

1Q 2022 Earnings Release

**HD HYUNDAI**



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# 1Q 2022 Earnings Release

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[Appendix]

## 1.1 Summary of Financial Results (Quarterly)

- Following increased Refinery sector sales due to increased oil prices and the consolidation of Korea Shipbuilding & Offshore Engineering, sales increased by 33.3% QoQ
- Following increased refinery sector profitability and solid construction equipment sector earnings, operating profit increased by 1,144.2% QoQ

(Unit : billion KRW)

	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	11,296.6	33.3%	85.9%	8,475.4	6,075.5
Operating Profit	805.0	1,144.2%	50.7%	64.7	534.3
OPM	7.1%	6.3%p	-1.7%p	0.8%	8.8%
Non-operating Profit	(191.6)	-	-	(204.7)	(146.7)
Interest income (net)	(92.5)	-	-	(78.2)	(58.7)
Gain/Loss on Foreign exchange (net)	21.1	-	-	1.4	(37.0)
Profit before income taxes	613.4	Turned to Profit	58.3%	(140.0)	387.6
Net Income	380.2	Turned to Profit	29.1%	(189.6)	294.4
Profit attributable to Common shareowners	167.4	Turned to Profit	10.5%	(161.1)	151.5

Note1. K-IFRS consolidated basis

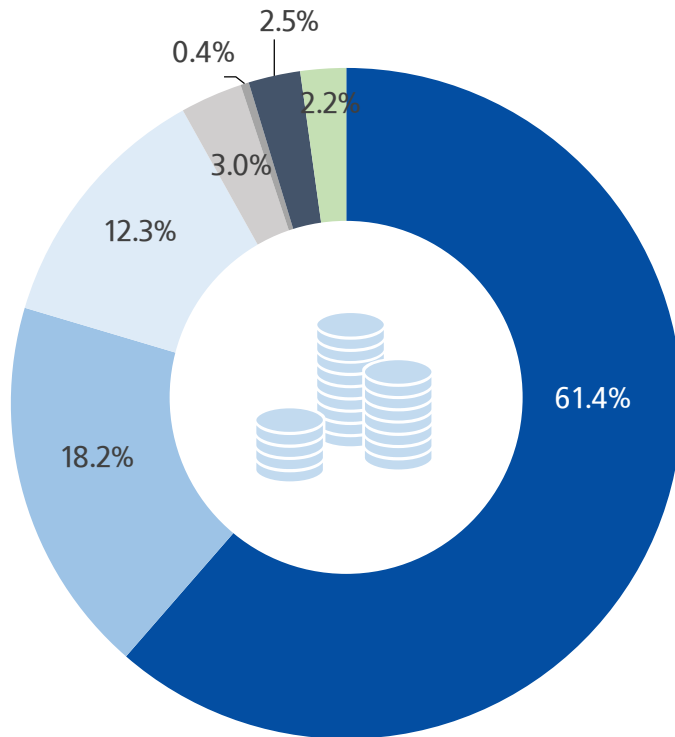
Note2. Interest gain/loss : Interest income + interest expense

Note3. Gains/loss on Foreign exchange (net) : Gain and loss on foreign currency translation + Gain and loss on foreign currency transaction

# 1.2 Summary of Financial Results (Quarterly)

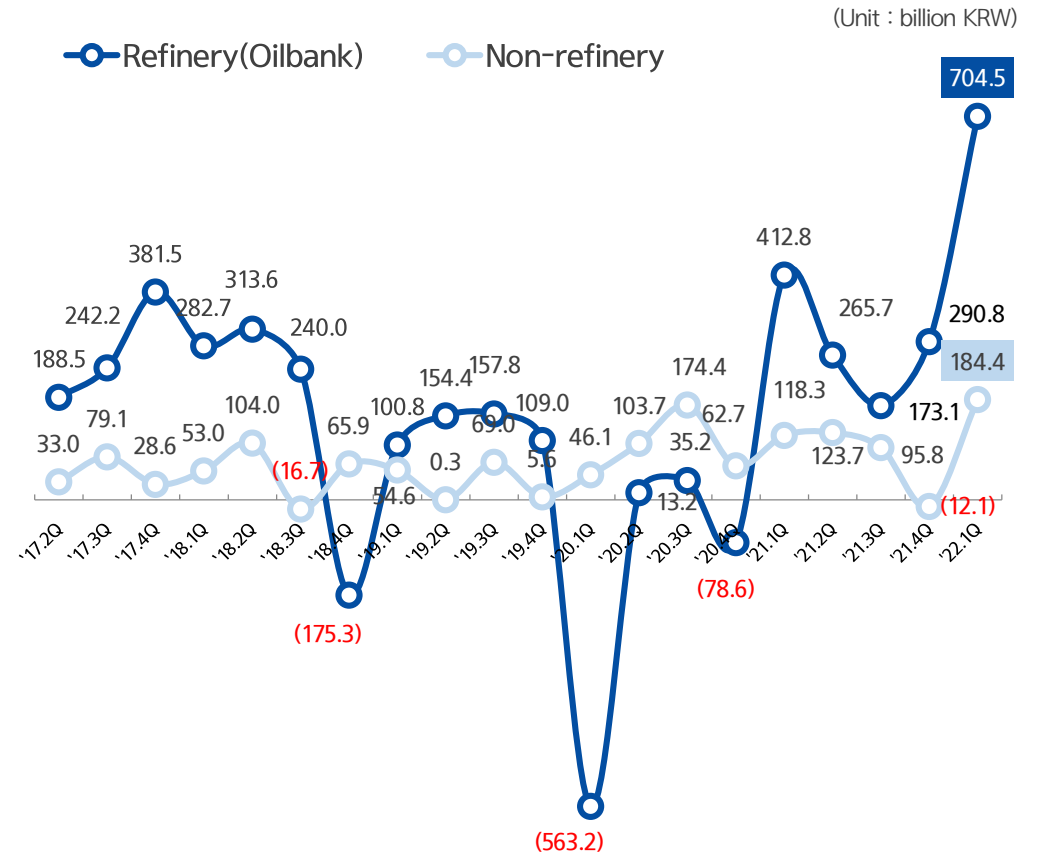
## 1Q 2022 Sales Composition

- (Refinery)Oilbank
- Hyundai Genuine
- KSOE
- Hyundai Electric Systems
- Hyundai Robotics
- Hyundai Global Service
- HD Hyundai (Separate)



## 1Q 2022 Operating Profit (excluding equity method and dividend)

- Refinery(Oilbank)
- Non-refinery



Note1. On the basis of consolidated sales excluding consolidated adjustments such as equity method gains/losses and inter-corporate dividends from HD Hyundai's consolidated financial statement (HD Hyundai : Separate basis)

Note2. Korea Shipbuilding & Offshore Engineering : Shipbuilding sub-holding company, consolidated on 2022 March. Equity method from 2022 Jan.~Feb.  
(Main subsidiaries : Hyundai Heavy Industries, Hyundai Mipo Dockyard, Hyundai Samho Heavy Industries)

