

2Q 2023 Earnings Release



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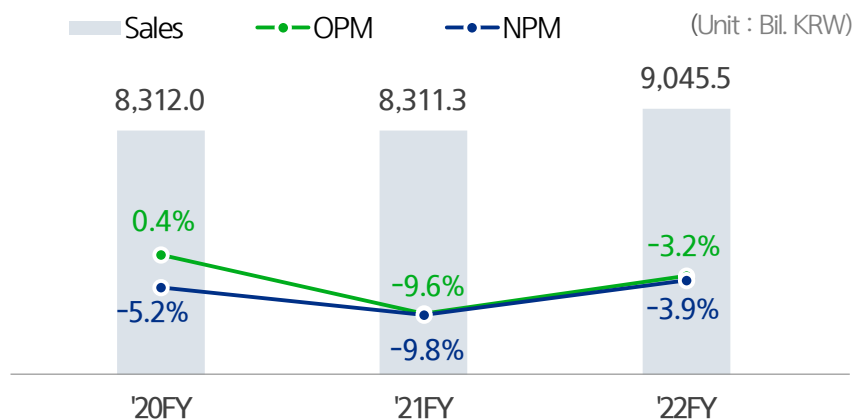
Condensed Consolidated Financial Statements



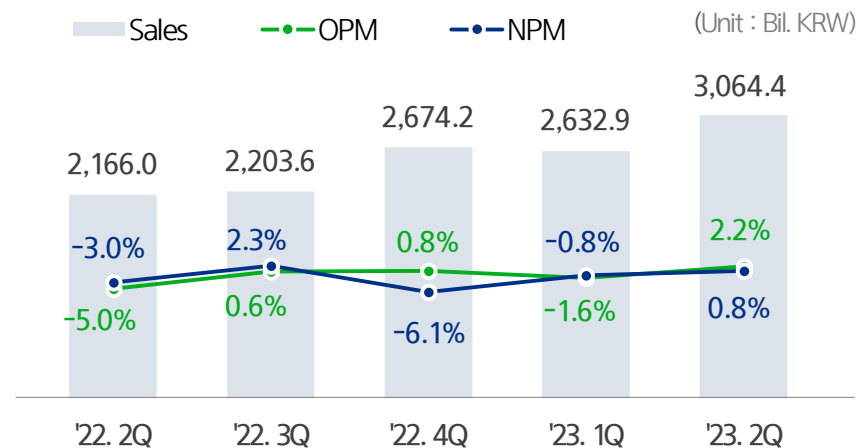
1. 2Q Consolidated Earnings

2Q sales recorded KRW 3,064.4 bn, 16.4% increased QoQ, operating profit turned to profit

Annual Sales and Operating Profit



Quarterly Sales and Operating Profit



2Q Consolidated Highlights (QoQ)

- **Sales KRW 3,064.4 bn**

- QoQ +16.4% (YoY +41.5%)

Sales increased due to increase in shipbuilding work volume, rising vessel prices, and growth in sales of Engine & Machinery segment

- **Operating Profit KRW 68.5 bn (OPM +2.2%)**

- QoQ Turned to Profit (YoY Turned to Profit)

Turned to profit due to base effect of one-off loss of offshore plant project in the previous quarter and increased margin of Engine & Machinery segment

- **Net Income KRW 24.1 bn (NPM +0.8%)**

- QoQ Turned to Profit (YoY Turned to Profit)

Turned to profit due to positive operating profit

2. Consolidated Financial Results by Business Segments

(Unit : Bil. KRW)

	2Q 2023			1Q 2023			2Q 2022		
	Sales	OP	OPM(%)	Sales	OP	OPM(%)	Sales	OP	OPM(%)
Shipbuilding	1,828.8	28.5	1.5	1,658.1	47.5	2.9	13,915	-551	-4.0
Naval Shipbuilding	85.8	4.2	4.9	108.0	9.3	8.6	1,865	-51	-2.7
Subtotal	1,968.6	34.7	1.7	1,766.1	56.8	3.2	15,780	-602	-3.8
Offshore Engineering & Industrial Plant	278.8	-31.0	-11.1	460.5	-83.3	-18.1	1,624	-471	-29.0
Engine & Machinery	795.8	126.8	15.9	388.3	33.3	8.6	4,048	439	10.8
Others	21.2	-60.0	-	18.0	-48.3	-	208	-449	-
Total	3,064.4	68.5	2.2	2,632.9	-41.5	-1.6	21,660	-1,083	-5.0

