates' highlights**
 - ***Automobile (Mando Corporation)***
 - Mando 1Q Sales of W 1,501.6 bn (YoY +14.6%) and OP of W 71.9 bn (OPM : 4.8%)
 - ***Construction (Halla Corporation)***
 - 1Q sales of W 345.2 bn (YoY +0.1%) and OP of W 27.2 bn (OPM : 7.9%)
 - Credit rating upgrade BBB0/Positive → BBB+/Stable

- ✓ **Continue to drive shareholders' value**
 - Announcement of treasury stock acquisition plan of W 10.0 bn (11th May 21)

Continue to drive shareholders' value based on strong results

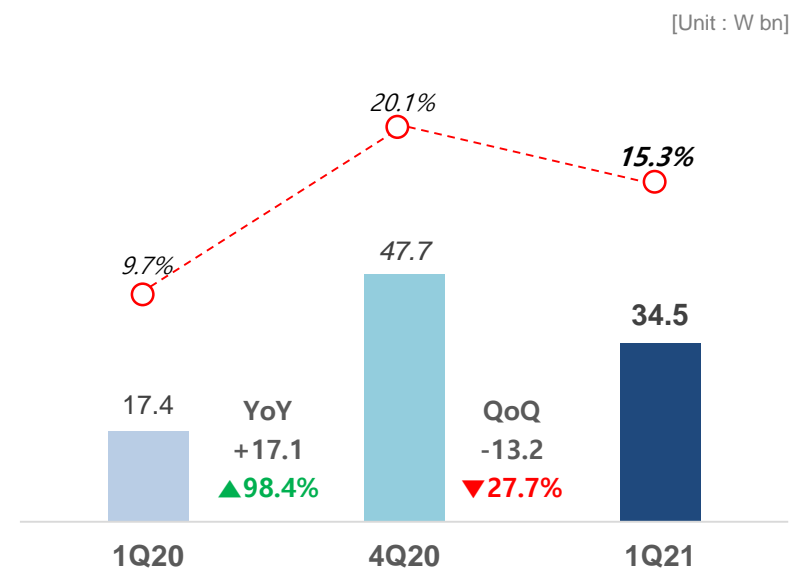
Business Performance (consolidation)

Sales



- **1Q Sales increase 25.4% YoY**
 - Due to increase in 1Q20 profits from affiliates

Operating Profit (%)



- **1Q OPM increase 98.4%p YoY**
 - Due to increase in 1Q20 profits from affiliates and profitability improvement by business restructuring

