

Hanwha Vision 3Q25 Earnings Release

Disclaimer

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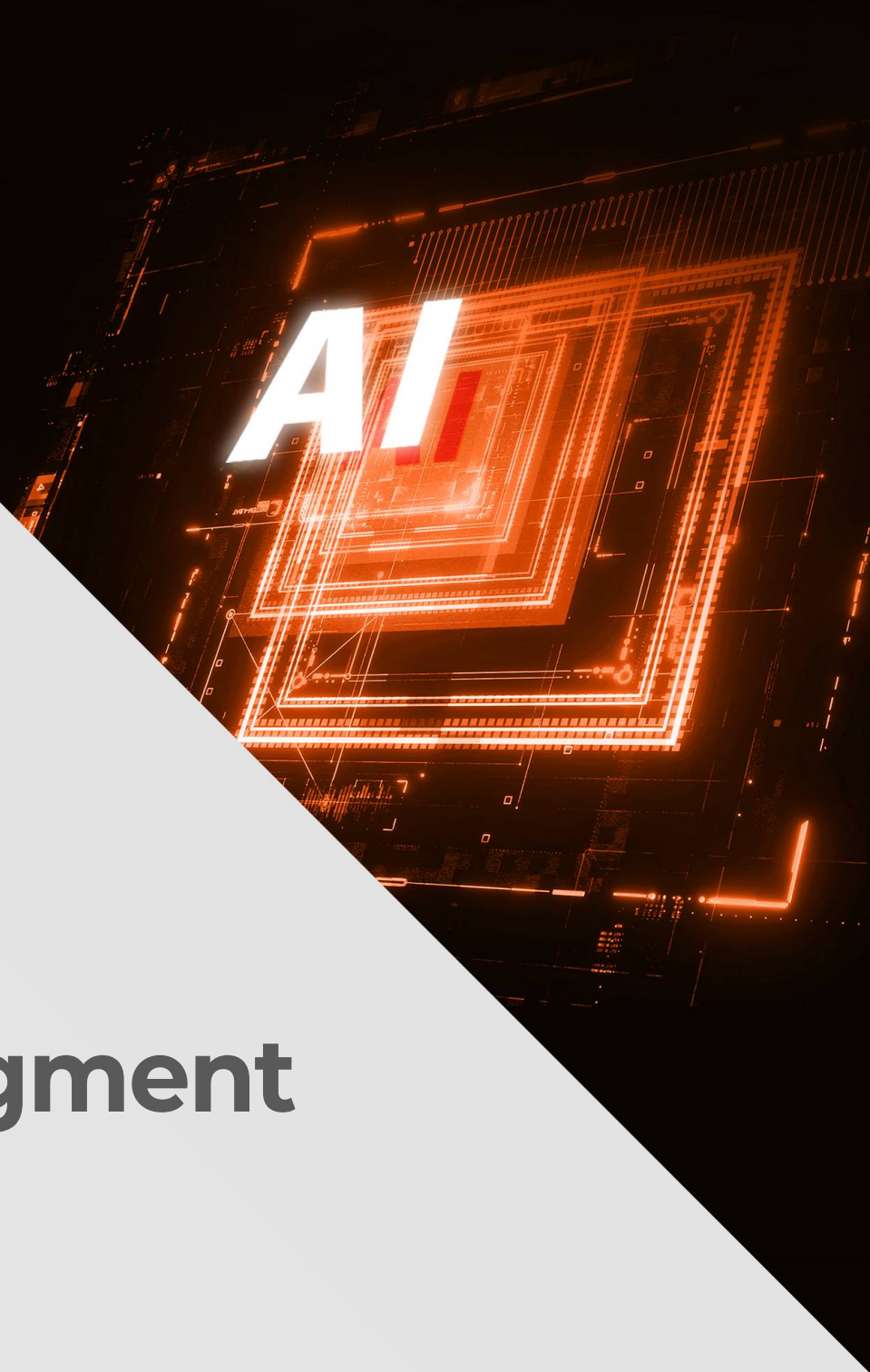
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It may contain forward-looking statements that involve risks and uncertainties, including those related to fluctuating market conditions and subsequent adjustments in the company's strategies.

Actual results may differ from the projections made in this presentation.

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A graphic in the top right corner featuring the letters 'AI' in a bold, white, sans-serif font. The 'A' has a red vertical bar on its right side. The text is set against a dark background with glowing orange lines and squares, resembling a circuit board or a digital interface. The lines form a grid-like pattern with some squares highlighted in orange, creating a sense of depth and technology.