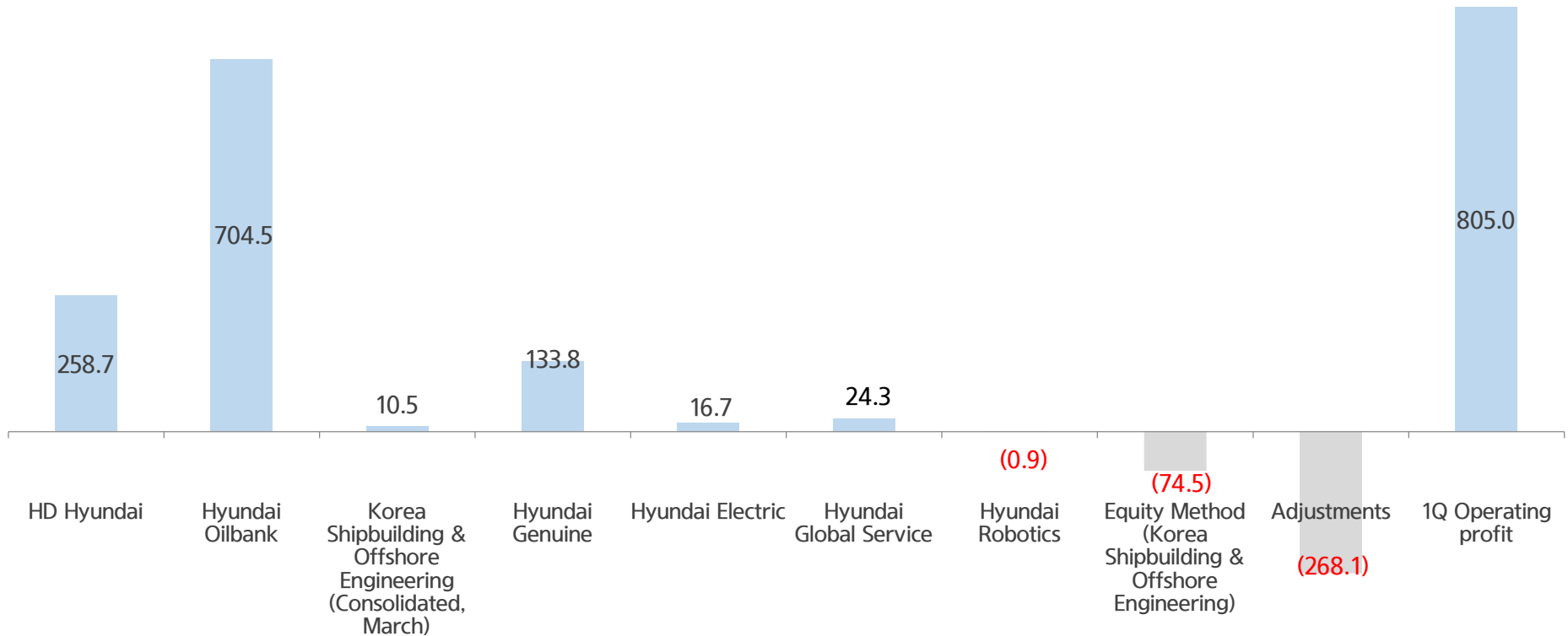
Note3. Hyundai Genuine : Construction Equipment sub-holding company. Consolidated on 2021 January.  
(Main subsidiaries : Hyundai Construction Equipment, Hyundai Doosan Infracore consolidated on 2021 August)

Note4. On the basis of consolidated operating profit excluding consolidated adjustments such as equity method gains/losses and inter-corporate dividends from HD Hyundai's consolidated financial statement

# 1.3 Summary of Financial Results (Quarterly)

## 1Q 2022 Operating profit Composition

(Unit : billion KRW)



Note1. Korea Shipbuilding & Offshore Engineering : Shipbuilding sub-holding company, consolidated on 2022 March. Equity method from 2022 Jan.~Feb.  
 (Main subsidiaries : Hyundai Heavy Industries, Hyundai Mipo Dockyard, Hyundai Samho Heavy Industries)

Note2. Hyundai Genuine : Construction Equipment sub-holding company. Consolidated on 2021 January.  
 (Main subsidiaries : Hyundai Construction Equipment, Hyundai Doosan Infracore consolidated on 2021 August)

## 2 Financial Results by Companies (Quarterly)



(Unit : billion KRW)

Category	'22.1Q			'21.4Q			'21.1Q			Remarks
	Sales	Operating Profit	OPM	Sales	Operating Profit	OPM	Sales	Operating Profit	OPM	
Consolidated Entities	264.1	258.7	98.0%	2.4	(2.6)	-108.3%	222.2	216.4	97.4%	* Dividend Income 22.1Q : 262.0 Billion KRW 21.1Q : 220.5 Billion KRW
HD Hyundai	264.1	258.7	98.0%	2.4	(2.6)	-108.3%	222.2	216.4	97.4%	
Hyundai Oilbank	7,242.6	704.5	9.7%	5,944.5	290.8	4.9%	4,536.5	412.8	9.1%	
Korea Shipbuilding & Offshore Engineering	1,456.8	10.5	0.7%	-	-	-	-	-	-	
Hyundai Genuine	2,144.4	133.8	6.2%	1,864.7	(27.0)	-1.4%	-	-	-	
Hyundai Construction Equipment	-	-	-	-	-	-	964.9	79.7	8.3%	
Hyundai Electric & Energy Systems	351.8	16.7	4.7%	607.6	(41.7)	-6.9%	380.7	17.5	4.6%	
Hyundai Global Service	300.1	24.3	8.1%	310.8	38.1	12.3%	237.8	23.7	10.0%	
Hyundai Robotics	43.6	(0.9)	-2.1%	42.9	(8.6)	-20.0%	44.7	(2.6)	-5.8%	
Equity Method	(74.5)	(74.5)	-	(173.8)	(173.8)	-	14.4	14.4	-	
Korea Shipbuilding & Offshore Engineering	(74.5)	(74.5)	-	(173.8)	(173.8)	-	14.4	14.4	-	
Adjustment	(432.3)	(268.1)	-	(123.7)	(10.5)	-	(325.7)	(227.6)	-	
<b>Total</b>	<b>11,296.6</b>	<b>805.0</b>	<b>7.1%</b>	<b>8,475.4</b>	<b>64.7</b>	<b>0.8%</b>	<b>6,075.5</b>	<b>534.3</b>	<b>8.8%</b>	

Note1. HD Hyundai : Parent basis

Note2. Hyundai Oilbank, Korea Shipbuilding & Offshore Engineering, Hyundai Genuine, Hyundai Electric & Energy Systems, Hyundai Global Service, Hyundai Robotics: Consolidated basis

Note3. Korea Shipbuilding & Offshore Engineering : Shipbuilding sub-holding company, consolidated on 2022 March. Equity method from 2022 Jan.~Feb.