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)

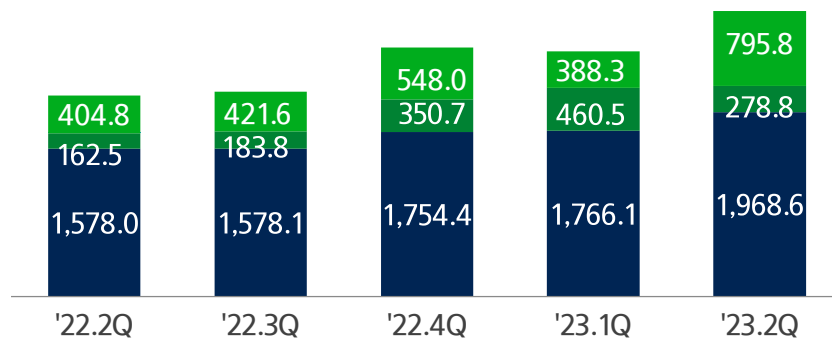
■ Shipbuilding ■ Offshore Plant ■ Engine & Machinery



Quarterly) Consolidated Sales Trend by Business Segments

(Unit : bn KRW)

■ Shipbuilding ■ Offshore Plant ■ Engine & Machinery



Note 1 : Others excluded

Consolidated Sales Analysis (QoQ)

Shipbuilding
(+11.5%)

▲ Sales increased due to increase in shipbuilding work volume and rising vessel prices

Offshore Plant
(-39.5%)

▼ Sales decreased due to the impact of the progression delay of offshore projects received in '21 such as P-78 FPSO

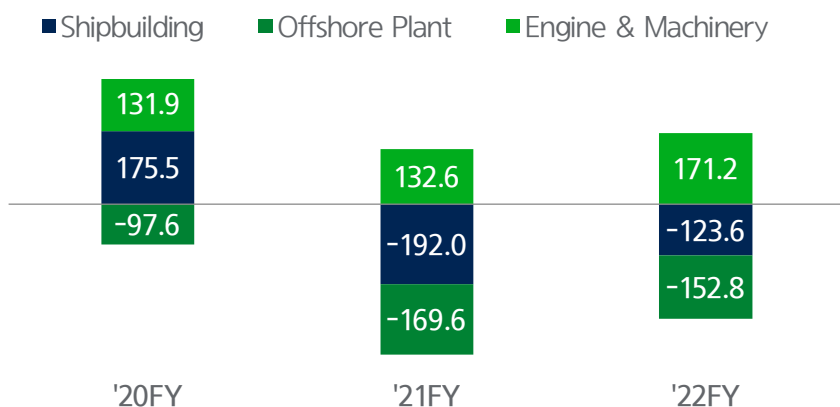
Engine & Machinery
(+104.9%)

▲ Sales increased due to postponed delivery of marine propulsion engine in the previous quarter

2-2. Analysis on Consolidated Operating Profit by Business Segments HD HYUNDAI HEAVY INDUSTRIES

Annual) Consolidated OP Trend by Business Segments

(Unit : bn KRW)



Consolidated Operating Profit Analysis

Shipbuilding
(-42.4%)

Recorded positive operating margin following the previous quarter but fell due to increased costs for process redemption

Offshore Plant
(Loss Continued)

Loss continued due to the additional cost of CFP construction project in the plant sector

