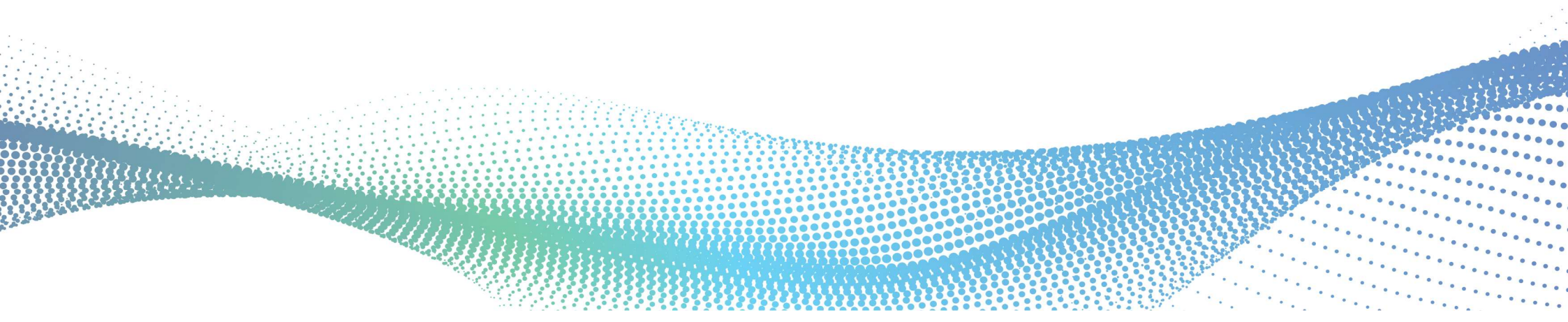


# IR Presentation

Spin-Off

HYOSUNG CORPORATION

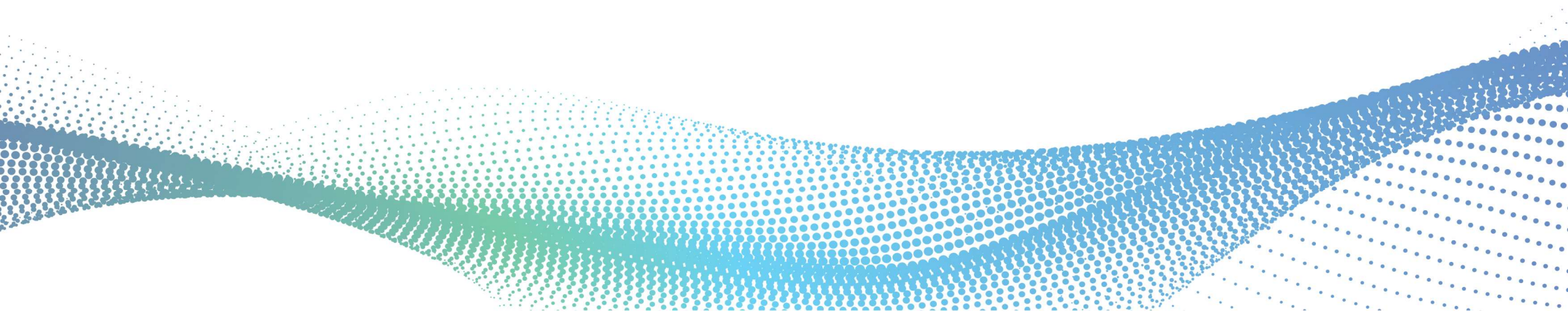


# Disclaimer

This presentation and the information contained herein are for information purposes only in relation to the spin-off of Hyosung Corporation.

This document contains forward-looking statements based on the business environment, external information and the company's strategy. The information in this presentation is prospective material for the future based on the current status of business, and also subject to change without notice due to changes in the business environment or business plans and strategies.

Please note that no event shall the company and its employees provide warranty or be responsible for any events in connection with the contents of this document.



