



# Hanwaha Corporation

1Q 2022 Earnings

---

2022. 04. 29.

# Disclaimer

**This presentation contains the consolidated and separate financial results of the company and its subsidiaries prepared in accordance with K-IFRS.**

**This material provides preliminary earnings prior to the completion of an external audit for the convenience of investors only. It contains forward-looking statements that are inherently subject to risks and uncertainties, unexpected changes in market conditions, and subsequent adjustments in the business strategies of the company and its subsidiaries.**

**Thus, the actual results may differ from the projections made in this presentation, and company shall not be held liable for any investment decisions made on the basis of the information contained in this presentation.**

## • 1Q 2022, Key Message

- Consolidated: Expansion of uncertainty due to cost increase factors, increased volatility in financial market
- Own Biz: Profitability improvement due to order-based revenue growth and management efficiency
- New Business Development for preoccupying future opportunities

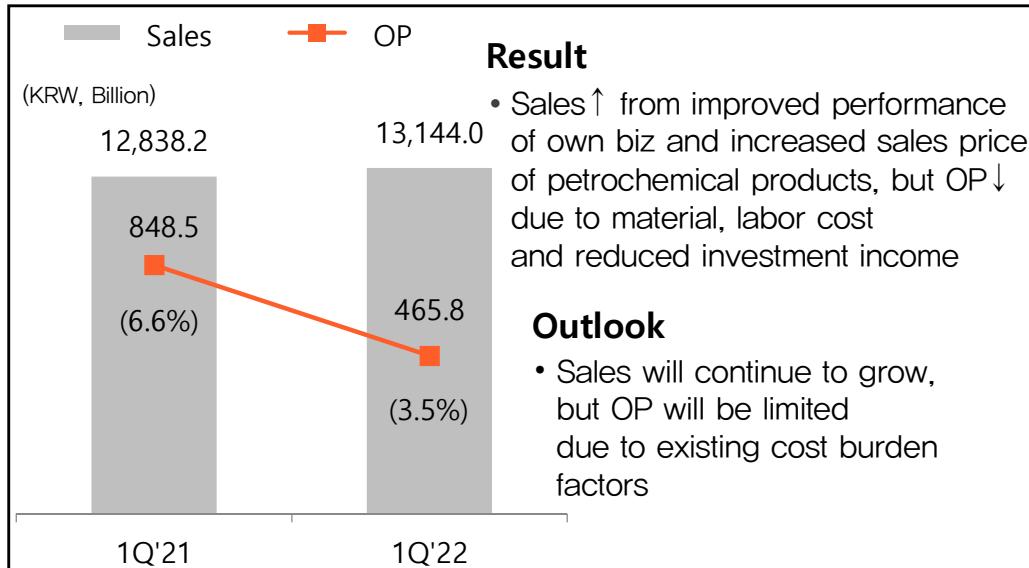
## ▮ Hanwha Group New Business

Space Aerospace	<ul style="list-style-type: none"> <li>• Hanwha Corp Defense Division : Development of eco-friendly rocket fuel, Securing Satellite Thrust Technology</li> <li>• Hanwha Aerospace: Development of liquid fuel engine</li> <li>• Hanwha Systems: Satellite communication service Business</li> </ul>
Green Energy	<ul style="list-style-type: none"> <li>• Hanwha Corp                             <ul style="list-style-type: none"> <li>– Global: Ammonia based Hydrogen cracking business</li> <li>– Machinery: Secondary battery, eco-friendly energy production facilities ⇒ Issuance of ESG Bond(1Q22, 150 Billion KRW)</li> </ul> </li> <li>• Hanwha Corp &amp; Hanwha Solutions: Acquisition of REC, Green Polysilicon Producers</li> <li>• Hanwha Solutions: Targeting Development &amp; commercialization of water electrolysis technique</li> <li>• Hanwha E&amp;C: Eco-friendly business including wind power project, sewage treatment plant project</li> </ul>
Digital Finance	<ul style="list-style-type: none"> <li>• Hanwha Life: Management of funds utilizing AI robo-advisor algorithms</li> <li>• Hanwha Life &amp; Hanwha Systems: Establishment of AI Automatic Screening System for Insurance Claims</li> </ul>