AI



1. Q3 Performance

01 Q3 Performance

- In Q3, revenue reached KRW 423 bn.(-7.5%, QoQ), operating profit KRW 31 bn.(-44.6%, QoQ), OPM 7.4%(-4.9%p, QoQ)

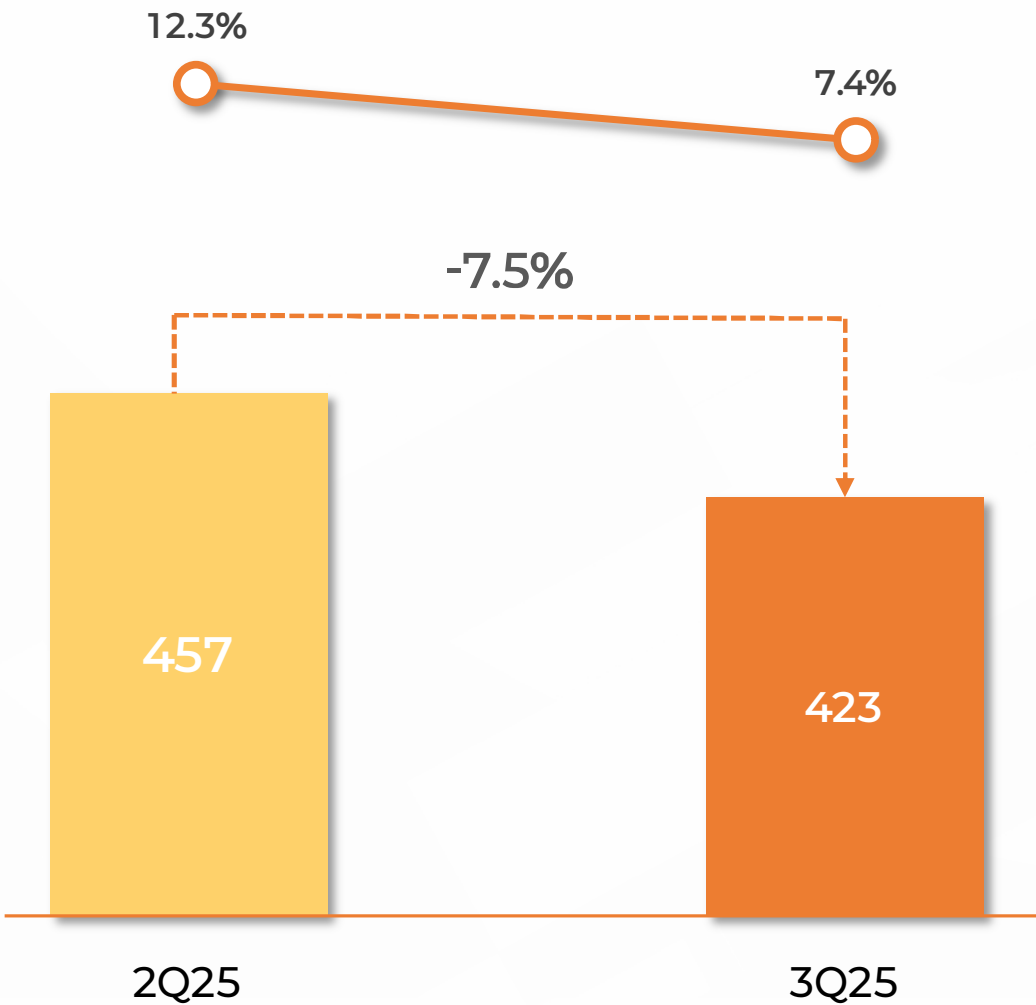
Overview

(Bil. KRW)

	2Q25	3Q25	QoQ
Revenue	457	423	-7.5%
Operating profit	56	31	-44.6%
%	12.3	7.4	-4.9%p
Profit before tax	-17	-11	39.4%
Net profit	-10	-7	33.7%
EBITDA	67	65	-4.0%
%	14.7	15.3	0.6%p

Revenue and OPM

(Bil. KRW)



01 Q3 Performance

- Hanhwa Vision was newly established in Sep '24'; no prior sales or profits exist

To assist investors' understanding, the performance below is a simple sum of the segmental results from the business reports or IR materials prepared by the surviving entity before the spin-off.