## | What's Inside |

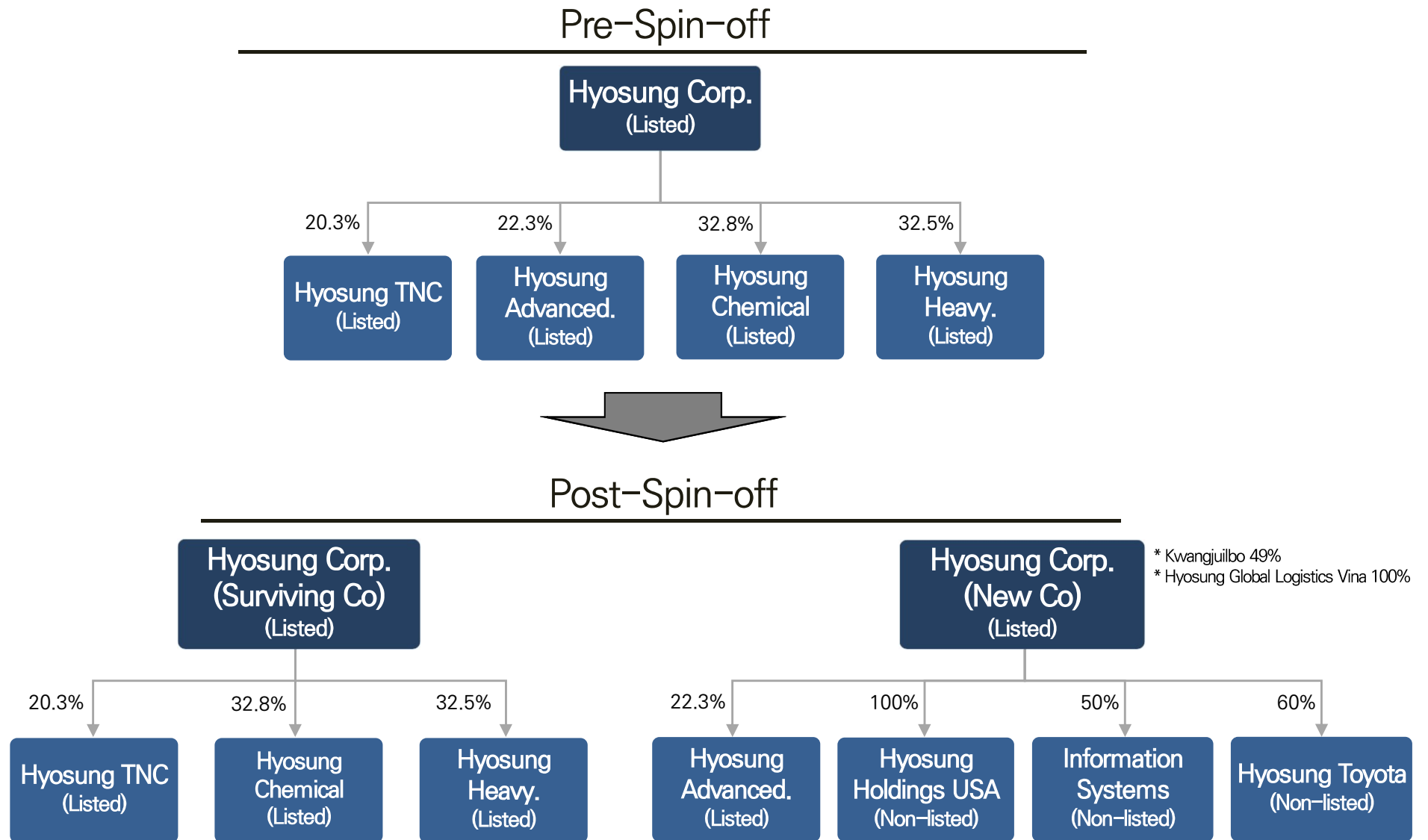
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# 1. Overview