Fast recovery from Covid-19 impact , Strong performance in every aspect

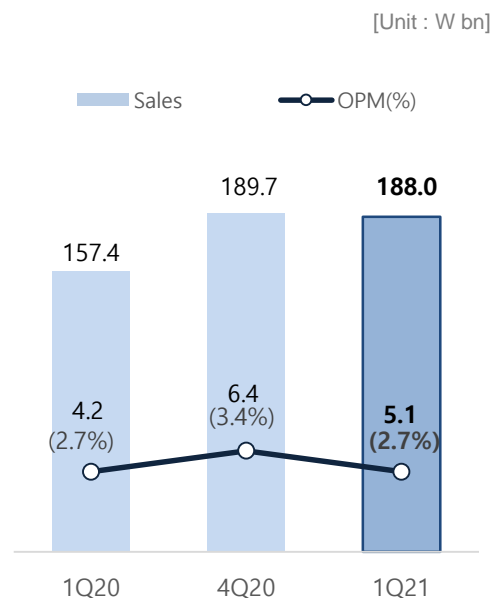
Business Performance of 1Q 2021

Own Business

Construction

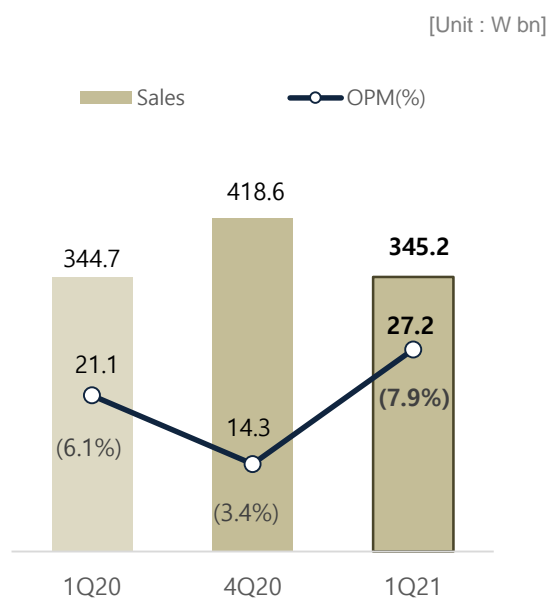
Automobile

Aftermarket and Logistics



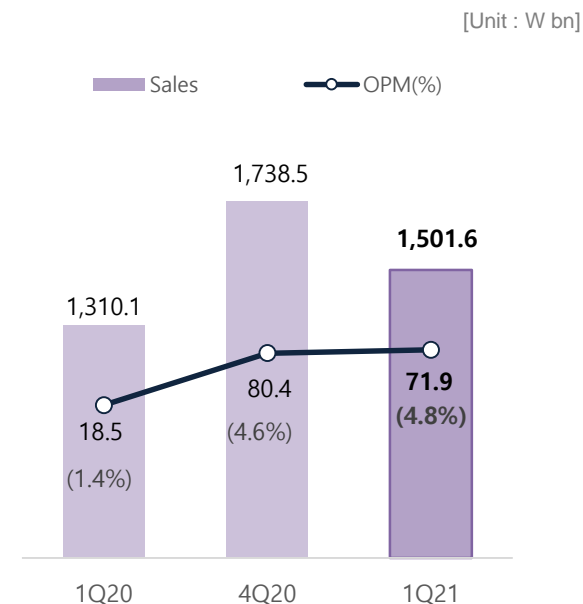
Halla Corporation

(Affiliates under the equity method)



Mando

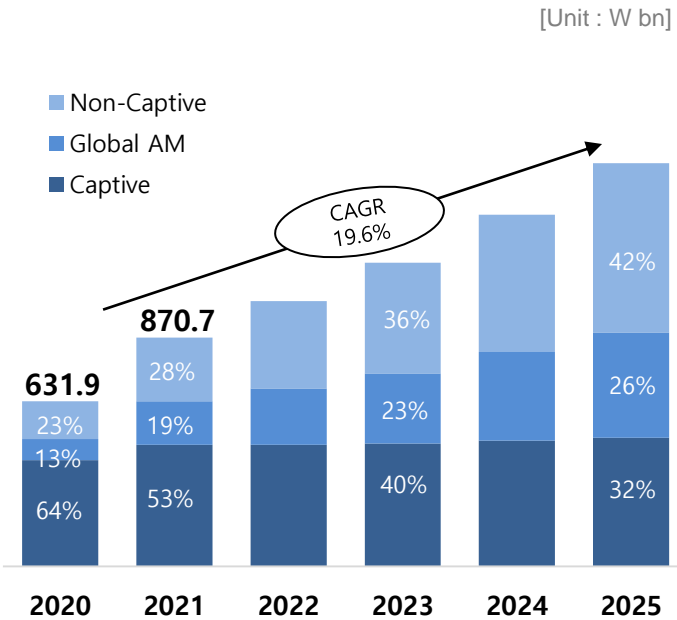
(Affiliates under the equity method)



Continuous solid results in Construction & Automobile

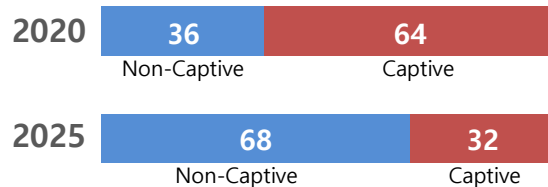
Own Business | Growth strategies

Biz Plan (~2025)



* Non-Captive & Collaboration : Imported car, Fleet, Module
 * Captive : Genuine Auto parts, 2PL logistics

✓ Captive dependency (%)



