

Kia Corporation 2023 4Q Business Results

January 25, 2023



Movement that inspires

Note to Investors

This presentation has been prepared with unaudited results of 2023 4Q for investors' convenience. Therefore, some numbers are subject to change upon review of Kia's independent auditors.



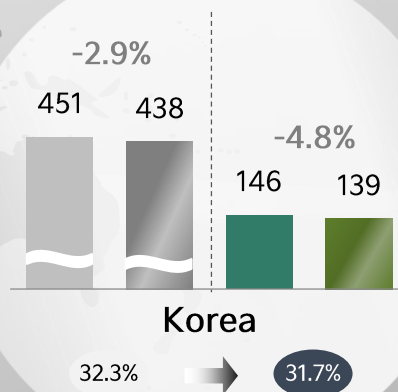
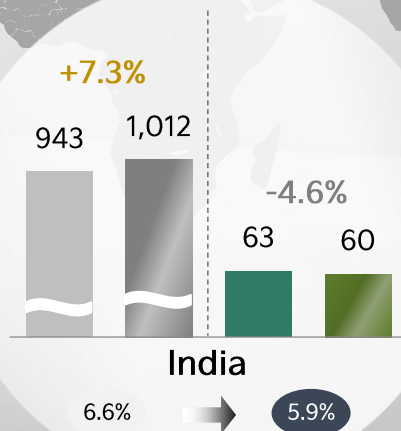
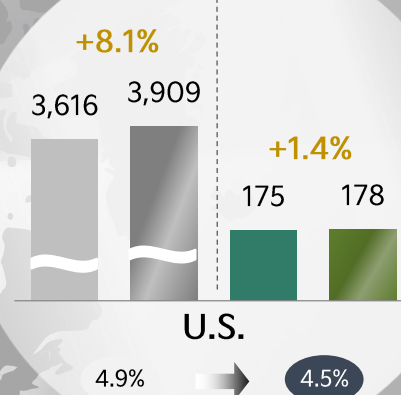
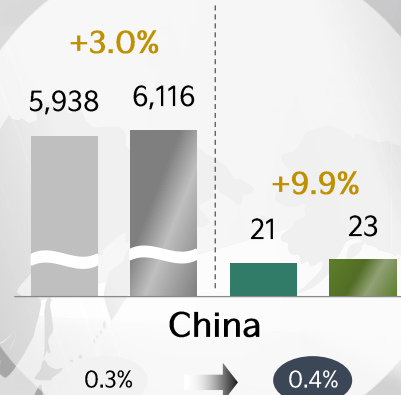
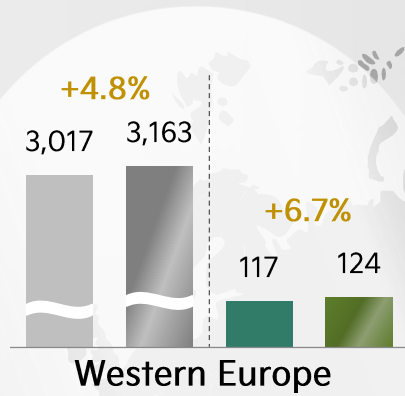
Movement that inspires

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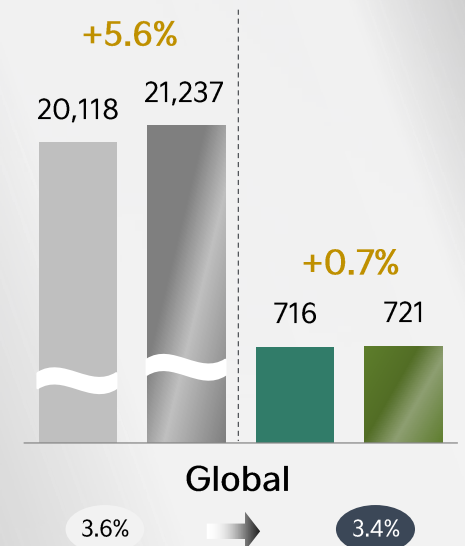
- Sales Summary (4Q)
 - Consolidated Income Statement (4Q)
 - Revenue & Earnings Analysis (4Q)
 - Consolidated Balance Sheet (4Q-end)
 - Green Car Sales Summary (4Q)
 - 2024 Business Plan
 - Appendix
-

Global Retail Sales

(in thousand units)



Region	4Q22	4Q23	YoY
Rest of World	188	192	+2.0%
Russia (Region)	17	12	-27.3%
MEA	47	53	+11.5%
Latin America	34	36	+6.0%
Asia Pacific	41	40	-2.2%



4Q22 Industry Total
 4Q22 Kia Sales
 4Q22 Market Share
 4Q23 Industry Total
 4Q23 Kia Sales
 4Q23 Market Share

* Western Europe industry demand : ACEA, China/India sales : Wholesale ※ CKD / Special Vehicles Included

Wholesale by Region

(in thousand units)	4Q22	4Q23	YoY (%)
Wholesale	730	733	+0.4%
Korea	146	139	-4.8%
North America	221	235	+6.4%
U.S.	181	193	+6.6%
Europe	125	135	+8.1%
Western Europe	120	126	+5.0%
India	63	60	-4.6%
China	21	23	+9.9%
Russia & CIS	17	14	-16.7%
MEA	60	51	-15.0%
Latin America	35	38	+8.0%
Asia-Pacific	44	39	-10.0%