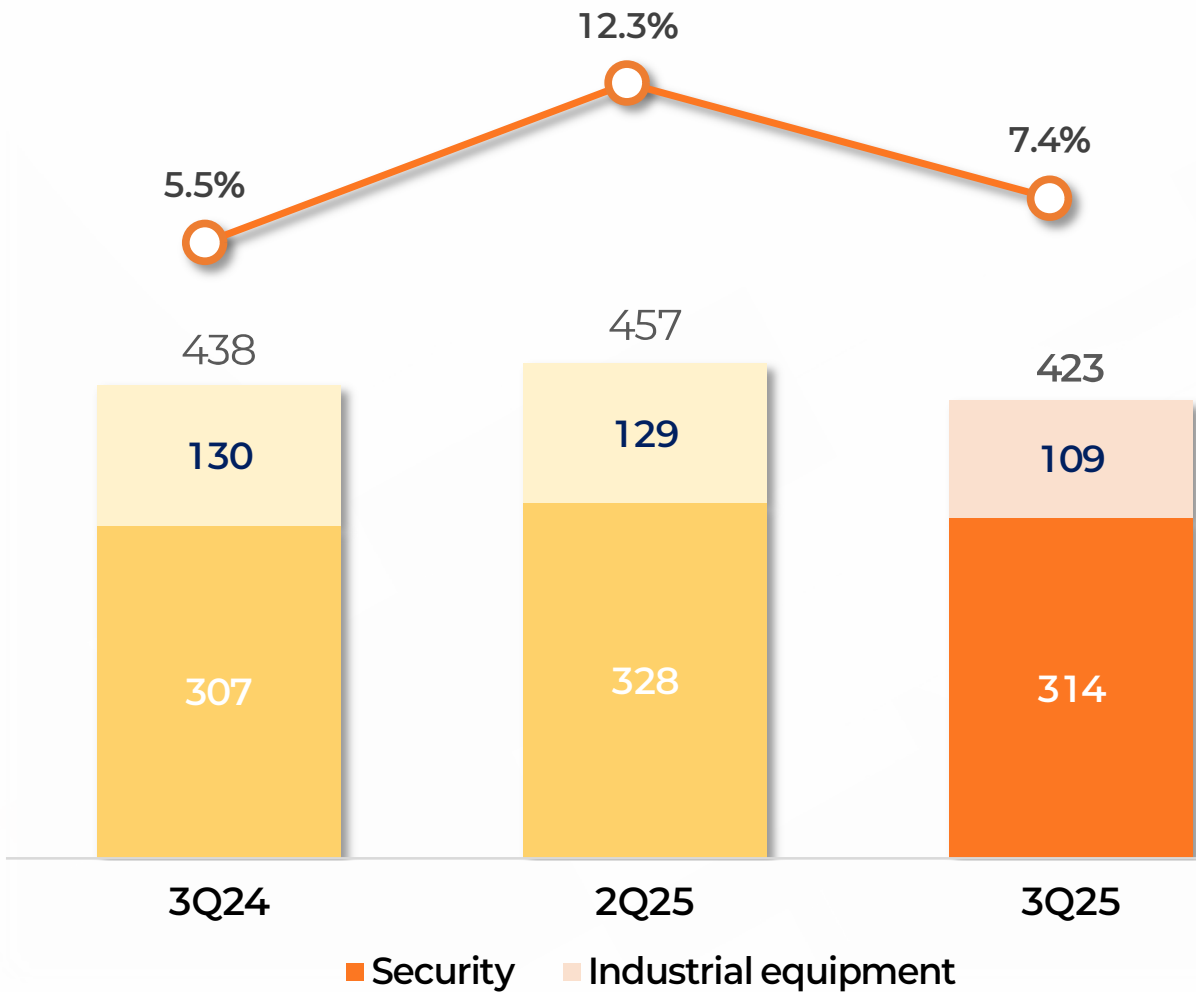
Sales and operating profit

(Bil. KRW)

	3Q24	2Q25	3Q25	Change rate	
				YoY	QoQ
Sales	438	457	423	-3.4%	-7.5%
Security	307	328	314	2.1%	-4.4%
Export	273	288	274	0.5%	-4.9%
Domestic	35	40	40	15.4%	-0.5%
Industrial equipment	130	129	109	-16.4%	-15.5%
SMT	69	80	53	-23.5%	-33.6%
Etc.	61	49	56	-8.4%	14.1%
Operating profit	24	56	31	29.5%	-44.6%
(%)	5.5%	12.3%	7.4%	1.9%p	-4.9%p
Security	29	57	31	7.6%	-44.9%
(%)	9.4%	17.2%	10.0%	0.6%p	-7.2%p
Industrial equipment	-5	-0.2	-0.1	98.1%	45.0%
(%)	-3.8%	-0.2%	-0.1%	3.7%p	0.1%p

Trend

(Bil. KRW)



01 Q3 Performance

- Hanwha vision maintained high financial stability, recording a debt-to-equity ratio of 122.5%, a current ratio of 185.0%, and a net debt-to-equity ratio of 19.0%

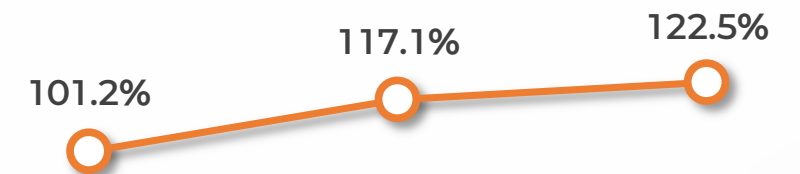
Balance Sheet

(Bil. KRW)

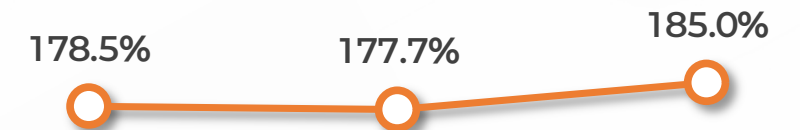
	3Q24	2Q25	3Q25	Change rate	
				YoY	QoQ
Assets	1,593	1,736	1,775	11.5%	2.3%
Current assets	1,021	1,101	1,123	10.0%	2.0%
Cash and cash equivalents	279	145	208	-25.4%	43.6%
Current inventories	263	322	316	20.0%	-1.7%
Non-current assets	572	635	652	14.0%	2.8%
Property, plant and equipment	290	338	350	20.7%	3.4%
Liabilities	801	936	977	22.0%	4.3%
Current liabilities	572	620	607	6.2%	-2.0%
Borrowings	279	357	360	29.2%	0.9%
Non-current liabilities	229	317	370	61.2%	16.8%
Equity	792	800	798	0.8%	-0.2%
Issued capital	25	25	25	-	-
Retained earnings	-12	0.2	-6	50.8%	Turned to deficit