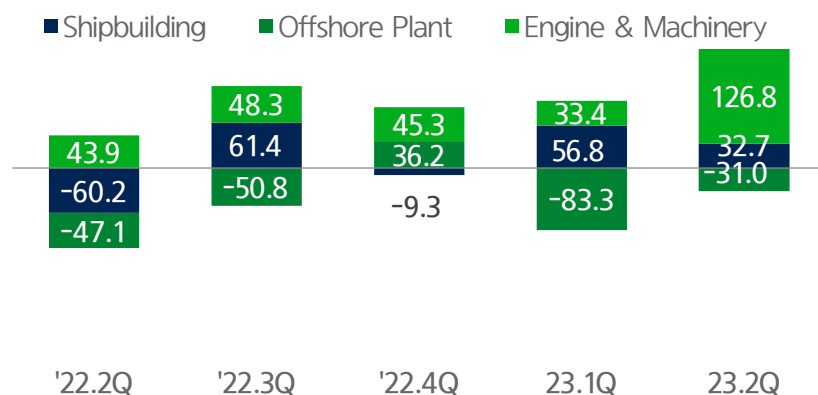
Engine & Machinery
(+279.6%)

Operating profit increased due to increase in sales and ¹⁾claim achievement

Note 1 : Claim achievement & collection of receivables KRW 40.0 bn

Quarterly) Consolidated OP Trend by Business Segments

(Unit : bn KRW)