## 2. Financial Results

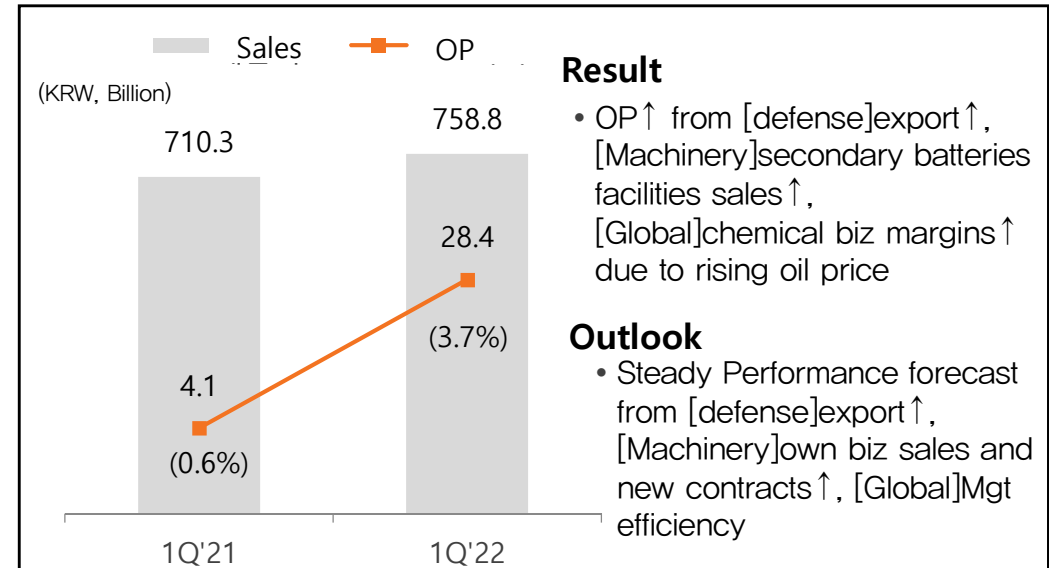
### [Con] Performance decrease from material, labor cost

- Gradual recovery forecast in response to increased volatility



### [Sep] Performance improve from manufacturing biz expansion, global biz margin increase

- Steady performance forecast from continuing orders from own biz



### Consolidated

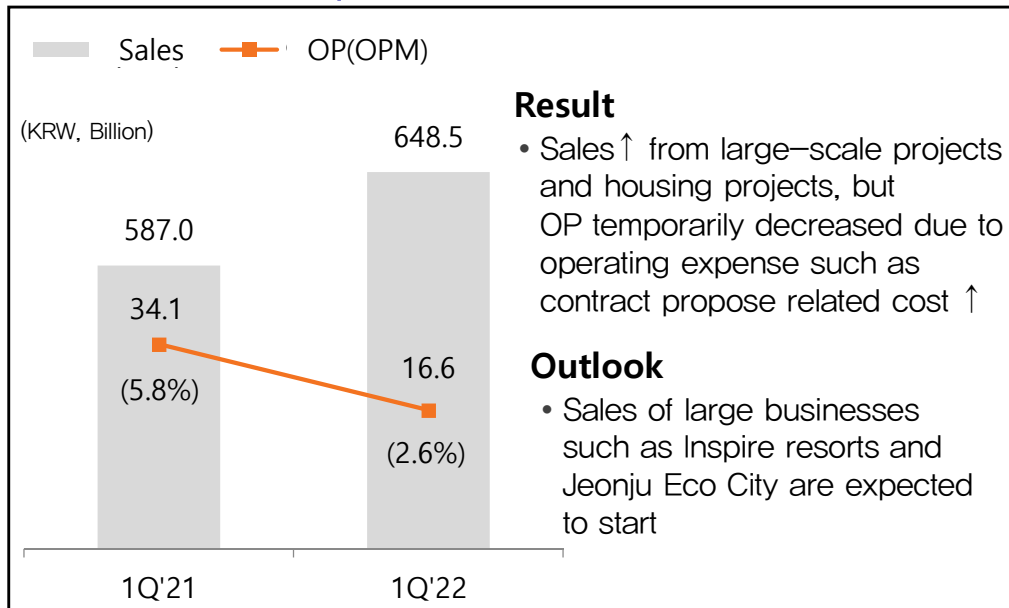
(Billion KRW)	1Q'22	YoY	QoQ
<b>Sales</b>	<b>13,144.0</b>	<b>2.4%</b>	<b>-5.5%</b>
Non-financial	7,807.8	20.5%	-13.1%
Financial	7,526.9	-5.5%	10.9%
Consolidation Adjustment	-2,190.7		
<b>Operating Profit</b>	<b>465.8</b>	<b>-45.1%</b>	<b>-36.8%</b>
Non-financial	244.9	-25.6%	2.1%
Financial	131.4	-73.8%	-51.8%
Consolidation Adjustment	89.5		
<b>Net Profit</b>	<b>289.9</b>	<b>-64.6%</b>	<b>14.0%</b>
<b>Controlling Shareholder</b>	<b>39.5</b>	<b>-86.9%</b>	<b>-67.6%</b>

