

2Q21 Business Results

23 July. 2021



Disclaimer



The financial numbers and statements included in the following presentation represent statements made before the external review by independent public accountants for the financial results of 2Q21, and are presented here today solely for the purpose of offering the investor an understanding of the company.

Part of the presentation is subject to change in the process of final reviewing by independent public accountants.

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Income Statement

(Billion KRW)	2Q20	%	1Q21	%	2Q21	%	YoY	QoQ
Revenue	1,214	100%	1,855	100%	1,980	100%	63.2%	6.8%
Gross Profit	18	1.5%	108	5.8%	143	7.2%	686.1%	32.2%
SG&A	57	4.7%	81	4.4%	98	4.9%	73.0%	21.2%
Operating Profit	-39	-3.2%	27	1.5%	45	2.3%		64.5%
Income before tax	-55	-4.5%	31	1.7%	49	2.5%		61.2%
Net Income	-48	-4.0%	23	1.2%	38	1.9%		70.3%

YoY

- **Revenue**
- Auto : low base effect with C-19
 - Machinery : Machine tools / FA volume rise

- **OP**
- Auto : Volume impact
 - Machinery : Increased inventories cost

QoQ

- Auto : OEM's production pick-up
- Machinery : Machine tools volume rise

- Auto : Product-mix improvement
- Machinery : Increased inventories cost

Biz Area Performance



(Billion KRW)		'20. 1H	%	'21. 1H	%	YoY
Auto Parts	Module	792		943		19.0%
	Parts	1,729		2,526		46.2%
	Revenue	2,521		3,469		37.6%
	Operating Profit	40	1.6%	101	2.9%	153.5%
Machinery	Machine Tools	237		270		13.5%
	Defense	103		96		-6.8%
	Revenue	341		366		7.4%
	Operating Profit	6	1.8%	-29	-7.9%	

Operating Profit

- ▶ **Auto**
 - (+) : Volume pick up (low base effect with C-19)
 - (-) : Provision write-back(2020)

- ▶ **Machinery** • (-) : Provision write-back(2020), Increase in costs

Biz Area Performance

(Billion KRW)	2019				2020				2021	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Revenue	1,849	1,892	1,775	1,798	1,648	1,214	1,839	1,892	1,855	1,980
Auto parts	1,616	1,670	1,567	1,603	1,470	1,050	1,669	1,728	1,686	1,783
Machinery	234	222	208	195	178	163	170	164	169	197
Operating Profit	15 (0.8%)	30 (1.6%)	37 (2.1%)	20 (1.1%)	85 (5.1%)	-39 (-3.2%)	13 (0.7%)	13 (0.7%)	27 (1.5%)	45 (2.3%)
Auto parts	29 (1.8%)	48 (2.9%)	50 (3.2%)	44 (2.7%)	75 (5.1%)	-35 (-3.3%)	19 (1.1%)	28 (1.6%)	42 (2.5%)	59 (3.3%)
Machinery	-14 (-5.9%)	-18 (-8.0%)	-13 (-6.2%)	-24 (-12.2%)	10 (5.5%)	-4 (-2.3%)	-6 (-3.2%)	-15 (-9.1%)	-15 (-8.6%)	-14 (-7.2%)

Balance Sheet



(Billion KRW)	2020-End	2021.June-End	Change
Assets	7,720	7,678	-42
Cash & cash equivalents*	1,597	1,791	194
Account receivable	1,464	1,431	-34
Inventories	761	656	-105
Liabilities	4,194	4,061	-133
Account payable	916	859	-57
Debt	2,775	2,658	-117
(Net debt)	(1,177)	(866)	(311)
Equity	3,526	3,617	91
Liability/Equity	119%	112%	

* Cash & cash equivalents : Cash + short-term financial instruments

Cash Flow



(Billion KRW)

(Billion KRW)	2021.June-End
Cash flows from operating	337
Net Profit	61
D&A	157
Changes in operating assets and liabilities	88
Cash flows from investing	-254
Increase of tangible & intangible assets	-95
Increase of short-term financial instruments	-162
Cash flows from financing	-178
Decrease of debt	-158
Net foreign exchange difference	20

Cash at Beginning

(Incl. ST financial instruments)

555
(1,597)

Change

(Incl. ST financial instruments)

-94
(194)

Cash at End

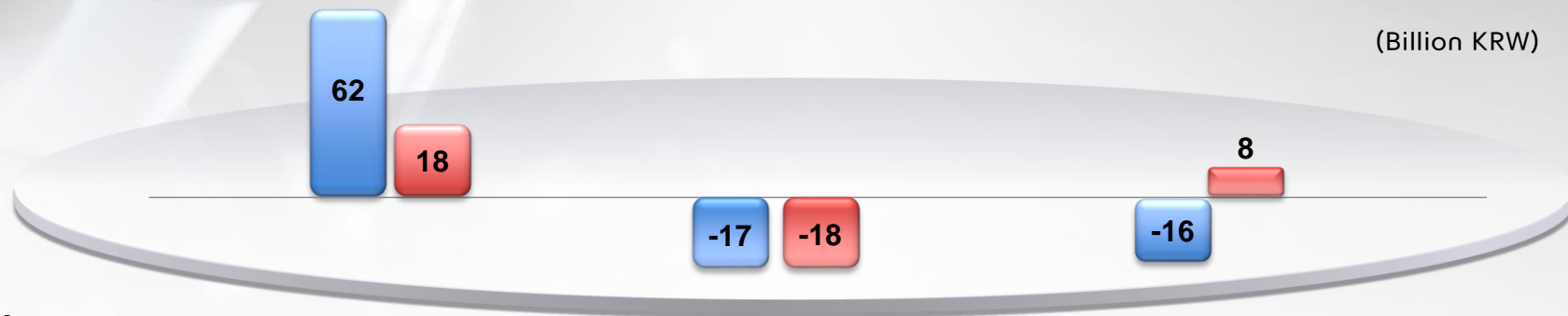
(Incl. ST financial instruments)

481
(1,791)

Other Operating Inc&Exp



(Billion KRW)



■ '20.1H

■ '21.1H

Other Inc&Exp

Finance
Inc&Exp

Equity Earning



Thank You