Note 1 : Before distribution of common expense

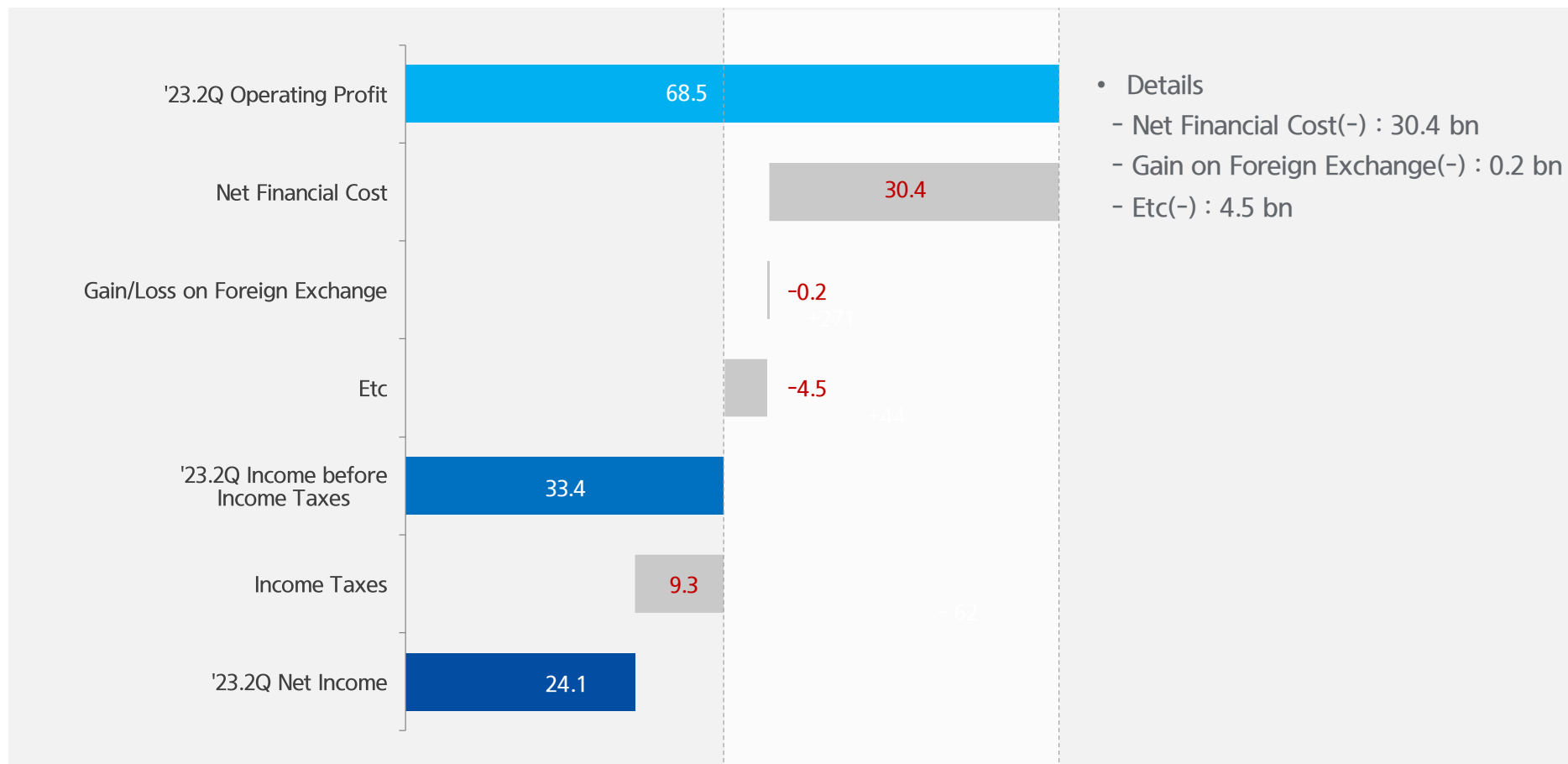
Note 2 : Others excluded

3. Consolidated Non-Operating Profit and Net Income

2Q Non-Operating Profit recorded KRW -35.1 bn, Net Income KRW 24.1 bn

2Q 2023 Non-Operating Profit and Net Income

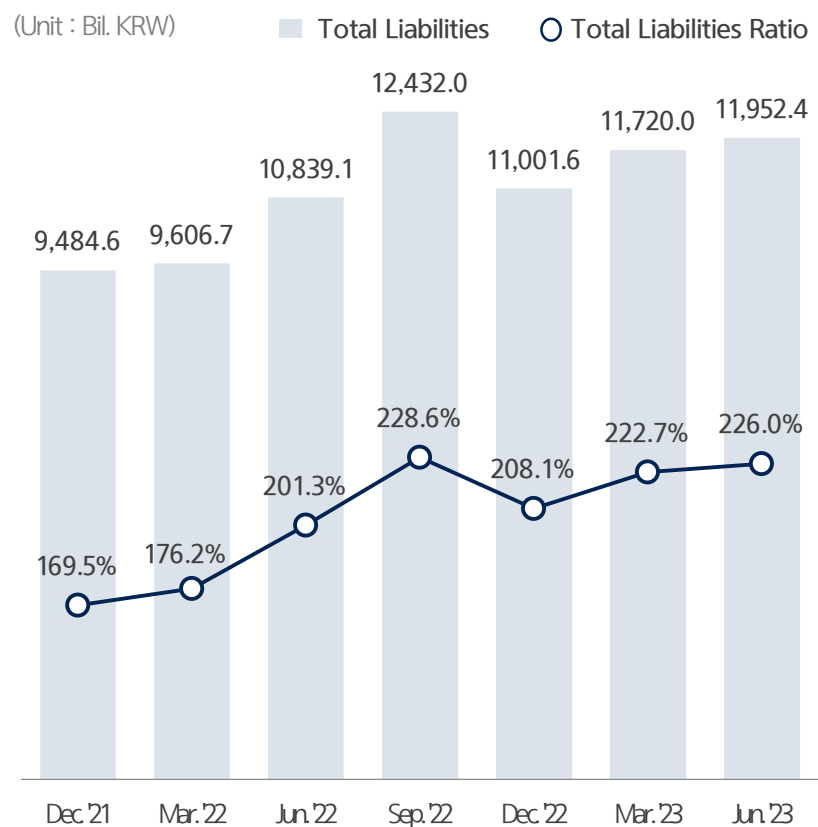
(Unit : Bil. KRW)