Growth strategies

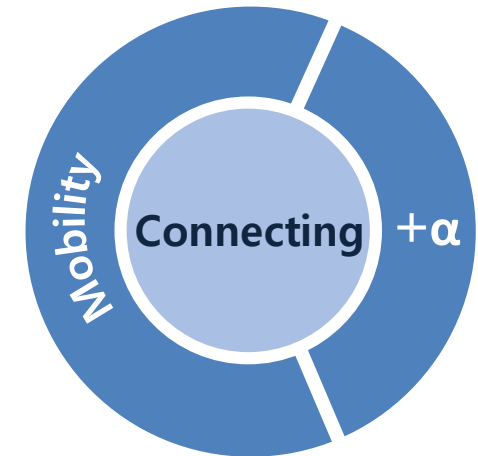
Mid-term (2025)

Growth by Collaboration



Long-term (2030)

Value connecting service provider



Imported Car Platform
Fleet Management Service



Fulfilment Logistics

• Services that connect value to customers

- Mobility & Service Platform Biz
- B2C / On-line
- On line to Off line Biz

- Collaborate with startups to expand non-captive
- Requirements to go to Long-term state



Halla Corporation Europe

Coverage

- Europe, the Middle East, Africa, Russia



Localization

- W/House management (May '20)

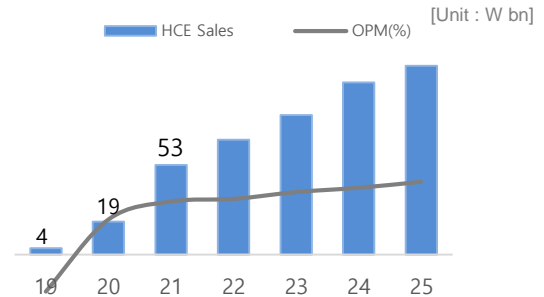
Local W/House → → Customer

(Lead Time : 2month+ → 24hr+)

- Cost savings through local sourcing
- Mobile Applications (May '21)



Business Plan



Europe

Global A/M

China

North America

Halla Corporation Shanghai

Growth by Collaboration (J/V in 1H21)

New Biz Model

Automakers' Logistics & 3PL



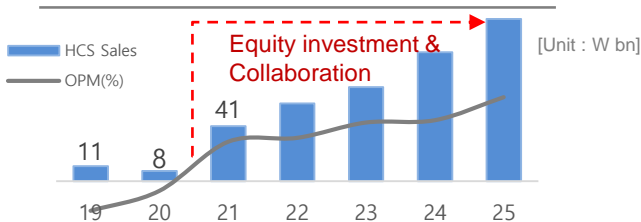
Advertisement & Marketing



Consulting



Business Plan



- Turnaround success in 1Q21

Equity investment & Collaboration

URIMAN



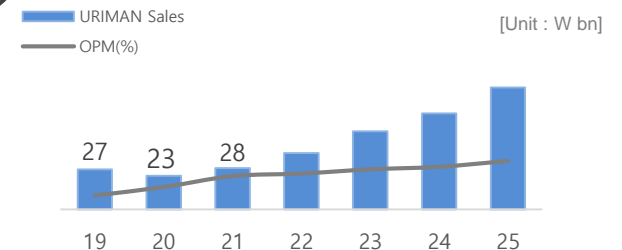
North American market with Korean OE brand



S/Abs, DSM Full-line Supplier



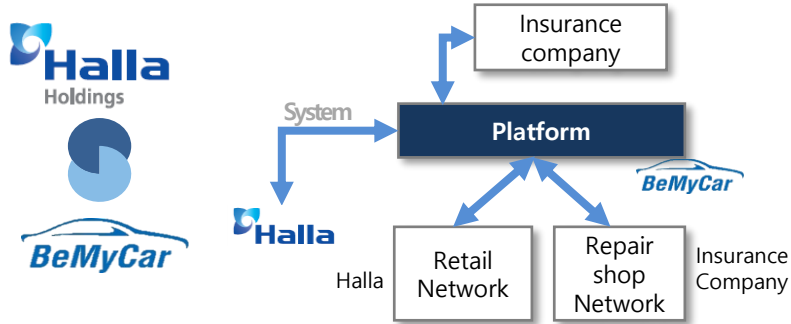
Business Plan



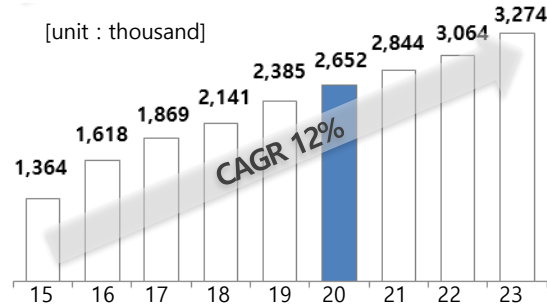
Own Business | Domestic Non-Captive / Module

