

4Q 2022 Earnings Release



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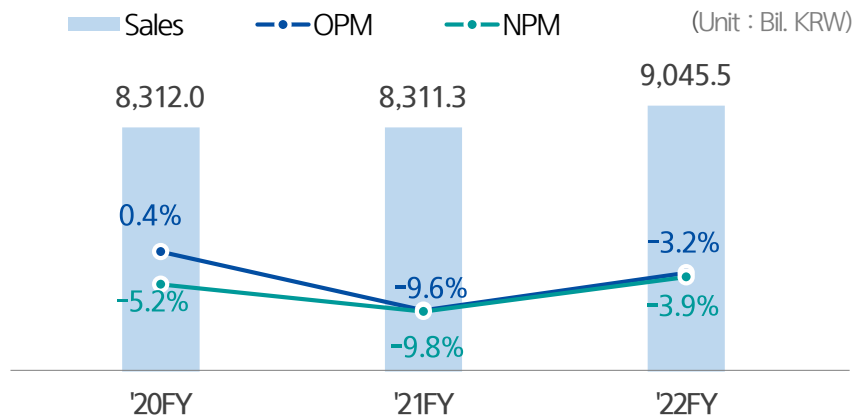
Condensed Consolidated Financial Statements



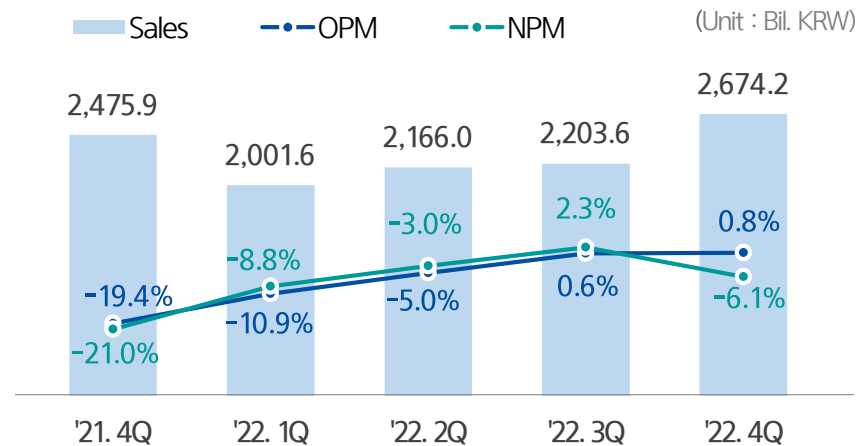
1. 4Q Consolidated Earnings

2022 annual sales 9,045.5 bn KRW, operating profit -289.2 bn KRW, loss continued YoY
4Q sales increased QoQ, positive operating profit continued

Annual Sales and Operating Profit



Quarterly Sales and Operating Profit



4Q Consolidated Highlights (QoQ)

- **Sales KRW 2,674.2 bn**
 - QoQ +21.4% (YoY +8.0%)

Sales increased due to increase in shipbuilding work volume, construction progress of offshore projects, and seasonality base effect from previous quarter
- **Operating Profit KRW 22.2 bn**
 - QoQ +55.2% (YoY Turned to Profit)

Positive operating profit continued due to increase in ASP of vessels, positive operational leverage, valuation gain on construction warranty provision, despite provisioning of '23 cost increase
- **Net Income KRW -161.9 bn**
 - QoQ Turned to Loss (YoY Loss Continued)

Turned to Loss due to loss from foreign exchange

2. Consolidated Financial Results by Business Segments

(Unit : Bil. KRW)

	Note1) 2022 FY			4Q 2022			3Q 2022			4Q 2021		
	Sales	OP	OPM(%)	Sales	OP	OPM(%)	Sales	OP	OPM(%)	Sales	OP	OPM(%)
Shipbuilding	5,759.9	-170.0	-3.0	1,626.8	-7.5	-0.5	1,379.8	-3.6	-0.3	1,502.8	-41.0	-2.7
Naval Shipbuilding	707.3	46.4	6.6	127.6	-1.8	-1.4	198.3	65.0	32.8	402.1	16.8	4.2
Subtotal	6,467.2	-123.6	-1.9	1,754.4	-9.3	-0.5	1,578.1	61.4	3.9	1,904.9	-24.2	-1.3
Offshore Engineering & Industrial Plant	785.3	-152.8	-19.5	350.7	36.2	10.3	183.8	-50.8	-27.6	111.3	-32.1	-28.8
Engine & Machinery	1,715.1	171.2	10.0	548.0	45.3	8.3	421.6	48.3	11.5	431.7	22.9	5.3
Others	77.9	-184.0	-	21.1	-50.0	-	20.1	-44.6	-	28.0	-447.3	-
Total	9,045.5	-289.2	-3.2	2,674.2	22.2	0.8	2,203.6	14.3	0.6	2,475.9	-480.7	-19.4