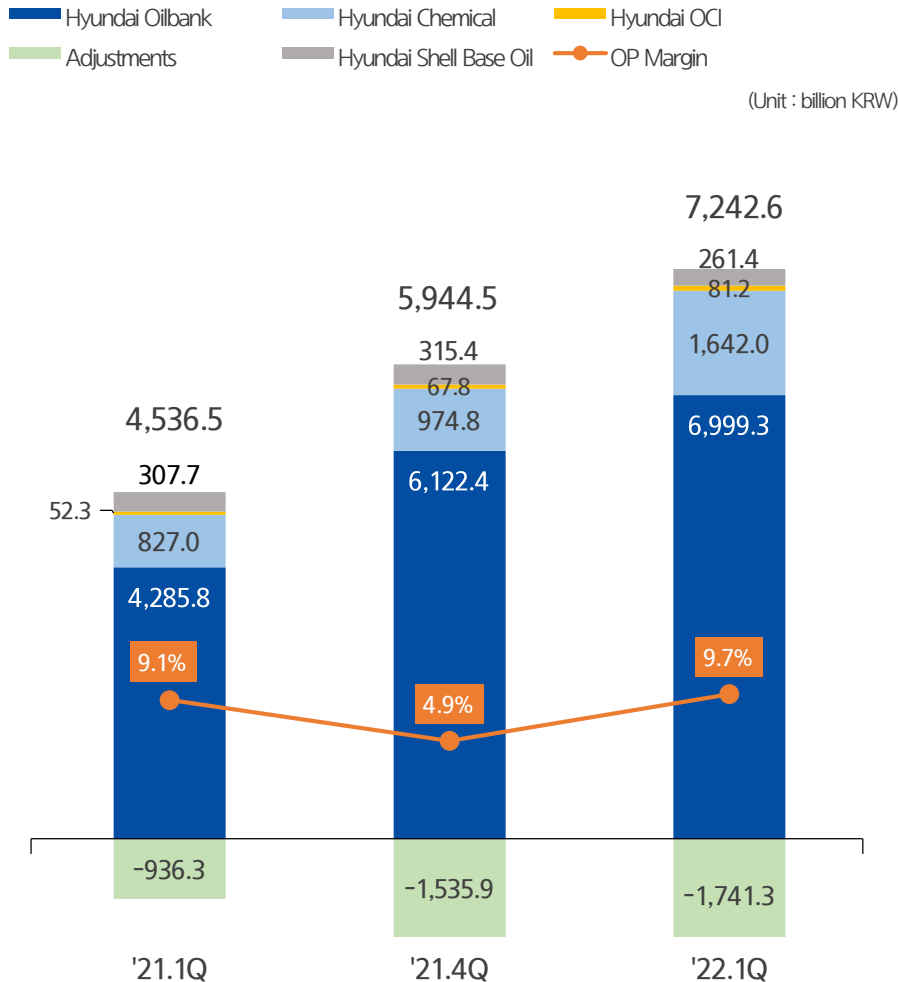
(Main subsidiaries : Hyundai Heavy Industries, Hyundai Mipo Dockyard, Hyundai Samho Heavy Industries)

Note4. Hyundai Genuine : Construction Equipment sub-holding company. Consolidated on 2021 January.

(Main subsidiaries : Hyundai Construction Equipment, Hyundai Doosan Infracore consolidated on 2021 August)

### 3. Hyundai Oilbank (Consolidated)

#### 1Q 2022 Sales and Operating Profit Margin



- **Sales 7,242.6 billion KRW**

- Up by 21.8% QoQ
- Up by 59.7% YoY

- **Operating Profit 704.5 billion KRW, OPM 9.7%**

- Up by 142.3% QoQ
- Up by 70.7% YoY

- **Analysis**

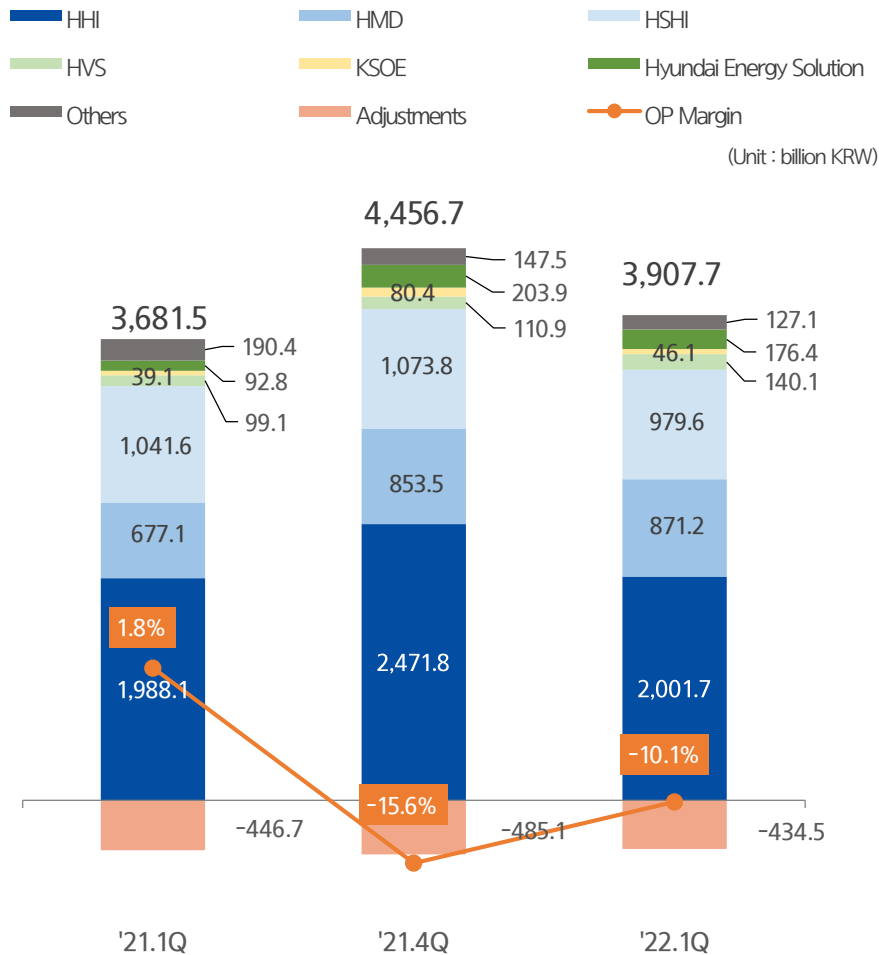
- (QoQ) Increased operating profit due to rise in oil price and product cracks, as well as increased inventory effect (oil price: increase of 6.6\$/b in 4Q, increase of 17.9\$/b in 1Q)
- (YoY) Increase in operating profits due to rises in oil price and improved product cracks (Oil Price: \$78.3/b → \$96.2/b, Gasoline :\$12.6/b → \$22.1/b)



# 4. Korea Shipbuilding & Offshore Engineering (Consolidated)



## 1Q 2022 Sales and Operating Profit Margin



- Sales 3,907.7 billion KRW

- Down by 12.3% QoQ
- Up by 6.1% YoY

- Operating Profit -396.4 billion KRW, OPM -10.1%

- Continued deficit QoQ (4Q ordinary wage ruling related cost of 486.7 billion KRW)
- Turned to deficit YoY

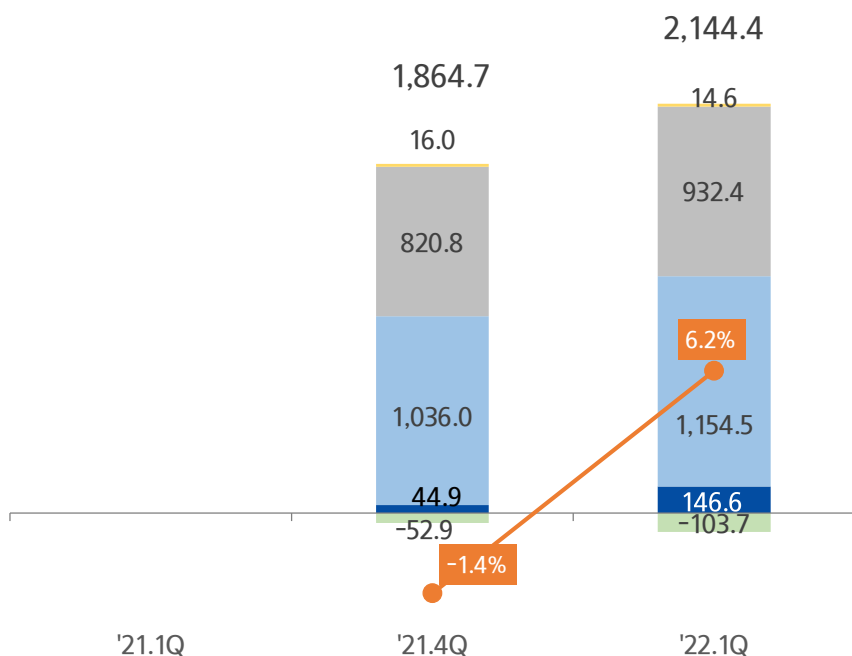
- Analysis

- (QoQ) Continued deficit due to raw material price increase as a result of the Ukrainian war, work suspension, and the setting of provisions related to industrial facilities
- (YoY) Turned to deficit due to the effects of cost increase from rising inflation