Financial ratio

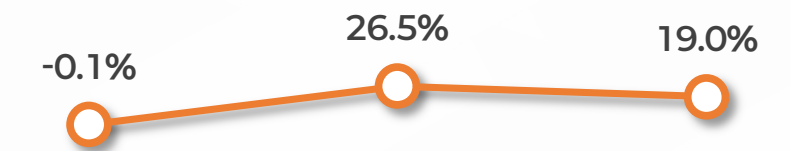
Debt to equity ratio



Current ratio



Net debt to equity ratio

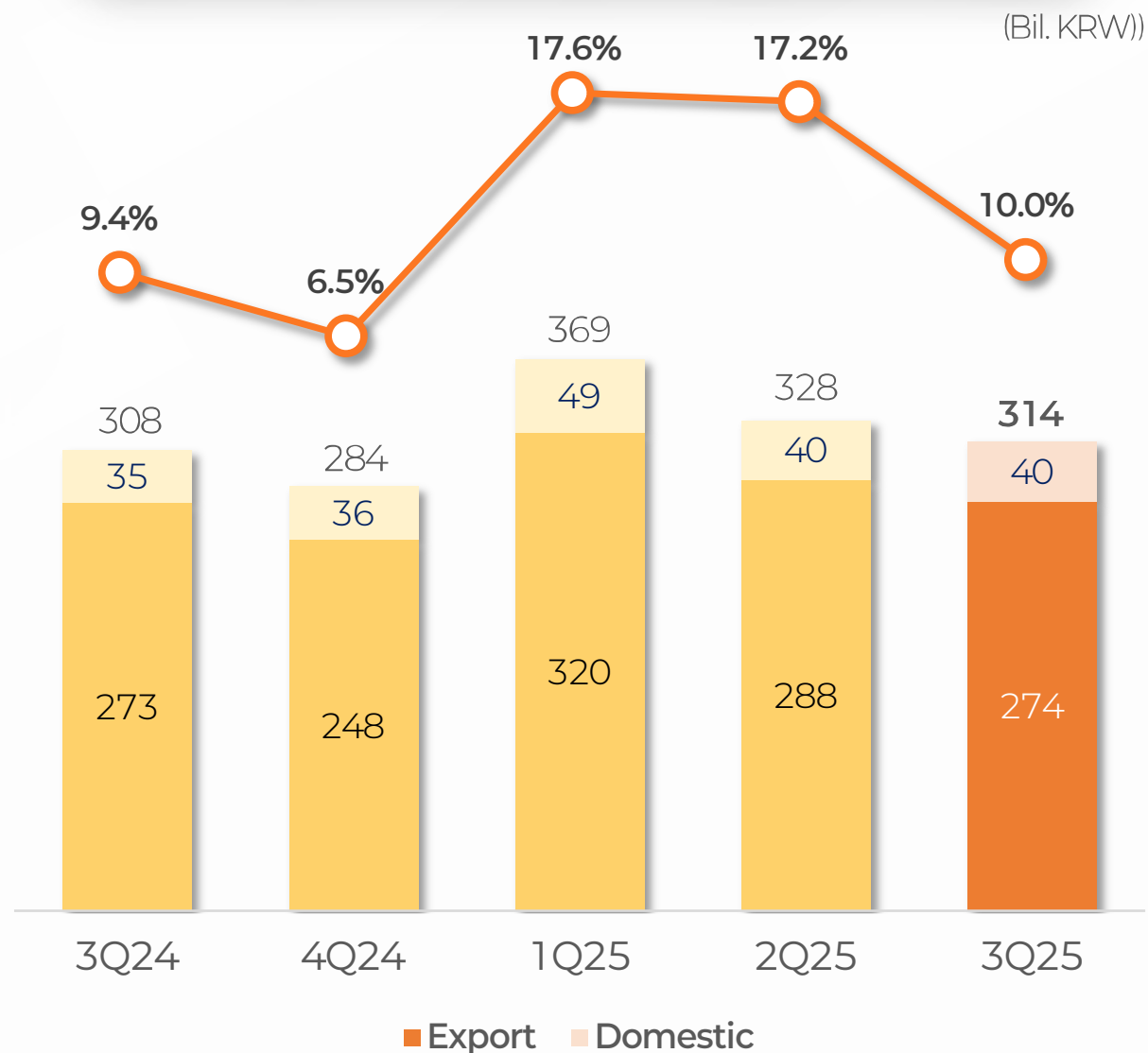




2. Performance by segment

02 Performance by segment (Security)

Quarterly sales and operating profit margin



Key Details

[Q3 review]