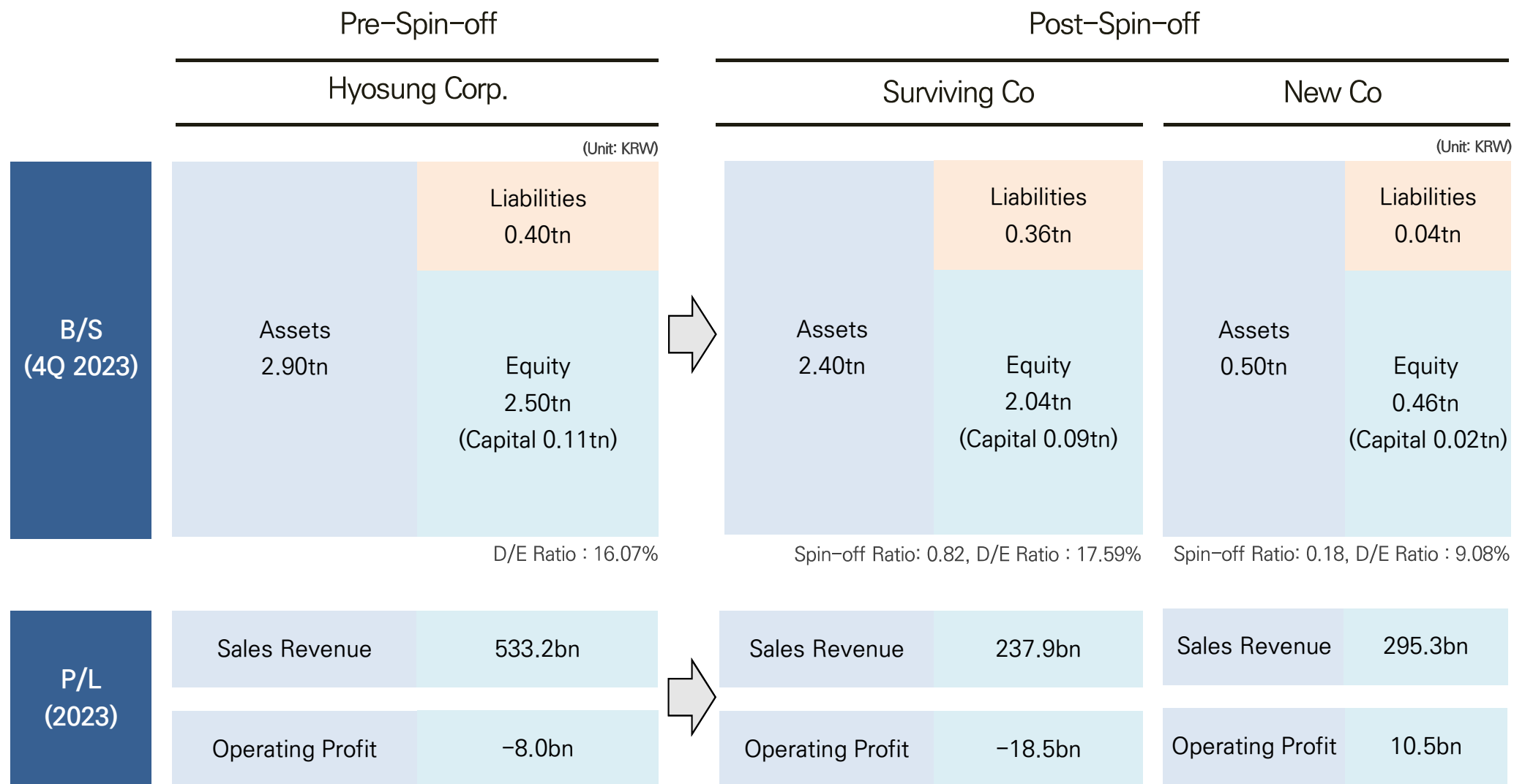
	Surviving Company	New Company
Company	Hyosung Corporation	Hyosung New Holding Corporation (Tentative)
Industry	Holding Company	Holding Company
Major Subsidiaries	TNC, Chemicals, Heavy, etc.	Advanced, HIS, Toyota, etc.
Spin-off Ratio	0.8179485	0.1820515
Capital (Unit: KRW)	86.2bn	19.2bn
Face Value (Unit: KRW)	5,000	5,000
Total number of shares	Common: 17,235,013	Common: 3,836,012

\* Before Spin-off: Common shares 21,071,025, Capital KRW 105.3bn

## 2. Spin-off Structure



### 3. Financials Pre- and Post-Spin-off



## 4. Key Milestones

23 February 2024



Spin-off Announcement and Preliminary Listing Review (Korea Stock Exchange)

30 April 2024



Notification of Preliminary Listing Review Result and Submission of Securities Registration Statement (Financial Supervisory Service)

30 May 2024



Notice for General Shareholders' Meeting

14 June 2024



General Shareholders' Meeting

1 July 2024



Spin-off Date

29 July 2024



Listing Change (Surviving Co.) and Relisting (New Co.)

## 5. Spin-off Rationale

“ Ensuring Management Stability, Long-term Growth and Shareholder Value Enhancement through Technological Innovation ”



### Independent Management and Management efficiency

- Independent decision-making & risk management
- Enhancement of management efficiency through strengthened responsible management