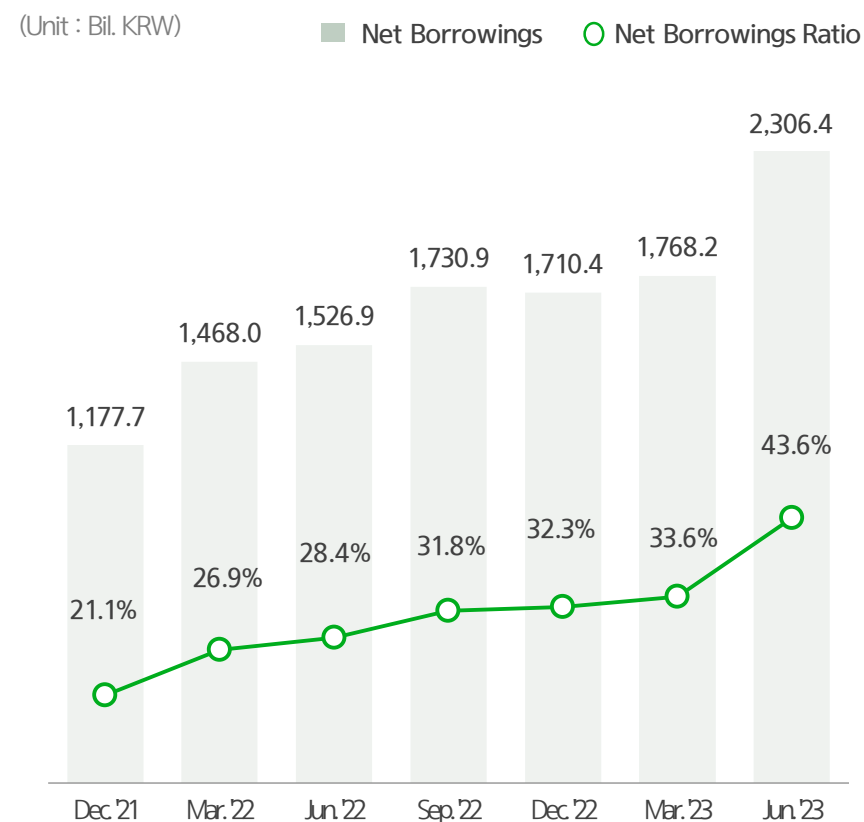
4. Financial Ratios

Consolidated Financial Ratios

- **Liabilities Ratio 226.0%**



- **Net Borrowings Ratio 43.6%**



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

[Appendix]

Condensed Financial Statements



Consolidated Income Statement

(Unit : bn KRW)

Category	2Q23			1Q23	2Q22
		QoQ	YoY		
Sales	3,064.4	+16.4%	+41.5%	2,632.9	2,166.0
Cost of Sales	2,866.0	+14.3%	+33.2%	2,506.9	2,151.5
Gross Profit	198.4	+57.5%	+1,268.3%	126.0	14.5
Operating Profit	68.5	Turned to Profit	Turned to Profit	-41.5	-108.3
OPM(%)	2.2	+3.8p	+7.2p	-1.6	-5
Non-operating Income	-35.1	-	-	14.8	14.6
EBIT	33.4	-	-	-26.7	-93.6
Income Taxes	9.3	-	-	-6.2	-28.9
Net Income	24.1	Turned to Profit	Turned to Profit	-20.5	-64.7

Note 1 : K-IFRS Consolidated Financial Statements Basis

Consolidated Statement of Financial Positions

(Unit : bn KRW)

Category	As of Jun. 30 2023	As of Dec. 31 2022	As of Dec. 31 2021
Current Assets	8,901.0	8,000.9	7,886.1
(Cash & Cash Equivalents)	763.3	744.1	2,137.4
Non-current Assets	8,340.3	8,288.5	7,192.6
Total Assets	17,241.3	16,289.4	15,078.7
Current Liabilities	9,446.2	9,072.0	7,048.6
(Short-term financial liabilities)	1,401.6	1,444.6	1,506.8
Non-current Liabilities	2,506.2	1,929.6	2,436.0
(Long-term financial liabilities)	1,799.1	1,159.0	1,959.0
Total Liabilities	11,952.4	11,001.6	9,484.6
Common stock	443.9	443.9	443.9
Others	3,996.0	3,998.5	3,998.5
Retained Earnings	849.0	845.4	1,151.7
Non-controlling interests	0	0	0
Total Equity	5,288.9	5,287.8	5,594.1

Note 1 : K-IFRS Consolidated Financial Statements Basis



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