Note1. Consolidated (Financial results from before consolidation has been included for the purpose of investors' convenience. Data is different from that of Korea Shipbuilding & Offshore Engineering's data on page 7)

## 5. Hyundai Genuine (Consolidated)

### 1Q 2022 Sales and Operating Profit Margin



- **Sales 2,144.4 billion KRW**

- Up by 15.0% QoQ

- **Operating Profit 133.8 billion KRW, OPM 6.2%**

- Turned to profit QoQ

- (4Q ordinary wage related cost of 22.2 billion KRW)

- Hyundai Construction Equipment : Operating profit 46.7 bil. KRW, OP margin 5.0%

- Hyundai Doosan Infracore : Operating profit 104.9 bil. KRW, OP margin 8.2%

- **Analysis**

- Despite reduced global demand and the Chinese Covid-19 outbreak leading to a contraction of the Chinese market, increased construction equipment sales in the North American/developing market and growth of the engine business has led to increased sales

- Despite price increases (raw materials & logistics) and the sluggish Chinese market, was able to achieve solid operating profit of 6.2% through efforts to increase product prices and improve product mix

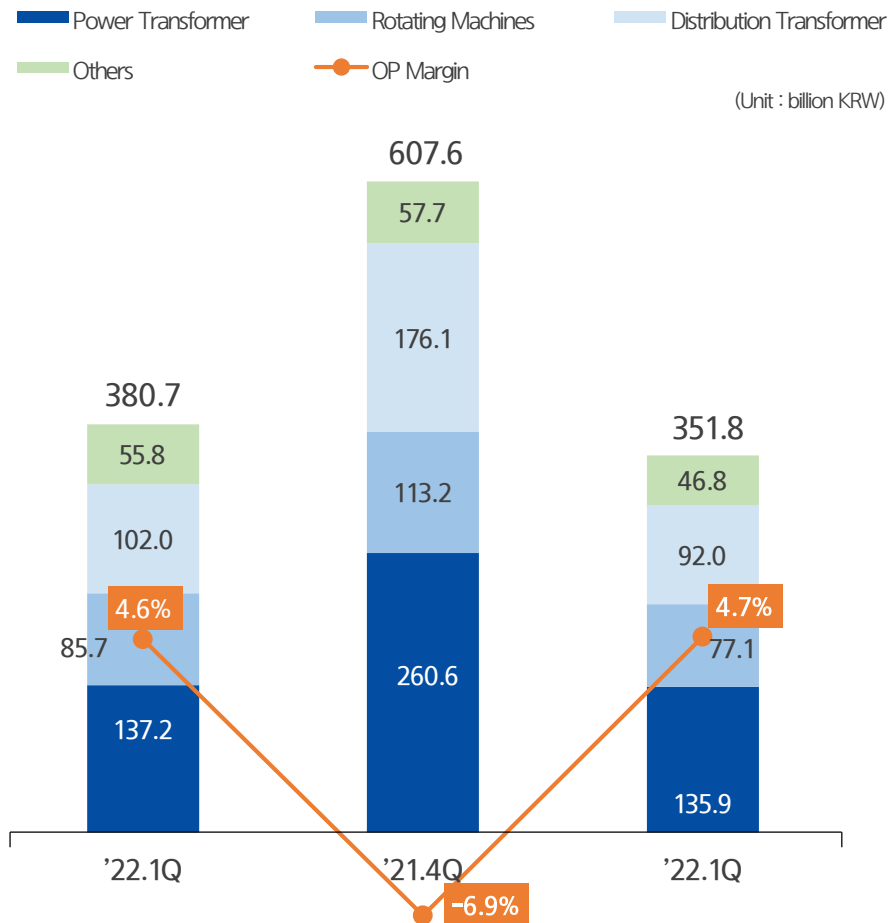
Note1. Consolidated basis

Note2. Hyundai Genuine : Construction Equipment sub-holding company. Consolidated on 2021 January. (Main subsidiaries : Hyundai Construction Equipment, Hyundai Doosan Infracore consolidated on 2021 August)

Note3. As 1Q 2021 was before consolidation of main subsidiary, no data

## 6. Hyundai Electric & Energy Systems (Consolidated)

### 1Q 2022 Sales and Operating Profit Margin



Note1. Consolidated basis

- **Sales 351.8 billion KRW**

- Down by 42.1% QoQ
- Down by 7.6% YoY

- **Operating Profit 16.7 billion KRW, OPM 4.7%**

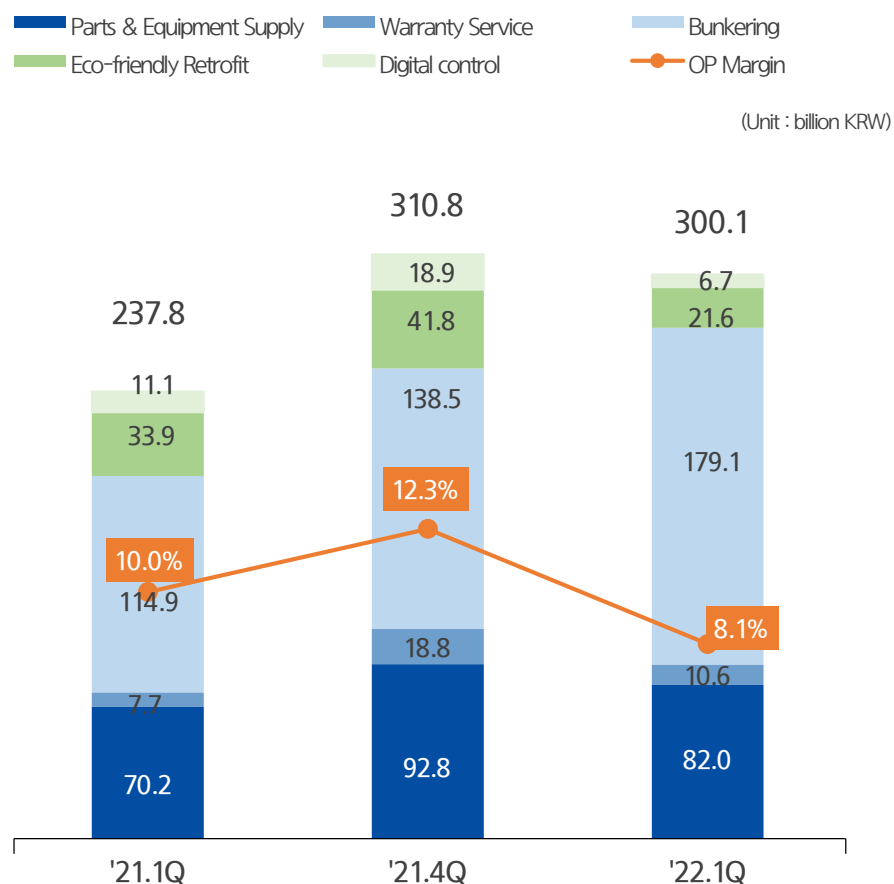
- Turned to profit QoQ  
(4Q ordinary wage related cost of 81.5 bil. KRW)
- Down by 4.6% YoY