### Enhanced Expertise & Technological Innovation

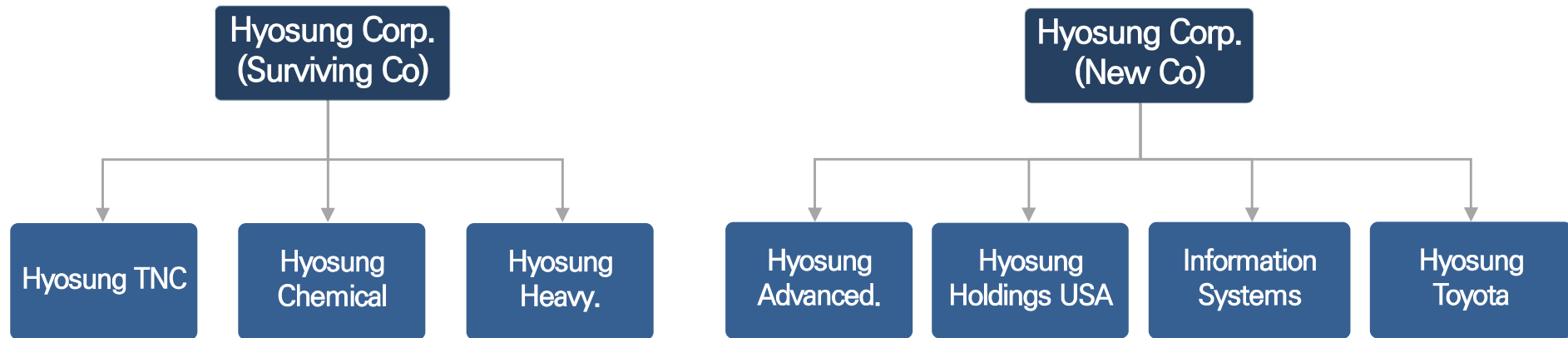
- Deeper focus on main businesses
- Enhanced profitability/innovation through advanced management practices



### Stability of Management

- Stronger management rights
- Lower risk of management rights

## 5. Spin-off Rationale (Cont'd)



- Securing new growth momentum through the exploration of new businesses, and improving stability and growth by risk management

- 1) Improvement of management stability and growth by strengthened risk management across various traditional business sectors
- 2) Intrinsic value through portfolio simplification/optimization

- Adapting to market changes through independent management and a simplified decision-making system

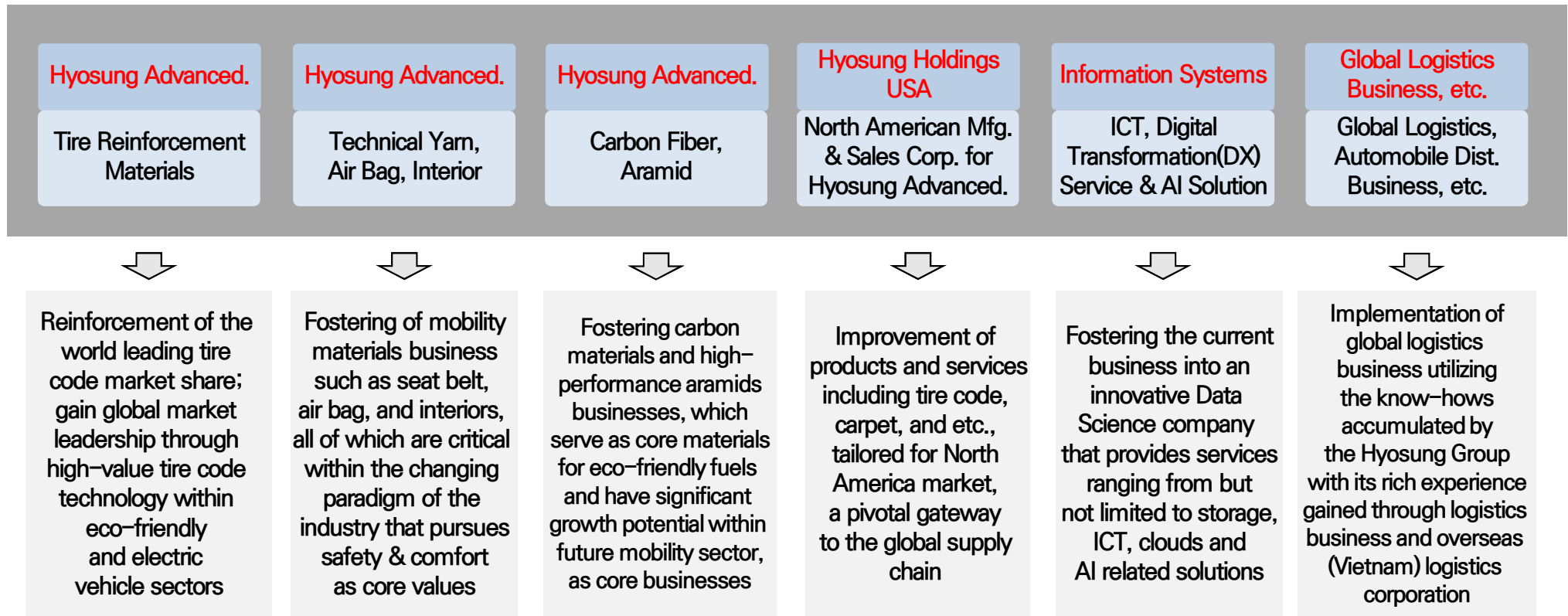
- 1) Strategic fostering of advanced materials businesses such as carbon fiber and aramid
- 2) Embody intrinsic value through the establishment of a new holding company with expertise in innovative businesses
- 3) Prompt response to market changes based on a simplified decision-making system driven by independent management