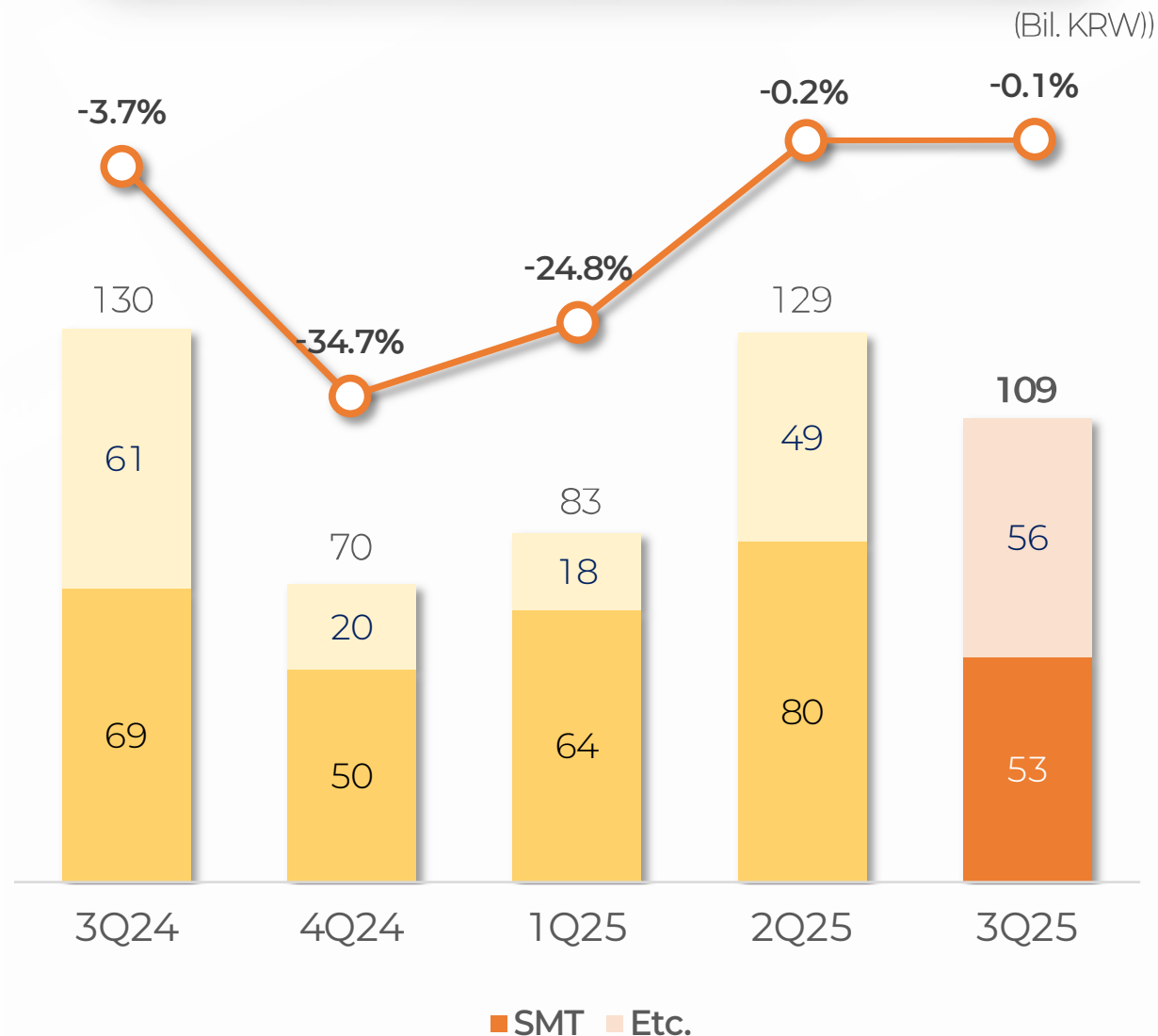
- 3Q25 reported revenue of 310 Bil. KRW with an OPM of 10.0%
- Revenue declined (QoQ) due to temporary order delays from key customers amid the gradual increase in tariffs
- Operating profit decreased due to temporary increase in fixed costs resulting from the lower revenue.

[Q4 and 2026 outlook]

- 4Q : Expecting revenue growth (YoY) as delayed customer orders from Q3 resume.
- 2026 : Expecting sustained growth in both revenue and operating profit, driven by the continued increase in the market share of AI cameras and the expansion of On-Cloud and VMS revenue.

02 Performance by segment (Industrial equipment)

Quarterly sales and operating profit margin



Key Details

[Q3 review]

- 3Q25 reported revenue of 108.7 billion KRW with an OPM of -0.1%.
- Continued reduction in deficit as a portion of TC Bonder revenue, secured in the first half, was recognized.
- Slow recovery in the SMT industry due to ongoing concerns about a persistent global economic slowdown.