Imported Car Platform Service

Collaboration → Platform

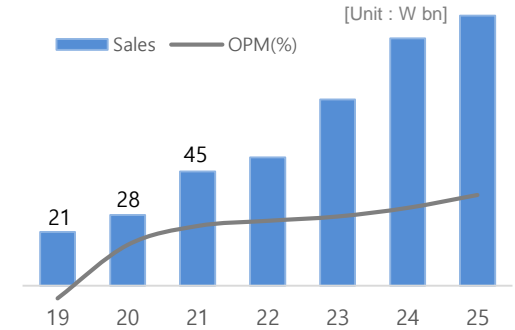


Number of registrations



Domestic Non-Captive

Business Plan



Fleet Management Service

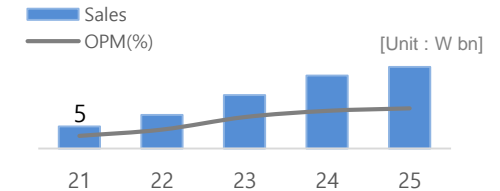
Car accessories to rental car companies



Service Model diversification

- Rental car → Car sharing, official car, transportation company
- Item expansion (Re-work Service, Other Car parts)

Business Plan



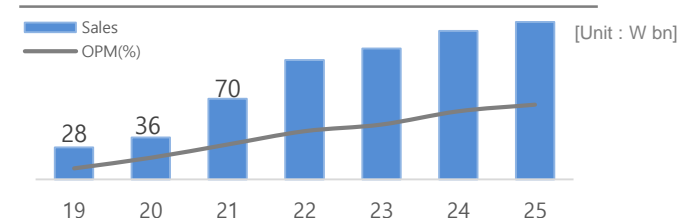
Module



- Halla Corporation Berlin established (Feb. 2021) (Incorporated after North America and China)



Business Plan



Biz Portfolio Diversification

WG Campus



- New business think tank of Halla Group (Apr. 2021)
- Platform-based business models