- **Analysis**

- (QoQ) Decrease in sales due to seasonal factors. Despite the burden of fixed costs following decreased sales, was able to maintain a solid operating profit margin due to the absences of one-time cost related to ordinary wage and the effects of focusing on profitability-oriented orders
- (YoY) Small decrease in sales due to some revenue being carried forward to the next quarter following delayed port entry of export ships passing through China and process delays at at the construction sites after the enforcement of the 'serious accidents punishment act'. On the other hand, profitability has improved

## 7. Hyundai Global Service (Consolidated)

### 1Q 2022 Sales and Operating Profit Margin



- **Sales 300.1 Billion KRW**

- Down by 3.4% QoQ
- Up by 26.2% YoY

- **Operating Profit 24.3 Billion KRW, OPM 8.1%**

- Down by 36.2% QoQ
- Up by 2.5% YoY

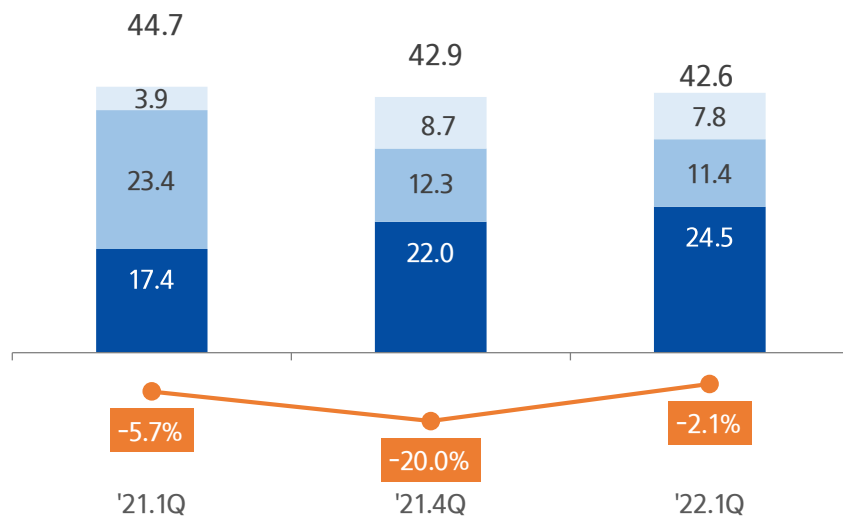
- **Analysis**

- (QoQ) Decrease in sales and operating profit due to reduced construction execution time in the eco-friendly retrofit sector, and temporary reduction in sales from the parts business
- (YoY) Increase in sales due to increased orders and sales from the bunkering and parts business. However, operating profit increased by only a small margin as the sales proportion of the eco-friendly retrofit business decreased.
- Sales predicted to increase after 2022 Q1 due to improved order performance of the parts business well as the resumption of face-to-face sales

## 8. Hyundai Robotics (Consolidated)

### 1Q 2022 Sales and Operating Profit Margin

■ Industrial Robot 
 ■ Automation Solution 
 ■ Service 
 ● OP Margin  
 (Unit : billion KRW)



Note1. Consolidated basis

Note2. Established in 2020. May 1<sup>st</sup> following the spin off from HHI Holdings robotics division

Note3. As of September 29, 2020, Hyundai Robotics has acquired Hyundai Robotics' Chinese subsidiary and Hyundai L&S.

- **Sales 43.6 billion KRW**

- Down by 1.6% QoQ

- Down by 2.5% YoY

- **Operating Profit -0.9 billion KRW, OPM -2.1%**

- Continued deficit QoQ and YoY

- **Analysis**

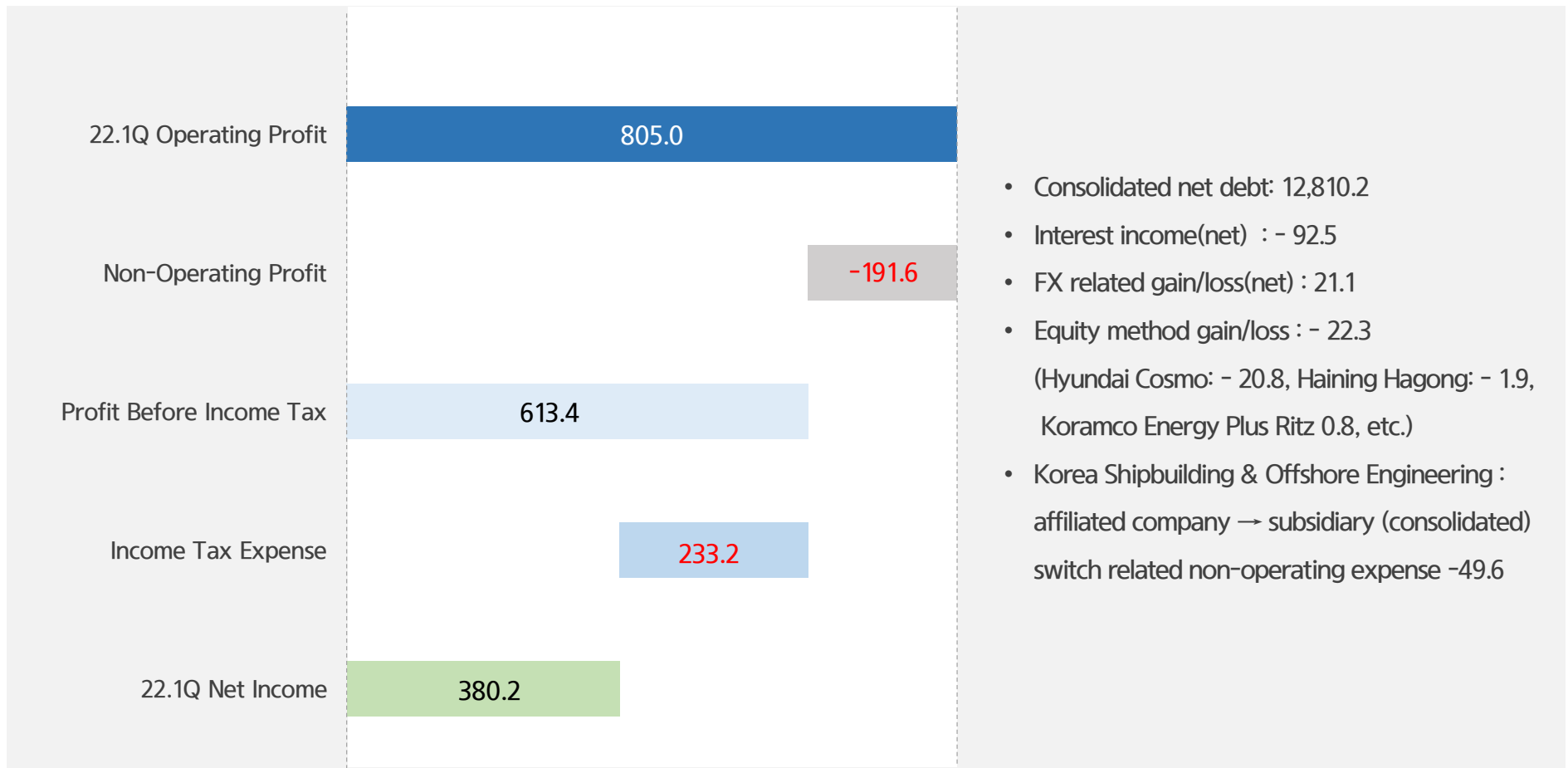
- Operating profit is improving due to the effects of selectively obtaining high profit orders