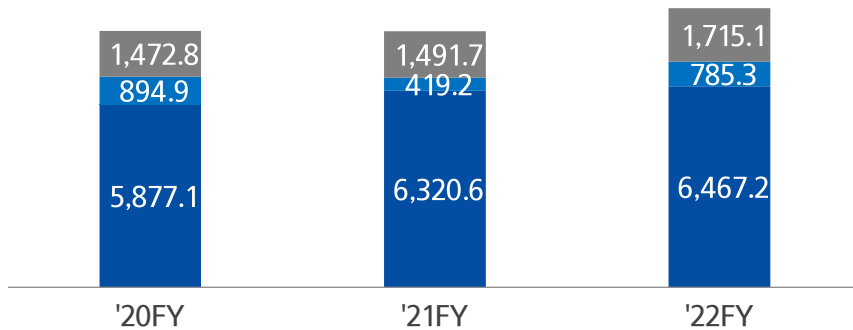
Note1) Before distribution of common expense

2-1. Analysis on Consolidated Sales by Business Segments

Annual) Consolidated Sales Trend by Business Segments

(Unit : bn KRW)

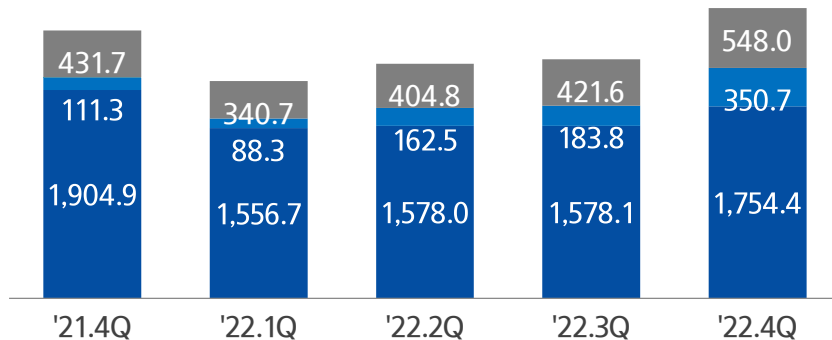
■ Shipbuilding ■ Offshore Plant ■ Engine & Machinery



Quarterly) Consolidated Sales Trend by Business Segments

(Unit : bn KRW)

■ Shipbuilding ■ Offshore Plant ■ Engine & Machinery



Consolidated Sales Analysis (QoQ)

Shipbuilding
(+11.2%)



Sales increased due to increase in work volume, increased ASP of vessels, and seasonality base effect from previous quarter

Offshore Plant
(+90.8%)



Sales increased due to construction progress of projects received in '21 such as P-78 FPSO

Engine & Machinery
(+30.0%)