E-Commerce



AI



VR / AR



- Development of existing business-linked businesses

M&A Strategies

Target Industries

EV



Mobility



Healthcare



Eco Friendly

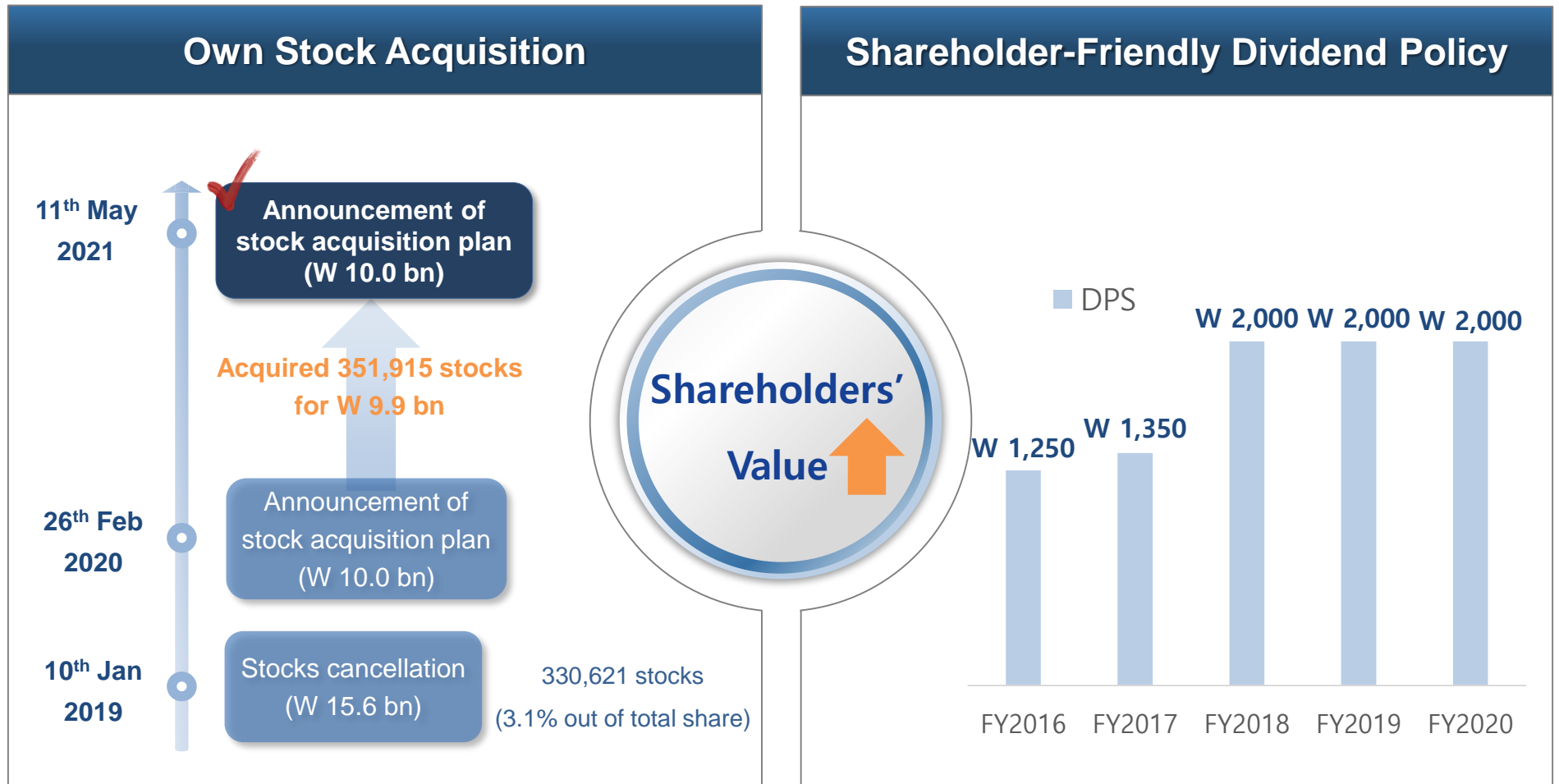


NEW
Biz



Focus on securing Future growth engine

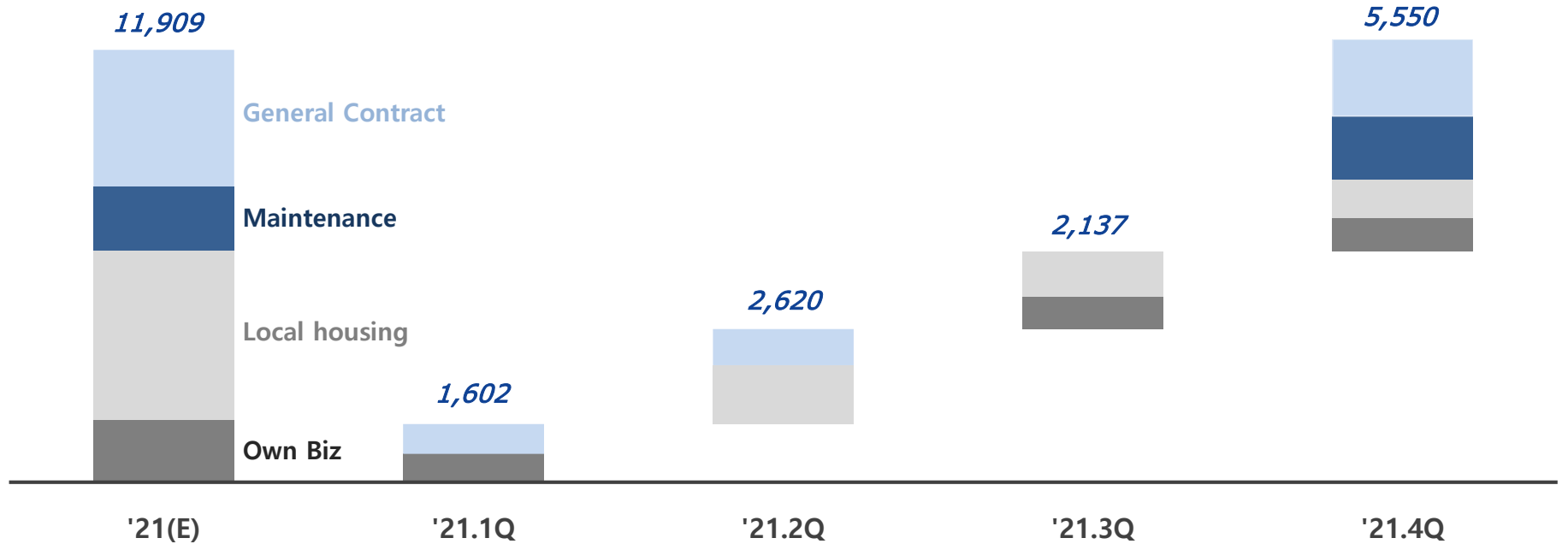
Shareholders' Value



Continue to drive shareholders' value

Appendix

Appendix | Halla FY21 Housing/Building Sales Plan



분기별
분양 실적 및 계획
(계약 세대수)

양평 양근리 APT (1,602) (완료)	광양황금지구 (772) 전주기린로 (340) 영천임대 (510) 아산스마트밸리 (998)	울산우정동 (530) 부산문헌제일 (719) 청주월명공원 (888)	인천작전동 (340) 이천아미 (596) 용인역삼 (1,042) 이천부발 (759) 시흥은행2지구 (1,357) 전주감나무골재개발 (1,751)
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* Revenue to be realized over approximately 1~2 years period

Appendix | Key Financial Metrics

[Unit : bn. KRW, %]	YoY			QoQ	
	1Q 2021	1Q 2020	B/(W)	4Q 2020	B/(W)
Sales	225.1	179.5	+45.5 +25.4%	237.6	-12.5 -5.3%
Operating Profit	34.5 15.3%	17.4 9.7%	+17.1 +98.4%	47.7 20.1%	-13.2 -27.7%
Net Profit	31.4 14.0%	11.5 6.4%	+19.9 +173.2%	26.7 11.2%	+4.7 +17.6%
EBITDA	38.7 17.2%	19.9 11.1%	+18.8 +94.6%	50.3 21.2%	-11.6 -23.0%

Appendix | Consolidated Statements of Financial Position

[Unit : W bn, %]

Description	1Q 2021	4Q 2020	Variance