[Q4 and 2026 outlook]

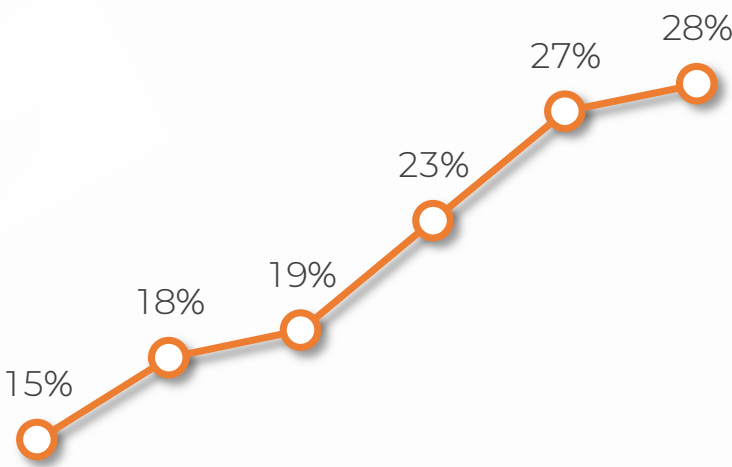
- 4Q : Anticipating a return to an operating profit driven by the recognition of TC Bonder revenue secured in the first half.
- 2026 : Expecting growth driven by an increase in the sales of high-speed SMT equipment and improvements in the distribution network and continued investment to secure a leading position in the next-generation packaging equipment market.



3. Appendix

03 Key index(Security)

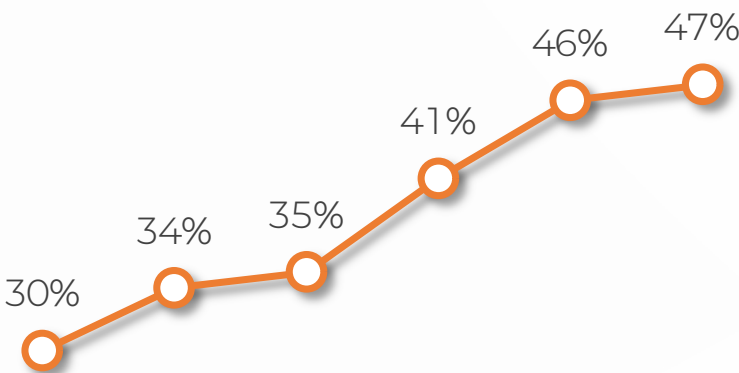
AI Camera sales rate



AI Camera sales volume / Camera sales volume

2Q24 3Q24 4Q24 1Q25 2Q25 3Q25

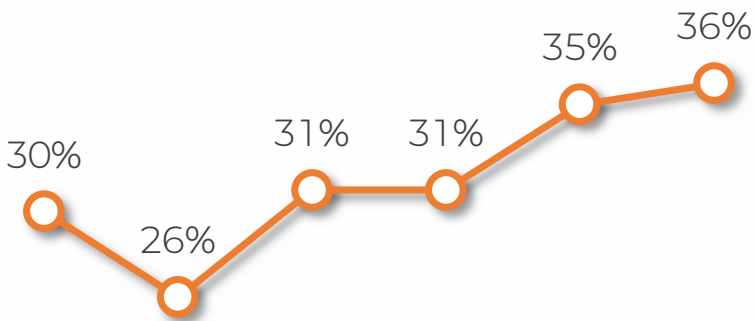
AI Camera revenue ratio



AI Camera revenue / Network camera revenue

2Q24 3Q24 4Q24 1Q25 2Q25 3Q25

Solution WON B/O rate



Solution : Project including VMS

2Q24 3Q24 4Q24 1Q25 2Q25 3Q25

03 Global market share (Security)

- In 2024, Hanwha Vision's surveillance equipment market share in the Americas recorded 7.8% (3rd place), narrowing the gap with the industry leader.

World (except China)

	2021	2022	2023	2024
 HIKVISION	15.8%	14.7%	14.2%	14.3%
 AXIS COMMUNICATIONS	10.7%	10.9%	10.7%	10.1%
 MOTOROLA	7.3%	7.5%	7.7%	7.8%
 ahua TECHNOLOGY	9.0%	7.8%	7.0%	6.8%
 Hanwha Vision	5.1%	5.7%	5.6%	5.9%
 PRO	4.3%	3.8%	3.7%	3.9%
 BOSCH	4.0%	3.8%	3.8%	3.5%

*Source: OMDIA

Americas

	2021	2022	2023	2024
 AXIS COMMUNICATIONS	13.9%	14.5%	14.1%	13.1%
 MOTOROLA	11.5%	12.3%	12.2%	12.4%
 Hanwha Vision	5.9%	7.6%	7.5%	7.8%
 Verkada	-	-	4.3%	6.2%
HIKVISION	6.6%	5.6%	5.2%	4.9%
Genetec	4.9%	4.4%	4.4%	4.6%
intelbras	4.3%	4.0%	4.1%	4.1%

*Source: OMDIA

03 Market share by major countries (Security)

- "In 2024, Hanwha Vision's surveillance equipment market share in the UK market recorded 9.6% (2nd place), rising one spot from its 3rd place in 2023."