### Separate

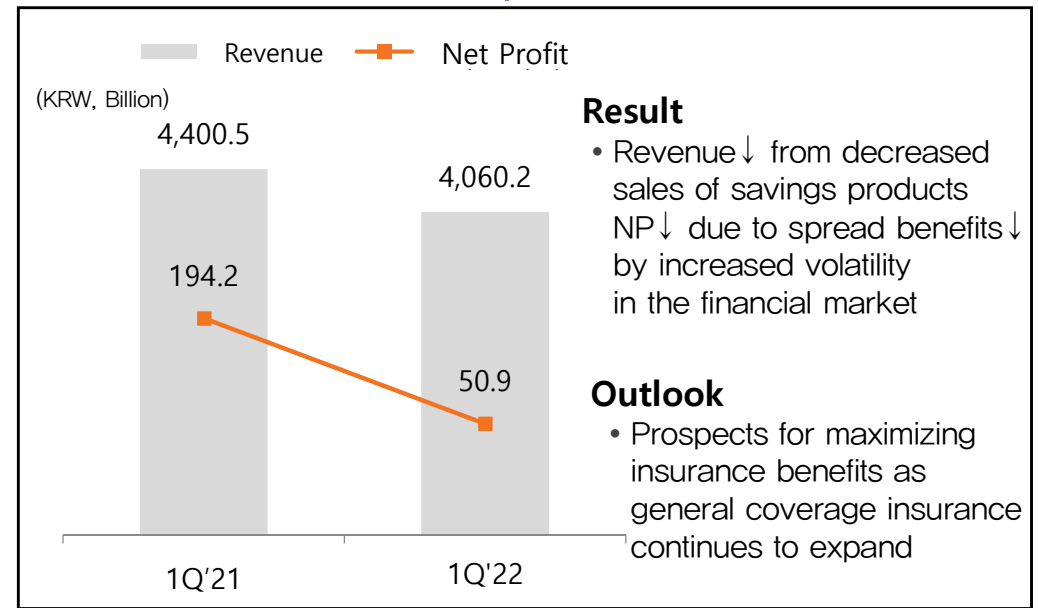
(Billion KRW)	1Q22	YoY	QoQ
<b>Sales</b>	<b>758.8</b>	<b>6.8%</b>	<b>-37.5%</b>
Defense/Machinery	386.5	28.4%	-52.2%
Global	372.3	-9.0%	-8.3%
<b>Operating Profit</b>	<b>28.4</b>	<b>593.0%</b>	<b>-57.1%</b>
Defense/Machinery	10.0	Surplus	-79.5%
Global	18.5	53.8%	3.7%
<b>Net Profit</b>	<b>38.9</b>	<b>537.7%</b>	<b>49.0%</b>