- Continued deficit due to the effects of fixed costs following sluggish sales, intensifying price competition from market stagnation, initial cost of entering the service robot business, and setting provisions for long-term receivables (1.5 billion KRW)

## 9. Non-operating Profit and Net Income

### 1Q 2022 non-operating profit and net income

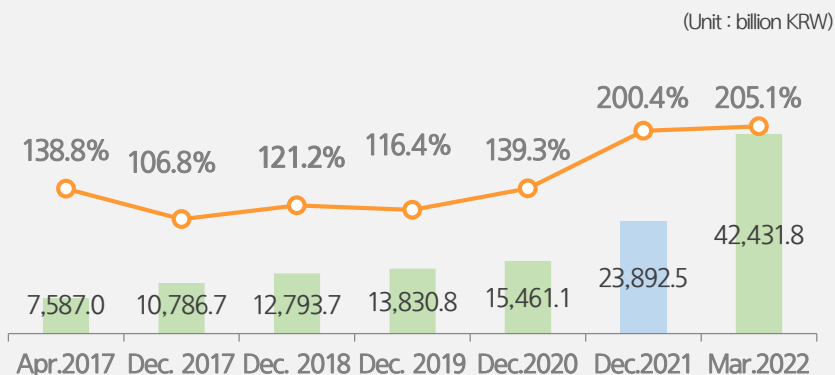
(Unit : billion KRW)



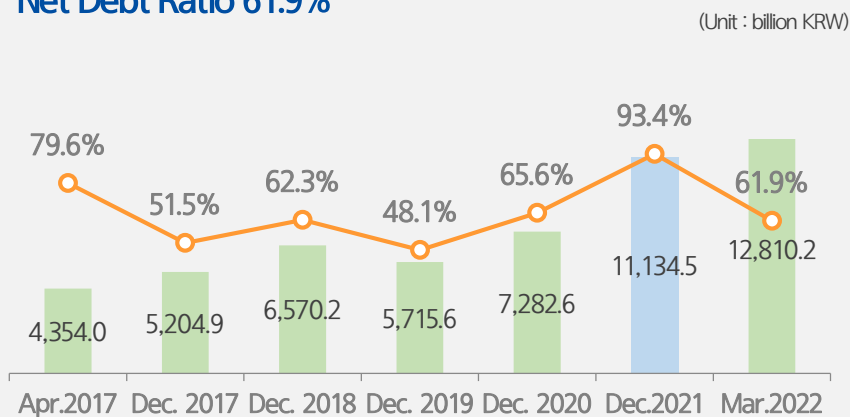
# 10. Financial Ratio

## Consolidated Financial Ratio

### Liabilities Ratio 205.1%



### Net Debt Ratio 61.9%



\* Net Debt(Consolidated) : Total Debt – Cash and Cash Equivalents

## Financial Ratio of Major Affiliates

(Unit : billion KRW)

	Liabilities	Liabilities Ratio	Net Debt	Net Debt Ratio
HD Hyundai	3,103.2	55.1%	2,269.4	40.3%
Hyundai Oilbank	14,786.0	256.5%	8,060.3	139.9%
Korea Shipbuilding & Offshore Engineering	15,772.7	129.6%	109.9	0.9%
Hyundai Genuine	6,387.6	185.5%	2,711.8	78.8%
Hyundai Electric	1,555.7	236.3%	218.2	33.2%
Hyundai Global Service	400.7	384.1%	-38.6	-37.0%
Hyundai Robotics	147.7	45.1%	-65.6	-20.1%

Note1. HHHH - Separate basis

Note2. Korea Shipbuilding & Offshore Engineering : Shipbuilding sub-holding company, consolidated on 2022 March. Equity method from 2022 Jan.~Feb.

Note3. Hyundai Genuine : Construction Equipment sub-holding company. Consolidated on 2021 January. (Main subsidiaries : Hyundai Construction Equipment, Hyundai Doosan Infracore consolidated on 2021 August)

## [Appendix]

1. Consolidated Financial Statement of HD Hyundai
2. Consolidated Financial Statement of Hyundai Oilbank
3. Consolidated Financial Statement of Korea Shipbuilding & Offshore Engineering
4. Consolidated Financial Statement of Hyundai Genuine
5. Consolidated Financial Statement of Hyundai Global Service
6. Market Outlook by Companies
7. Mid/Long term direction of holdings company





# 1. Consolidated Financial Statements of HD Hyundai



## Consolidated Income Statement

(Unit : billion KRW)

Category	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	11,296.6	33.3%	85.9%	8,475.4	6,075.5
Cost of sales	9,991.1	27.6%	90.8%	7,832.3	5,236.4
Gross Profit	1,305.5	103.0%	55.6%	643.1	839.1
Operating Profit	805.0	1,144.2%	50.7%	64.7	534.3
OP Margin	7.1%	6.3%p	-1.7%p	0.8%	8.8%
Non Operating Income/Expense	(191.6)	-	-	(204.7)	(146.7)
Profit before Tax	613.4	Turned to Profit	58.3%	(140.0)	387.6
Income Tax	233.2	-	-	49.6	93.2
Net Income	380.2	Turned to Profit	29.1%	(189.6)	294.4

Note1. K-IFRS consolidated basis

## Consolidated Balance Sheet

(Unit : billion KRW)

Category	Dec.31, '19	Dec.31, '20	Dec.31, '21	Mar.31, '22
Current assets	9,938.3	8,049.1	13,402.4	30,915.2
(Cash & cash equivalents)	2,348.0	2,038.5	2,137.1	6,538.1
Non-current assets	15,780.3	18,509.9	22,413.3	32,202.4
<b>Total assets</b>	<b>25,718.6</b>	<b>26,559.0</b>	<b>35,815.7</b>	<b>63,117.6</b>
Current liabilities	8,046.0	6,336.4	11,650.2	26,437.4
(Short-term borrowings)	3,418.5	2,248.2	4,142.3	8,560.7
Non-current liabilities	5,787.9	9,124.7	12,242.3	15,994.4
(Long-term borrowings)	4,652.9	7,283.8	9,410.7	11,835.5
<b>Total liabilities</b>	<b>13,833.9</b>	<b>15,461.1</b>	<b>23,892.5</b>	<b>42,431.8</b>
Paid-in capital	81.4	81.4	81.4	81.4
Others	4,727.3	4,720.6	4,524.9	4,719.2
Retained earnings	3,183.3	2,213.0	1,701.4	1,600.8
Non-controlling interest	3,892.7	4,082.9	5,615.5	14,284.4
<b>Total equity</b>	<b>11,884.7</b>	<b>11,097.9</b>	<b>11,923.2</b>	<b>20,685.8</b>
<b>Total liabilities &amp; equity</b>	<b>25,718.6</b>	<b>26,559.0</b>	<b>35,815.7</b>	<b>63,117.6</b>

## 2. Consolidated Financial Statements of Hyundai Oilbank



### Consolidated Income Statement

(Unit : billion KRW)

Category	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	7,242.6	21.8%	59.7%	5,944.5	4,536.5
Cost of Sales	6,390.0	16.1%	60.2%	5,501.8	3,988.4
Gross Profit	852.6	92.6%	55.6%	442.7	548.1
Operating Profit	704.5	142.3%	70.7%	290.8	412.8
OP Margin	9.7%	4.8%p	0.6%p	4.9%	9.1%
Non Operating Income/Expense	(98.1)	-	-	(38.5)	(136.1)
Equity method Gain/ Loss	(20.2)	-	-	(13.9)	(6.4)
Profit before Tax	606.4	140.3%	119.2%	252.3	276.7
Income Tax	171.7	-	-	73.7	83.1
Net Income	434.7	143.4%	124.5%	178.6	193.6