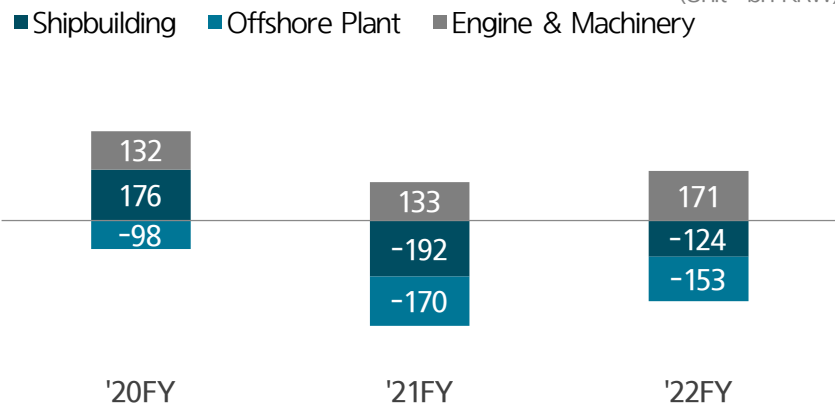


Sales increased due to increased delivery of marine propulsion engines

2-2. Analysis on Consolidated Operating Profit by Business Segments

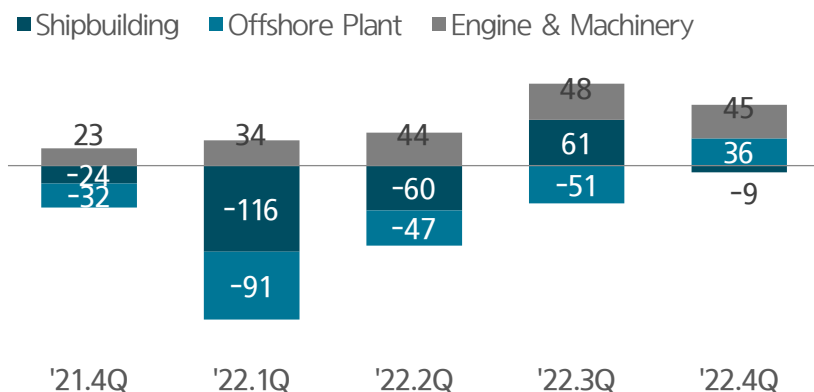
Annual) Consolidated OP Trend by Business Segments

(Unit : bn KRW)



Quarterly) Consolidated OP Trend by Business Segments

(Unit : bn KRW)



Consolidated Operating Profit Analysis

Shipbuilding
(Turned to Loss)

▼ Turned to loss due to provisioning of '23 cost increase

Offshore Plant
(Turned to Profit)

▲ Turned to profit thanks to valuation gain on construction warranty provision and decreased operational leverage due to increased sales

Engine & Machinery
(-6.2%)

▼ Positive operating profit continued despite cost increase

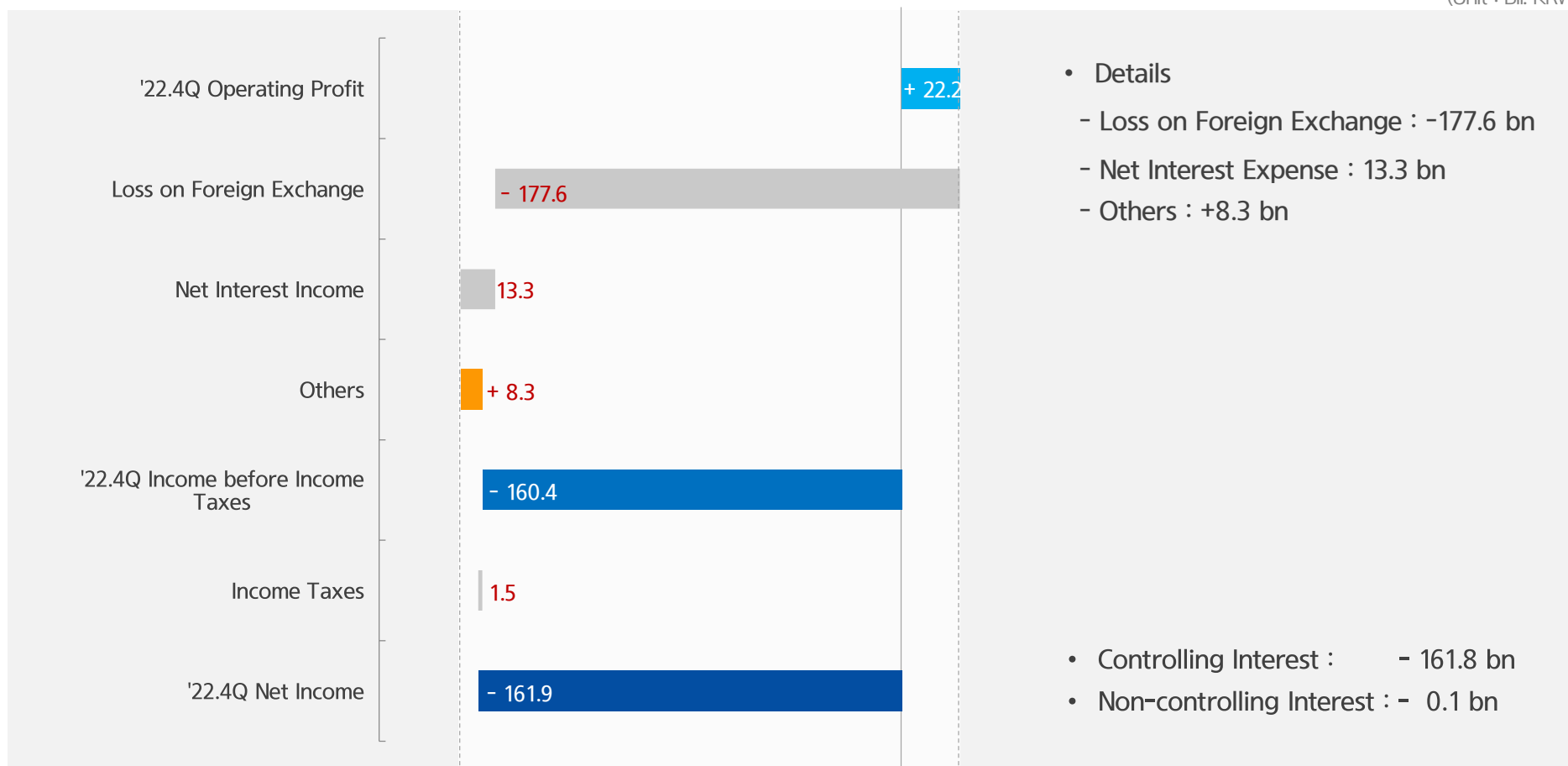
Note 1 : Before distribution of common expense