### 3. Major Affiliates

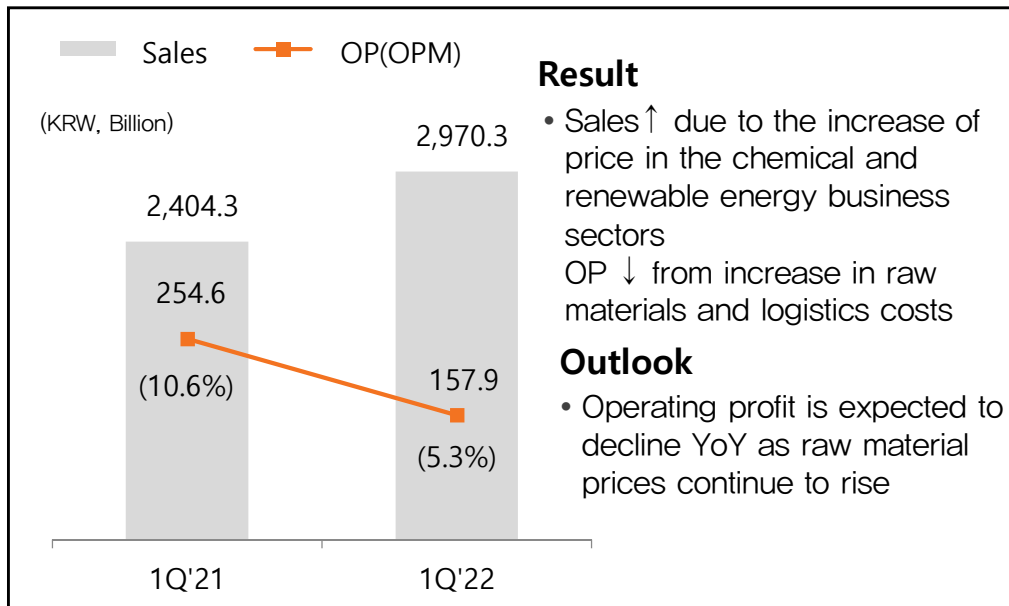
#### Hanwha E&C(Separate)



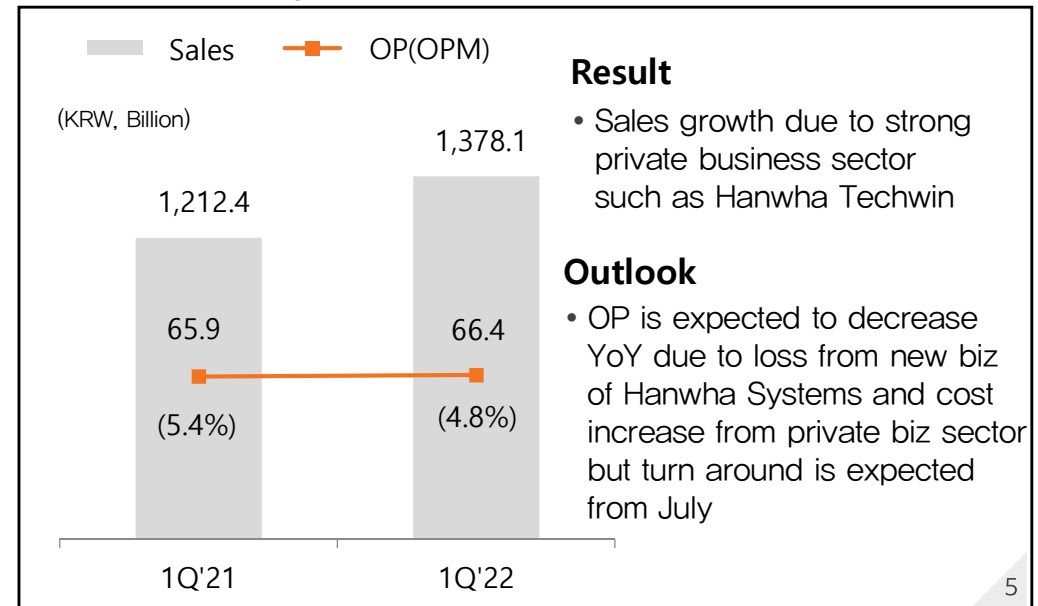
#### Hanwha Life Insurance(Separate)