“ Maximizing Corporate Value and Shareholder Returns through the Group's Management Efficiency Enhancement ”

## 5. Spin-off Rationale (Cont'd)

### Hyosung New Holdings Corp.

To enhance synergy, Hyosung New Holdings Company will seek various new business and M&A opportunities within sectors such as Mobility, eco-friendly materials, and etc. Not only that, Hyosung New Holdings Company, with the vision as a top-tier global company, will promptly cater to customer demands while maintaining a globally competitive organizational culture through talent development and welfare improvement.



## Appendix 1. Financial Summary: Surviving Co & New Co

### Hyosung Corp. (Surviving Co)

#### P/L Summary

(Unit: KRW Billion)

	2021	2022	2023
Sales Revenue	2,103.9	1,747.0	1,824.7
Gross Profit	806.1	253.0	323.0
<i>Gross Profit Margin</i>	<i>38.3%</i>	<i>14.5%</i>	<i>17.7%</i>
Operating Profit	548.8	(15.0)	55.0
<i>Operating Profit Margin</i>	<i>26.1%</i>	<i>(0.9%)</i>	<i>3.0%</i>
Net Interest Expense	14.5	28.0	53.1
Gain or Loss on Foreign Exchange/Derivatives	3.7	(17.7)	(1.2)
Income before Tax	551.2	(52.9)	15.4
Net Profit	468.0	(38.6)	(12.0)

### Hyosung New Holding Corp. (New Co)

#### P/L Summary

(Unit: KRW Billion)

	2021	2022	2023
Sales Revenue	1,435.0	1,978.4	1,619.8
Gross Profit	129.2	122.8	86.4
<i>Gross Profit Margin</i>	<i>9.0%</i>	<i>6.2%</i>	<i>5.3%</i>
Operating Profit	89.3	79.8	39.3
<i>Operating Profit Margin</i>	<i>6.2%</i>	<i>4.0%</i>	<i>2.4%</i>
Net Interest Expense	4.5	10.9	19.3
Gain or Loss on Foreign Exchange/Derivatives	1.4	3.5	(0.3)
Income before Tax	85.3	73.8	8.2
Net Profit	70.2	63.2	11.5

## Appendix 2. Financial Summary by Major Subsidiaries (New Co.)

### Hyosung Advanced Materials

#### P/L Summary

(Unit: KRW Billion)

	2021	2022	2023
Sales Revenue	3,597.8	3,841.4	3,202.3
Gross Profit	636.0	522.0	360.6
<i>Gross Profit Margin</i>	<i>17.7%</i>	<i>13.6%</i>	<i>11.3%</i>
Operating Profit	437.3	315.1	172.4
<i>Operating Profit Margin</i>	<i>12.2%</i>	<i>8.2%</i>	<i>5.4%</i>
Net Interest Expense	34.2	49.0	82.1
Income before Tax	411.8	213.2	73.3
Net Profit	330.0	160.2	47.3

### Hyosung Holdings USA

#### P/L Summary

(Unit: KRW Billion)

	2021	2022	2023
Sales Revenue	983.1	1,402.3	1,305.7
Gross Profit	46.8	58.6	41.9
<i>Gross Profit Margin</i>	<i>4.8%</i>	<i>4.2%</i>	<i>3.2%</i>
Operating Profit	27.7	36.3	16.4
<i>Operating Profit Margin</i>	<i>2.8%</i>	<i>2.6%</i>	<i>1.3%</i>
Net Interest Expense	4.9	11.7	20.2
Income before Tax	21.7	25.9	(15.8)
Net Profit	15.3	19.9	(12.1)

### Hyosung Information Systems

#### P/L Summary

(Unit: KRW Billion)

	2021	2022	2023
Sales Revenue	184.5	208.5	226.1
Gross Profit	41.3	41.7	44.4
<i>Gross Profit Margin</i>	<i>22.4%</i>	<i>20.0%</i>	<i>19.6%</i>
Operating Profit	15.6	15.9	17.7
<i>Operating Profit Margin</i>	<i>8.4%</i>	<i>7.6%</i>	<i>7.8%</i>
Net Interest Expense	(0.5)	(0.4)	(0.6)
Income before Tax	15.6	16.1	18.6
Net Profit	9.7	12.1	15.5