3. Consolidated Non-Operating Profit and Net Income

4Q Non-Operating Profit recorded KRW -182.6 bn, Net Income KRW -161.9 bn

4Q 2022 Non-Operating Profit and Net Income

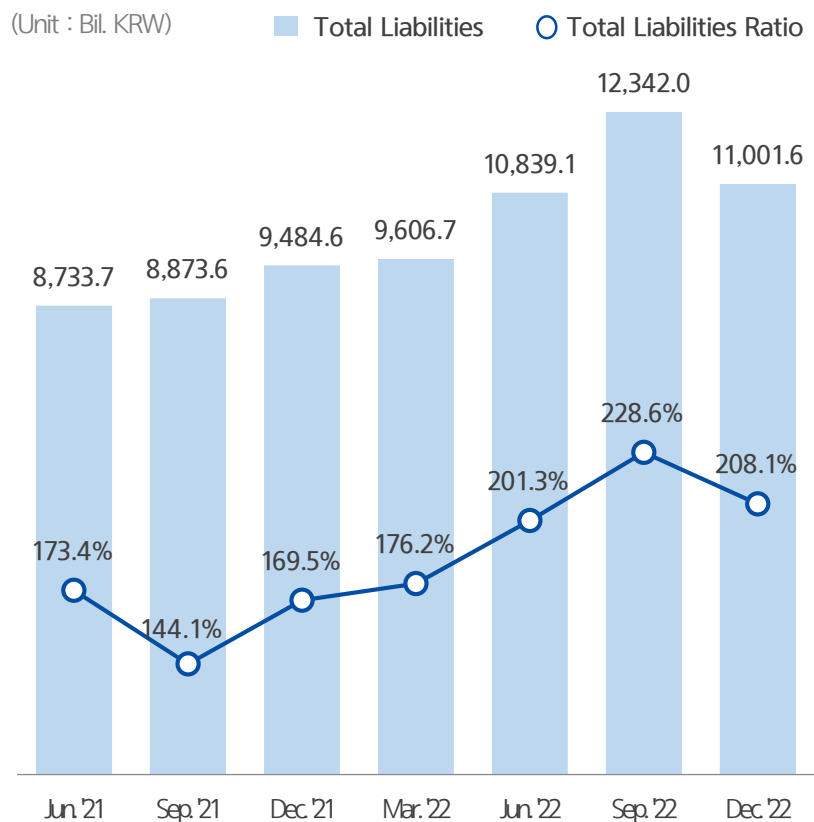
(Unit : Bil. KRW)