#### Hanwha Solutions(Consolidated)

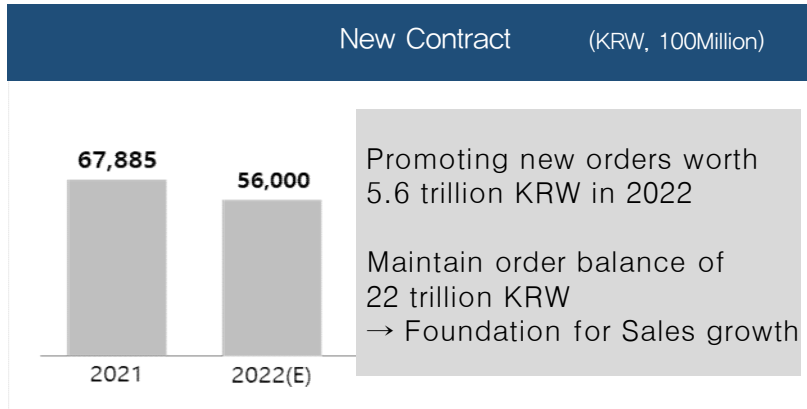


#### Hanwha Aerospace(Consolidated)



# 4. Hanwha E&C Updates

▶ **Expand sales** based on previously ordered project, securing a rich order balance from complex development projects,  
**Establish the foundation** for mid to long term growth by sequential construction of large-scale development and eco-friendly projects