Note1. K-IFRS consolidated basis

### Consolidated Balance Sheet

(Unit : billion KRW)

Category	Dec.31, '19	Dec.31, '20	Dec.31, '21	Mar.31, '22
Current assets	4,565.4	3,294.6	5,384.2	7,618.8
(Cash & cash equivalents)	480.4	301.7	323.1	211.6
Non-current assets	8,290.5	11,383.6	12,841.8	12,930.6
<b>Total assets</b>	<b>12,855.9</b>	<b>14,678.1</b>	<b>18,226.1</b>	<b>20,549.4</b>
Current liabilities	4,086.7	3,239.4	5,238.7	7,152.8
(Short-term borrowings)	1,125.0	644.0	1,173.1	2,164.3
Non-current liabilities	3,327.6	6,167.8	7,226.5	7,633.2
(Long-term borrowings)	2,808.4	4,871.0	5,932.8	6,107.6
<b>Total liabilities</b>	<b>7,414.3</b>	<b>9,407.2</b>	<b>12,465.3</b>	<b>14,786.0</b>
Paid-in capital	1,225.4	1,225.4	1,225.4	1,225.4
Others	443.6	707.1	686.8	658.2
Retained earnings	3,110.1	2,535.0	2,824.9	2,925.1
Non-controlling interest	662.4	803.4	1,023.7	954.7
<b>Total equity</b>	<b>5,441.6</b>	<b>5,270.9</b>	<b>5,760.8</b>	<b>5,763.4</b>
<b>Total liabilities &amp; equity</b>	<b>12,855.9</b>	<b>14,678.1</b>	<b>18,226.1</b>	<b>20,549.4</b>

### 3. Consolidated Financial Statements of KSOE



#### Consolidated Income Statement

(Unit : billion KRW)

Category	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	3,907.7	-12.3%	6.1%	4,456.7	3,681.5
Cost of Sales	4,081.8	-15.4%	17.2%	4,826.1	3,481.8
Gross Profit	(174.1)	Deficit Continued	Turned to Deficit	(369.4)	199.7
Operating Profit	(396.4)	Deficit Continued	Turned to Deficit	(696.7)	67.5
OP Margin	-10.1%	5.5%p	-11.9%p	-15.6%	1.8%
Non Operating Income/Expense	13.5	-	-	(307.0)	15.6
Equity method Gain/ Loss	(382.9)	-	-	(1,003.7)	83.1
Profit before Tax	(89.7)	-	-	(3,284)	19.5
Income Tax	(293.2)	Deficit Continued	Turned to Deficit	(6,753)	63.6
Net Income	3,907.7	-12.3%	6.1%	44,567	3,681.5

Note1. K-IFRS consolidated basis

#### Consolidated Balance Sheet

(Unit : billion KRW)

Category	Dec.31, '19	Dec.31, '20	Dec.31, '21	Mar.31, '22
Current assets	12,546.0	13,001.4	14,562.2	15,055.7
(Cash & cash equivalents)	3,136.1	3,703.4	4,567.5	4,532.3
Non-current assets	12,509.4	12,242.8	12,730.9	12,885.6
<b>Total assets</b>	<b>25,055.4</b>	<b>25,244.2</b>	<b>27,293.1</b>	<b>27,941.3</b>
Current liabilities	8,941.9	9,511.5	11,286.4	12,528.8
(Short-term borrowings)	2,811.3	3,746.1	2,375.2	2,937.8
Non-current liabilities	3,187.2	3,311.5	3,592.9	3,243.9
(Long-term borrowings)	2,510.3	2,644.3	2,837.1	2,459.3
<b>Total liabilities</b>	<b>12,129.1</b>	<b>12,823.0</b>	<b>14,879.3</b>	<b>15,772.7</b>
Paid-in capital	353.9	353.9	353.9	353.9
Others	-4,967.6	-4,866.7	-4,964.5	-4,962.1
Retained earnings	16,180.6	15,419.1	14,467.2	14,267.6
<b>Total equity</b>	<b>12,926.3</b>	<b>12,421.2</b>	<b>12,413.8</b>	<b>12,168.6</b>
<b>Total liabilities &amp; equity</b>	<b>25,055.4</b>	<b>25,244.2</b>	<b>27,293.1</b>	<b>27,941.3</b>

## 4. Consolidated Financial Statements of Hyundai Genuine



### Consolidated Income Statement

(Unit : billion KRW)

Category	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	2,144.4	15.0%	-	1,864.7	-
Cost of Sales	1,762.7	13.1%	-	1,558.6	-
Gross Profit	381.7	24.7%	-	306.1	-
Operating Profit	133.8	Turned to Profit	-	(27.0)	-
OP Margin	6.2%	7.6%p	-	-1.4%	-
Non Operating Income/Expense	6.5	-	-	(69.6)	-
Equity method Gain/ Loss	0.038	-	-	(19.6)	-
Profit before Tax	140.3	Turned to Profit	-	(96.6)	-
Income Tax	42.0	-	-	(12.4)	-
Net Income	98.3	Turned to Profit	-	(84.1)	-

Note1. K-IFRS consolidated basis

### Consolidated Balance Sheet

(Unit : billion KRW)

Category	Dec.31, '19	Dec.31, '20	Dec.31, '21	Mar.31, '22
Current assets	-	-	5,842.1	6,056.9
(Cash & cash equivalents)	-	-	1,122.2	1,151.5
Non-current assets	-	-	3,823.3	3,774.1
<b>Total assets</b>	-	-	<b>9,665.4</b>	<b>9,831.0</b>
Current liabilities	-	-	4,248.6	4,440.2
(Short-term borrowings)	-	-	2,113.8	2,454.8
Non-current liabilities	-	-	2,116.1	1,947.4
(Long-term borrowings)	-	-	1,697.1	1,508.2
<b>Total liabilities</b>	-	-	<b>6,364.7</b>	<b>6,387.6</b>
Paid-in capital	-	-	8.1	8.1
Others	-	-	954.8	965.4
Retained earnings	-	-	-26.0	-2.0
Non-controlling interest	-	-	2,363.8	2,471.9
<b>Total equity</b>	-	-	<b>3,300.7</b>	<b>3,443.4</b>
<b>Total liabilities &amp; equity</b>	-	-	<b>9,665.4</b>	<b>9,831.0</b>

## 5. Consolidated Financial Statements of Hyundai Global Service



### Consolidated Income Statement

(Unit : billion KRW)

Category	'22.1Q			'21.4Q	'21.1Q
		QoQ	YoY		
Sales	300.1	-3.4%	26.2%	310.8	237.8
Cost of Sales	264.7	0.3%	28.1%	263.9	206.6
Gross Profit	35.4	-24.5%	13.5%	46.9	31.2
Operating Profit	24.3	-36.2%	2.5%	38.1	23.7
OP Margin	8.1%	-4.2%p	-1.9%p	12.3%	9.97%
Non Operating Income/Expense	1.1	-	-	(5.1)	5.0
Profit before Tax	25.4	-23.0%	-11.5%	33.0	28.7
Income Tax	6.4	-23.8%	-16.9%	8.4	7.7
Net Income	19.0	-22.8%	-9.5%	24.6	21.0

Note1. K-IFRS consolidated basis

### Consolidated Balance Sheet

(Unit : billion KRW)