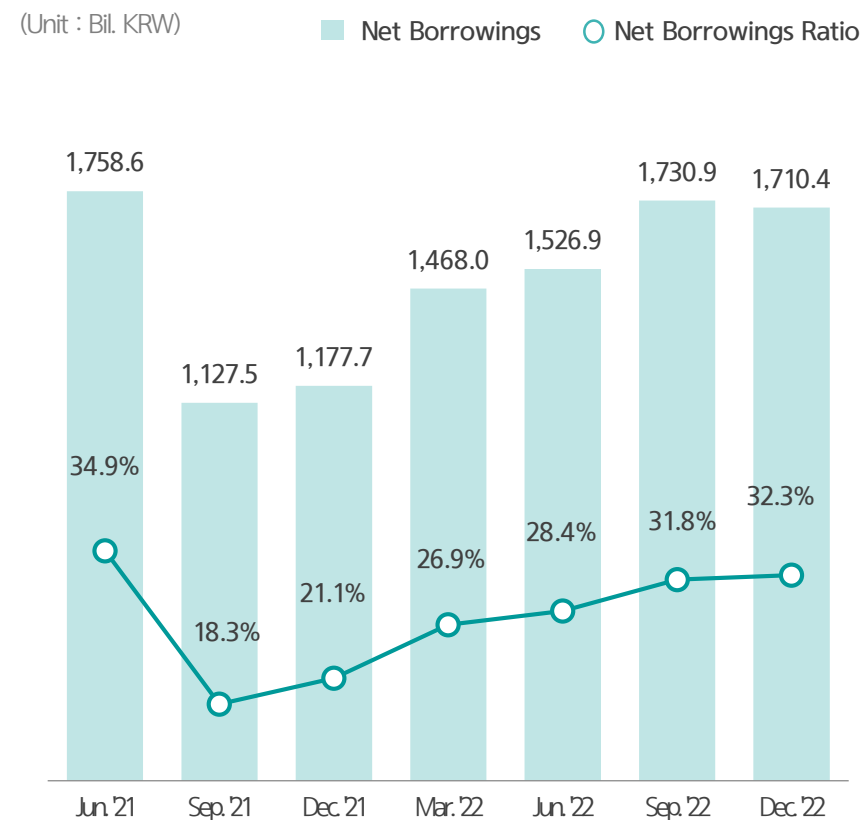
4. Financial Ratios

Consolidated Financial Ratios

- **Liabilities Ratio 208.1%**



- **Net Borrowings Ratio 32.3%**



Note1 : Cash and cash equivalents including short-term investments exceed borrowings

[Appendix]

Condensed Financial Statements



Consolidated Income Statement

(Unit : bn KRW)

	4Q22	QoQ	3Q22	22FY	YoY	21FY
Sales	2,674.2	21.4%	2,203.6	9,045.5	8.8%	8,311.3
Cost of Sales	2,574.5	24.5%	2,067.1	8,882.6	4.2%	8,520.5
Gross Profit	997.7	630.9%	136.5	162.9	Turned to Profit	-209.2
Operating Profit	22.2	55.2%	14.3	-289.2	Loss Continued	-800.3
OPM(%)	0.8	+0.2p	0.6	-3.2	+6.4p	-9.6
Non-operating Income	-182.6	-	56.4	-132.3	-	-311.1
EBIT	-160.4	-	70.7	-421.5	-	-1,111.4
Income Taxes	15	-	20.3	-69.4	-	-297.2
Net Income	-161.9	Turned to Loss	50.4	-352.1	Loss Continued	-814.2

Note 1 : K-IFRS Consolidated Financial Statements Basis

Note 2 : Reporting entities – Hyundai Heavy Industries & HHI Free Zone Enterprise(Nigeria)

Consolidated Statement of Financial Positions

(Unit : bn KRW)

	As of Dec. 31 2022	As of Dec. 31 2021	As of Dec. 31 2020
Current Assets	8,000.9	7,886.1	6,999.4
(Cash& Cash Equivalents)	744.1	2,137.4	1,314.8
Non-current Assets	8,288.5	7,192.6	6,800.3
Total Assets	16,289.4	15,078.7	13,799.7
Current Liabilities	9,072.0	7,048.6	5,976.9
(Short-term borrowings)	14,44.6	1,506.8	2,507.3
Non-current Liabilities	1,929.6	2,436.0	2,462.0
(Long-term borrowings)	1,159.0	1,959.0	2,039.4
Total Liabilities	11,001.6	9,484.6	8,438.9
Common stock	443.9	443.9	353.9
Others	3,998.6	3,998.5	5,512.0
Retained Earnings	845.3	1,151.7	-505.1
Total Equity	5,287.8	5,594.1	5,360.8

Note 1 : K-IFRS Consolidated Financial Statements Basis