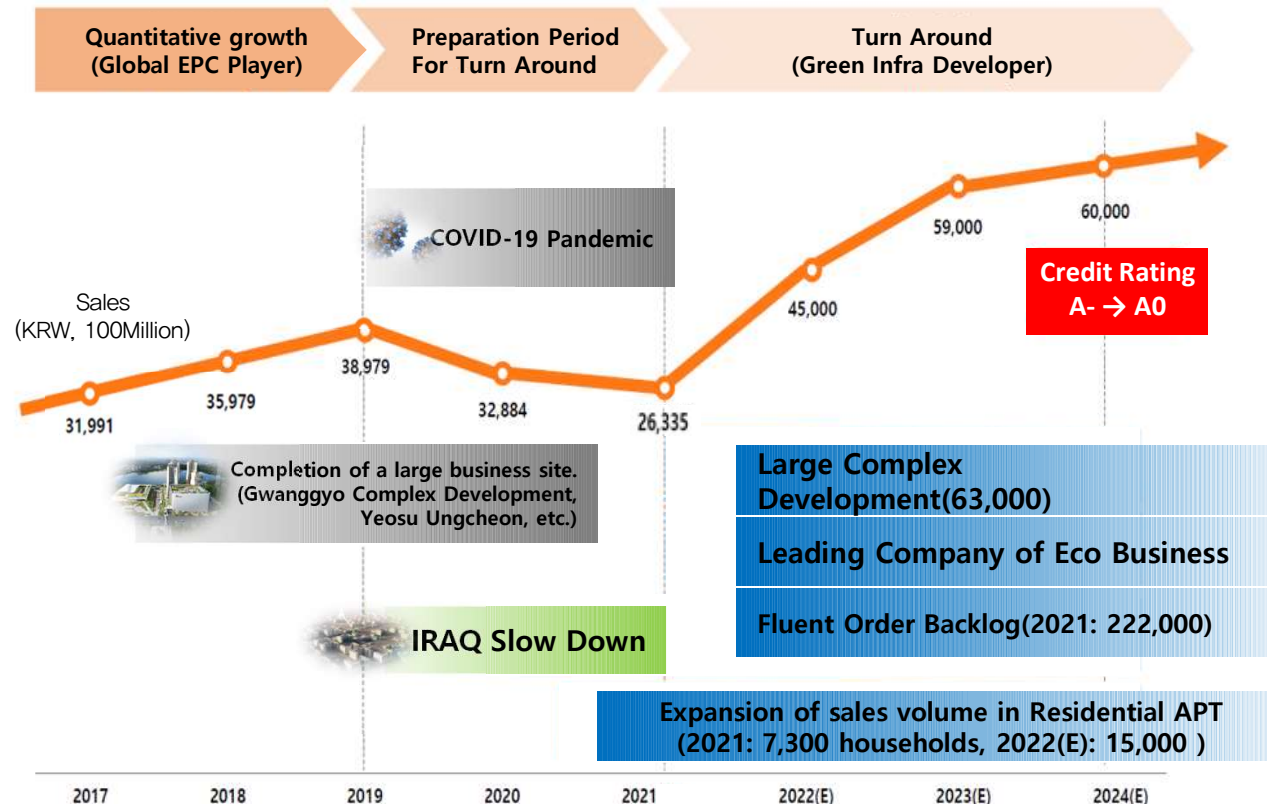


(KRW, 100Million)

- Complex Development**
- Suseo Station area(4,400)
  - Yeongjong Island Complex Resort(9,500)
  - Osiria Meditown(2,760), CJ Live City(2,000), etc

- Eco-Friendly**
- Yangyang wind power plant(2,500)
  - Daejeon Sewage Treatment Plant(1,280)
  - HGC Hydrogen mixed-use power generation plant(650), etc.

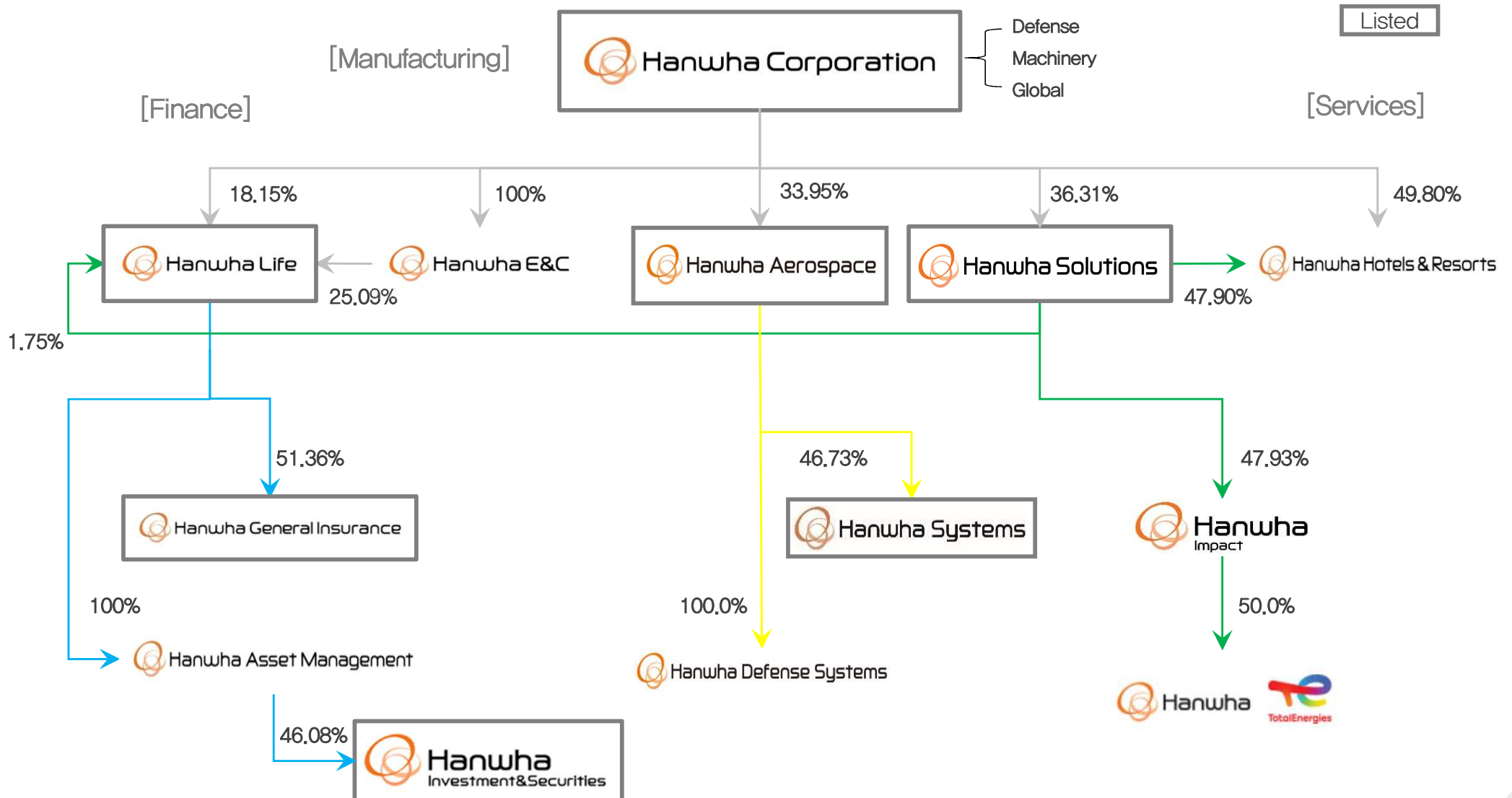
- Existing Business**
- Soonchunhyang Univ Hospital(1,950)
  - GTX-C (1,890)
  - KAKAO data center(1,350)
  - Coupang FC logistics center(1,170)
  - Multi purpose apartment in Mia (1,070)
  - 1st Logistics Support Command relocation(1,150)
  - Yongin international logistics complex(1,120), etc.