Asset	2,081.9	1,961.5	+120.4
(Cash)	286.4	141.7	+144.6
Liability	1,172.0	1,074.6	+97.4
(Debt)	764.9	707.9	+56.9
Equity	909.9	886.9	+23.0
(Capital)	55.1	55.1	-
L/E ratio	128.8%	121.2%	+7.6%
D/E ratio	84.1%	79.8%	+4.2%
Net D/E ratio	52.6%	63.8%	-11.3%

※ 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	
	1Q21	1Q20	1Q21	1Q20
Sales	188.0	157.4	4.1	2.6
Operating Profit	5.1	4.2	0.9	-0.7
(%)	2.7%	2.7%	20.1%	-26.7%
Pre-tax Profit	n/a	n/a	-2.1	-5.0
Net Profit	n/a	n/a	-2.1	-5.0

➤ Affiliates under the Equity Method of Accounting

[Unit : W bn, %]

	Mando		Halla Stackpole		Halla	
	1Q21	1Q20	1Q21	1Q20	1Q21	1Q20
Sales	1,501.6	1,310.1	49.2	38.2	345.2	344.7
Operating Profit	71.9	18.5	6.0	3.1	27.2	21.1
(%)	4.8%	1.4%	12.1%	8.2%	7.8%	6.1%
Pre-tax Profit	67.1	13.9	15.7	5.3	25.5	15.2
Net Profit	51.1	9.5	11.2	4.1	18.5	13.3

Disclaimer

The 1Q 2021 results of Halla Holdings are prepared on a consolidated basis in accordance with IFRS.

This document is provided for the convenience of investors only, before the external audit of our 1Q 2021 financial results is completed. Some part of this document may be subject to modification following completion of an audit.

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