Category	Dec.31, '19	Dec.31, '20	Dec.31, '21	Mar.31, '22
Current assets	569.3	428.3	384.8	468.1
(Cash & cash equivalents)	168.9	93.7	87.1	105.3
Non-current assets	26.2	35.6	33.7	36.9
<b>Total assets</b>	<b>595.5</b>	<b>463.9</b>	<b>418.6</b>	<b>505.0</b>
Current liabilities	283.9	200.6	221.8	388.9
(Short-term borrowings)	-	-	21.9	66.6
Non-current liabilities	3.4	9.0	41.8	11.8
(Long-term borrowings)	-	-	30.0	-
<b>Total liabilities</b>	<b>287.3</b>	<b>209.6</b>	<b>263.7</b>	<b>400.7</b>
Paid-in capital	20.0	20.0	20.0	20.0
Others	105.2	20.0	21.6	22.0
Retained earnings	183.0	214.3	113.3	62.3
<b>Total equity</b>	<b>308.2</b>	<b>254.3</b>	<b>154.9</b>	<b>104.3</b>
<b>Total liabilities &amp; equity</b>	<b>595.5</b>	<b>463.9</b>	<b>418.6</b>	<b>505.0</b>

# 6.1 Market Outlook by Companies

## 2022. 2Q Outlook

## 2022 Outlook

**Hyundai Oilbank**

- **Dubai Oil Price**  
: Despite decrease in demand from inflation, oil price will remain strong due supply issues following sanctions on Russia
- **Product Crack**  
: Gasoline crack is expected to remain stable due to the summer season and increased demand  
Diesel/Kerosene crack is expected to be strong due to limits on the supply of Russian diesel

- **Dubai Oil Price**  
: Global oil demand is expected to exceed 100 mb/d due to solid demand, but oil price will remain flat as OPEC+ slows down the production, and the increase in shale gas supply
- **Product Crack**  
: Gasoline 15~16\$/B, Gasoil 25~30\$/B, as a result of low inventories due to continued impact of Russian sanctions

**Korea Shipbuilding & Offshore Engineering**

- Increased demand for eco-friendly fuel, orders for large LNG vessels and high freight charges, stronger environmental regulations, scarcity of ships will lead to a continuation of container ship orders
- New shipbuilding price hikes expected to continue due to global inflation and supply limit of main shipbuilding companies

- **2022 business goals :**  
**Sales : 18.4 trillion KRW,**  
**New orders : 19.6 billion USD (Shipbuilding 15.1 billion USD)**
- Recorded 8.9 billion USD of new orders by the end of Q1, which is 46% of the yearly target, and expect to achieve the yearly target
- New shipbuilding price hikes expected to continue due to global inflation and supply limit of main shipbuilding companies

**Hyundai Construction Equipment**

- Global demand expected to marginally decrease due to the continued adjustment of the Chinese market
- Strong emerging and developed market demand expected to continue

- **2022 business goals :**  
**Sales : 3.6 trillion KRW, Operating profit : 222 billion KRW**
- Global market demand expected to decrease marginally YoY due to the effects of US Fed interest hikes and the continued demand adjustments in the Chinese market.
- Improve profitability by business reorganization, product price increase, product mix improvements, group synergy effects

**Hyundai Doosan Infracore**

- Global demand is expected to decrease marginally due to continuing Chinese market adjustment
- New/developed market demand and engine business is expected to remain strong

- **2022 business goals :**  
**Sales : 4.9 trillion KRW, Operating profit : 368.7 billion KRW**
- As demands for global infrastructure investment remain stable, operating profit is expected to improve through expansion of the construction equipment market and engine business as well as increased product price and product mix.

## 6.2 Market Outlook by Companies

### 2022. 2Q Outlook

### 2022 Outlook

#### Hyundai Electric

- Following improved market conditions, there has been a rise in order from the Middle East, as well as increased orders for ship equipment. This trend will continue in Q2

- **2022 business goals :**  
**Sales : 2.07 trillion KRW, Orders : 1.83 billion USD**
- Orders continue to increase steadily based on the favorable market conditions at the beginning of the year. Expect to achieve the originally announced orders and sales guidance.
- Together with improvements in supply and continued profitability oriented orders, expect a steady trend for profit

#### Hyundai Global Service

- The strong order trend for parts service sector from Q1 is expected to continue in Q2
- Especially as face-to-face sales with domestic and foreign shipping companies having resumed, expect an increase in orders which will in turn lead to secure flow of sales in the future

- **2022 business goals :**  
**Order : 1.37 billion USD, Sales : 1.3 trillion KRW**
- Parts/Services business is expected to continue its growth. Following strengthening greenhouse gas reduction regulations, demand for eco-friendly retrofit (CO2 reduction, fuel efficiency, and emission reduction related retrofit demand) and scrubber is expected to increase

#### Hyundai Robotics

- Decrease in new investments among the automobile industry following increased reutilization of robots and reduced investments in the display sector, but the robot parts related business is expected to be strong in Q2
- Full scale investments for battery manufacturing automation expected following the electric vehicle transition trend

- Expansion of facility investment centered around construction (welding automation), and electric vehicle (battery manufacturing automation) expected domestically and abroad
- Expansion of the service robot market expected centered around serving robots for domestic large F&B franchises and quarantine robots for office buildings

## 7.1 Mid/long term holdings company direction – transition to investment holding company

Reinforce current businesses and expand investments for core technologies

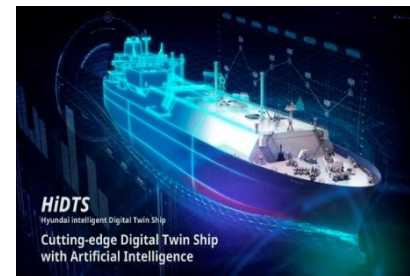
### Transition to Investment Holding Company

- Began to invest as an investing holding company from 2021

- Founded Avikus, an AI automatic driving company in 2021 January
  - : The group's first startup (100% subsidiary)
- Business entry into digital healthcare in 2021 July
  - : Acquired **Medi Plus Solution** (solution company specializing in cancer patient management)
- Expanded healthcare investment with Hyundai Future Partners(VC)
- Plans to invest in developing power generation/marine fuel cell(SOFC) and surrounding equipment

- Focus on investments for enhancing the value of new businesses starting from 2022

- **AI Automatic Driving, Healthcare, Fuel Cell, Digital**







AI Automatic Sailing

In 2021, founded in-house AI Automatic Sailing startup, Avikus / currently under incubation

- Participated in 2022 CES and Miami International Boat Show, in the process of discussing business cooperation with notable American/Japanese firms
- Customer/application expansion : from merchant vessels → to targeting the American leisure boat market (American leisure boat market size : 10 million vessels)
- 2026 target : 10 billion KRW in sales, and enterprise value of more than 50 billion KRW (aim to sell 10,000 merchant ships and leisure boats per year)

Healthcare



2021 July, acquired 81% of Medi Plus Solution (25.5 billion KRW)

- March 29<sup>th</sup>, MoU with Samsung Electronics (Galaxy Watch joint marketing)
- Currently in discussions with IT/insurance firms for cooperation : possibility of becoming no.1 business operator in number of subscribers
- Proceed with additional equity capital inducement after 2023 (Enterprise value: current 32.2 bil. KRW → exceed 100 bil. KRW)

2021 November, formed a 33.5 bil. KRW healthcare fund

- Aims to discover promising venture companies in advance and secure synergy

Digital



- 2021 December, Palantir invested 20 mil. USD in Hyundai Oilbank
- Currently carrying out digital transformation projects for the 3 business pillars of Hyundai Heavy Industries Group (Shipbuilding, Refinery, Construction Equipment)
- Signed business cooperation MoU at CES 2022
- Currently in discussions for a new business joint venture that will combine the accumulated industrial knowledge of Hyundai Heavy Industries Group and Palantir's big data platform (Foundry)