# 5. Appendix

## Ownership Structure

511 subsidiaries & affiliates including Hanwha Corp., Hanwha Life, Hanwha Solutions, Hanwha E&C, Hanwha Aerospace, Hanwha Hotels & Resorts, etc. form the consolidated group [K-IFRS 1110 / 2022.03.31.]



※ Equity method is applied to 92 companies including Hanwha Impact, YNCC, etc.

## 5. Appendix

### Results by Hanwha Corp. and Key Subsidiaries

(KRW, Billion)		1Q'21	2Q'21	3Q'21	4Q'21	1Q'22	2020	2021
Hanwha Corp. (Consolidated)	Sales	12,838.2	12,677.1	13,416.8	13,904.0	13,144.0	50,926.5	52,836.1
	OP	848.5	769.0	573.2	737.28	465.8	1,549.0	2,927.9
	OPM	6.6%	6.1%	4.3%	5.3%	3.5%	3.0%	5.5%
Hanwha Corp. (Separate)	Sales	710.3	1,186.6	824.3	1,214.3	758.8	4,000.8	3,935.5
	OP	4.0	88.6	70.0	66.3	28.4	166.9	228.9
	OPM	0.6%	7.5%	8.5%	5.5%	3.7%	4.2%	5.8%
Hanwha E&C (Separate)	Sales	587.0	725.1	611.6	709.8	648.5	3,288.4	2,633.5
	OP	34.1	54.5	37.8	-8.0	16.6	193.3	118.4
	OPM	5.8%	7.5%	6.2%	-1.1%	2.6%	5.9%	4.5%
Hanwha Life (Separate) <sup>1)</sup>	Sales	4,400.5	3,532.7	4,781.4	3,970.2	4,060.2	17,174.0	16,684.7
	OP	201.3	36.9	12.3	-7.1	-58.2	114.7	243.4
	OPM	4.6%	1.0%	0.3%	-0.2%	-1.4%	0.7%	1.5%
Hanwha Solutions (Consolidated)	Sales	2,404.3	2,777.5	2,580.3	2,963.1	2,970.3	9,195.0	10,725.0
	OP	254.6	221.1	178.4	84.3	157.9	594.2	738.3
	OPM	10.6%	8.0%	6.9%	2.8%	5.3%	6.5%	6.9%
Hanwha Aerospace (Consolidated)	Sales	1,212.4	1,686.4	1,542.5	1,973.8	1,378.1	5,321.4	6,415.1
	OP	65.9	132.6	103.3	81.3	66.4	243.9	383.0
	OPM	5.4%	7.9%	6.7%	4.1%	4.8%	4.6%	6.0%

1) Hanwha Life's figures are on a separate basis as disclosed on its quarterly & semi-yearly financial reports to the Financial Supervisory Service