The United Kingdom

	2021	2022	2023	2024
	18.3%	14.5%	11.6%	11.5%
	6.2%	6.4%	8.5%	9.6%
	9.0%	9.2%	10.3%	9.0%
	9.3%	8.3%	7.5%	7.8%
	3.3%	5.3%	5.6%	5.7%
	4.2%	4.5%	4.7%	4.5%
	6.4%	5.2%	4.3%	3.5%

*Source: OMDIA

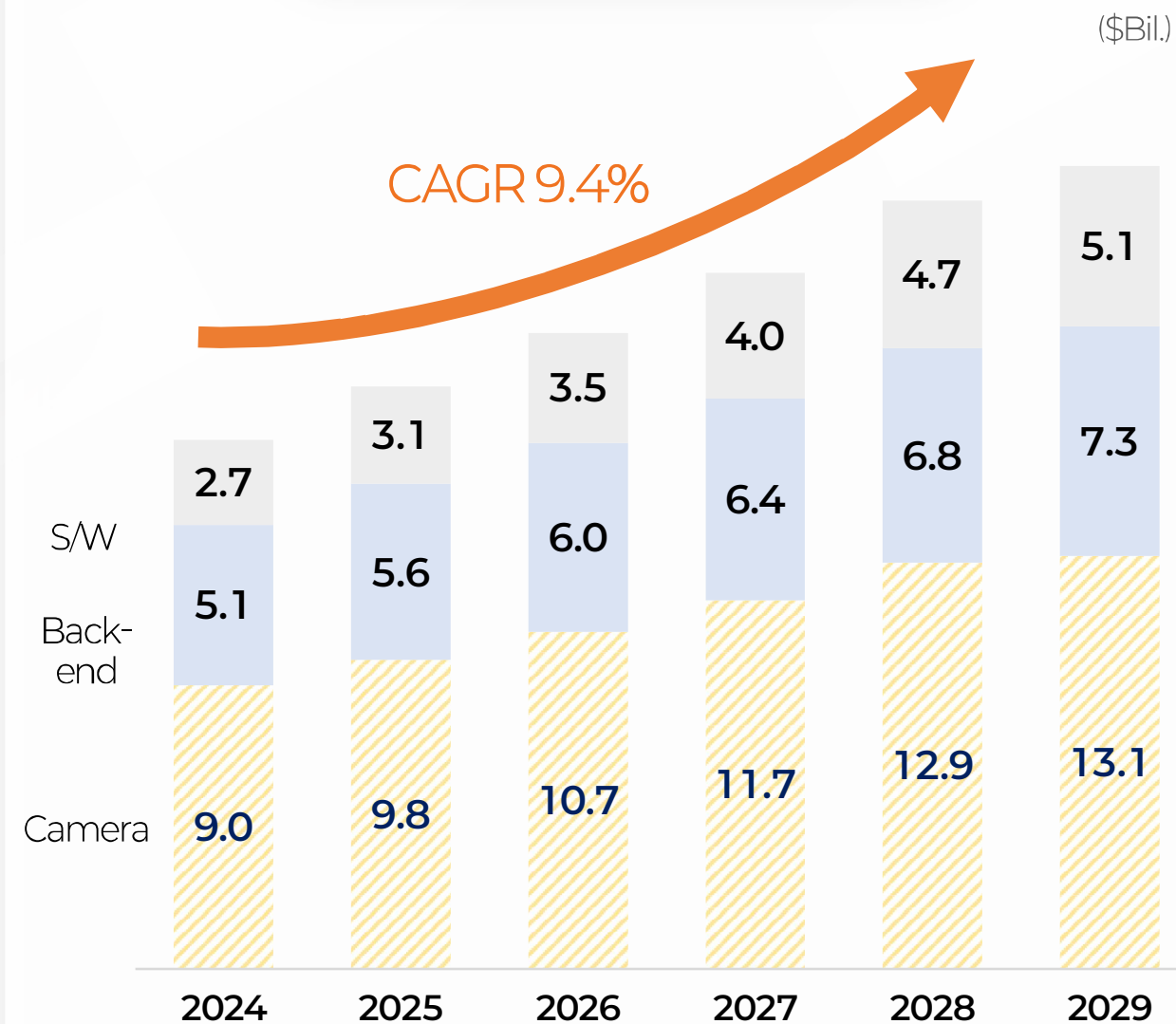
Korea

	2021	2022	2023	2024
	30.9%	28.7%	28.7%	30.0%
	13.5%	15.2%	15.8%	15.8%
	7.3%	7.0%	6.9%	7.4%
	5.3%	6.1%	6.8%	6.9%
	7.0%	6.3%	6.2%	6.0%
	2.9%	2.6%	2.8%	2.9%
	2.5%	2.4%	2.6%	2.6%

*Source: OMDIA

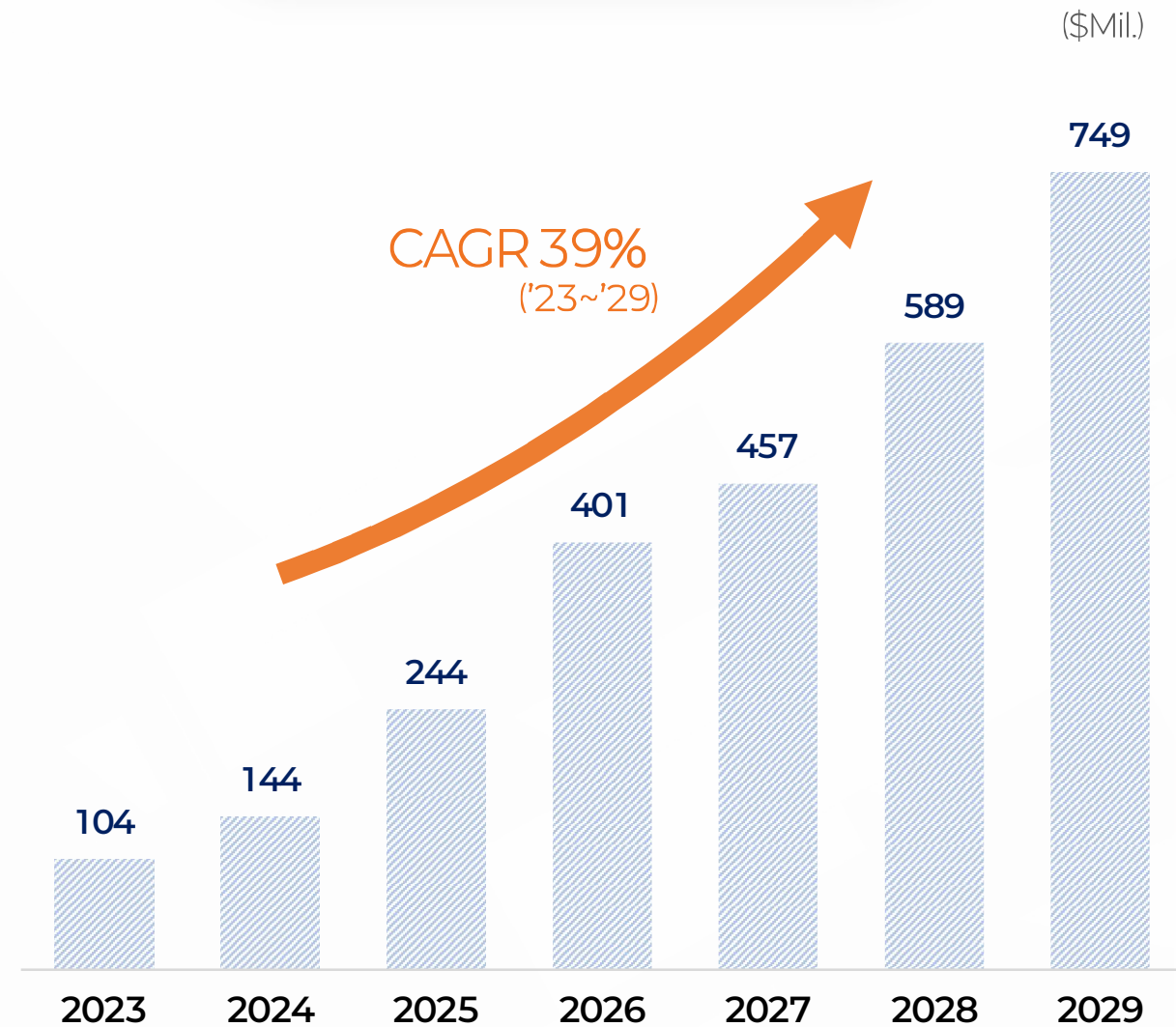
03 Market growth outlook

Global CCTV market outlook



*Source: OMDIA

Advanced Die Attach market



(Source : Techinsights, Dec. 2024)

03 Statement of financial position

(Bil. KRW)

	3Q24	4Q24	1Q25	2Q25	3Q25
Assets	1,593	1,591	1,613	1,736	1,775
Current assets	1,021	996	1,001	1,101	1,123
Cash and cash equivalents	279	154	89	145	208
Trade and other current receivables	454	456	538	595	543
Current inventories	263	309	322	322	316
Non-current assets	572	595	612	635	652
Property, plant and equipment	290	305	320	338	350
Intangible assets and goodwill	91	86	85	83	82
Deferred tax assets	134	144	150	160	169
Liabilities	801	766	785	936	977
Current liabilities	572	530	507	620	607
Trade and other current payables	204	202	169	192	162
Borrowings and current portion of non-current borrowings	279	228	258	357	360
Non-current liabilities	229	236	278	317	370
Equity	792	825	828	799	798
Issued capital	25	25	25	25	25

03 Statement of comprehensive income

(Bil. KRW)

	3Q24	4Q24	1Q25	2Q25	3Q25
Revenue	140	354	452	457	423
COGS	70	170	207	207	199
Gross profit	69	184	245	250	223
SG&A	41	121	133	127	122
R&D expense	20	69	68	67	70
Operating profit	9	-6	44	56	31
Other gains	3	50	12	8	13
Other losses	5	1	9	43	-6
Finance income	3	5	3	7	1
Finance costs	5	18	63	45	62
Profit before tax	6	30	-13	-17	-11
Profit	-13	16	- 3	-10	-7