※ CKD / Special Vehicles Included

※ Special Vehicles : [4Q22] 1.5k units (Korea 0.9k units, Overseas 0.6k units) → [4Q23] 1.7k units (Korea 0.9k units, Overseas 0.8k units)

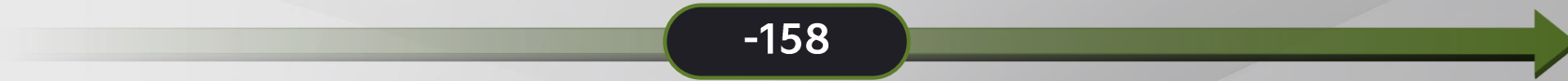
Consolidated Income Statement

(in Billion Won)	4Q22	(% of sales)	4Q23	(% of sales)	YoY (%)
Sales Revenue	23,164	100%	24,328	100%	+5.0%
Cost of Sales	18,007	77.7%	18,999	78.1%	+5.5%
Gross Profit	5,157	22.3%	5,329	21.9%	+3.3%
SG&A	2,533	10.9%	2,863	11.8%	+13.1%
Operating Profit	2,624	11.3%	2,466	10.1%	-6.0%
Pre-tax Profit	2,630	11.4%	2,526	10.4%	-3.9%
Net Profit	2,037	8.8%	1,620	6.7%	-20.5%

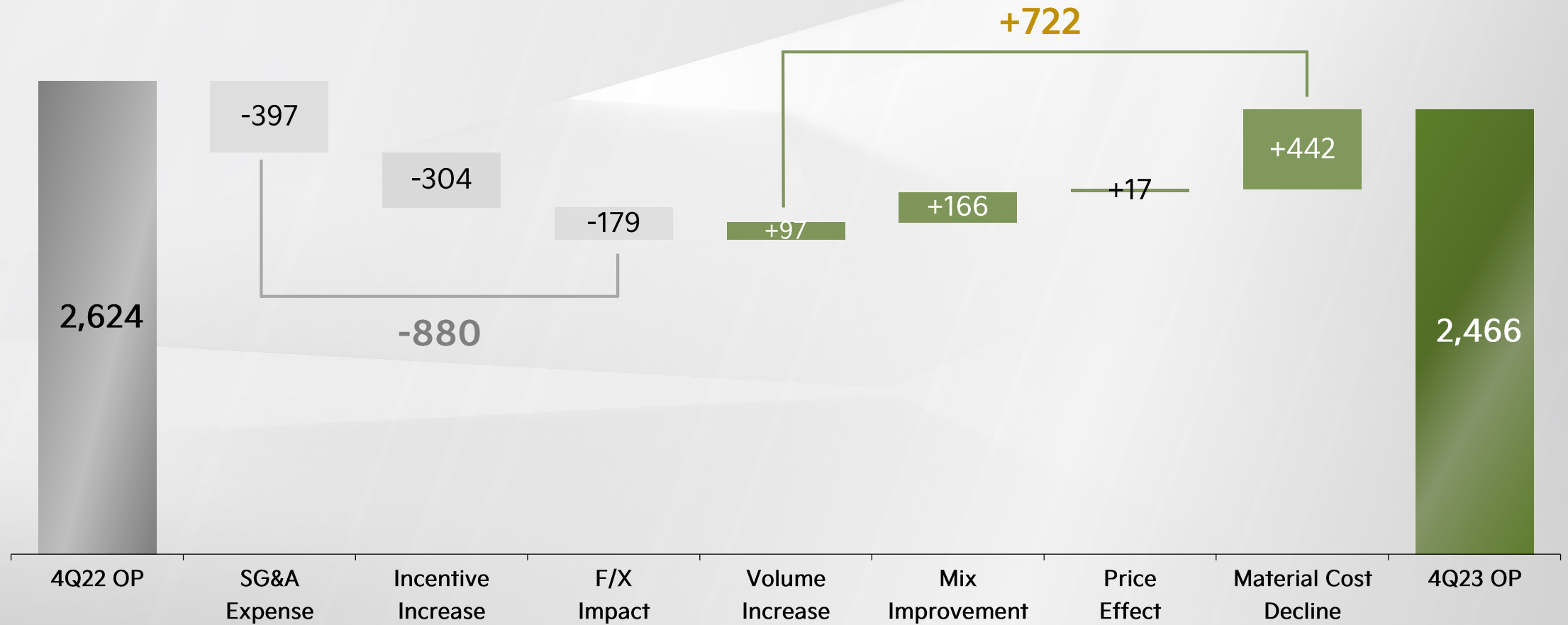
※ Consolidated Sales Unit : [4Q22] 679,514 units → [4Q23] 663,921 units (-15,593 units, -2.3%)

※ Average F/X Rate : USD/KRW [4Q22] KRW 1,359 → [4Q23] KRW 1,321 (38 won ↓, -2.8%)

Operating Profit Analysis



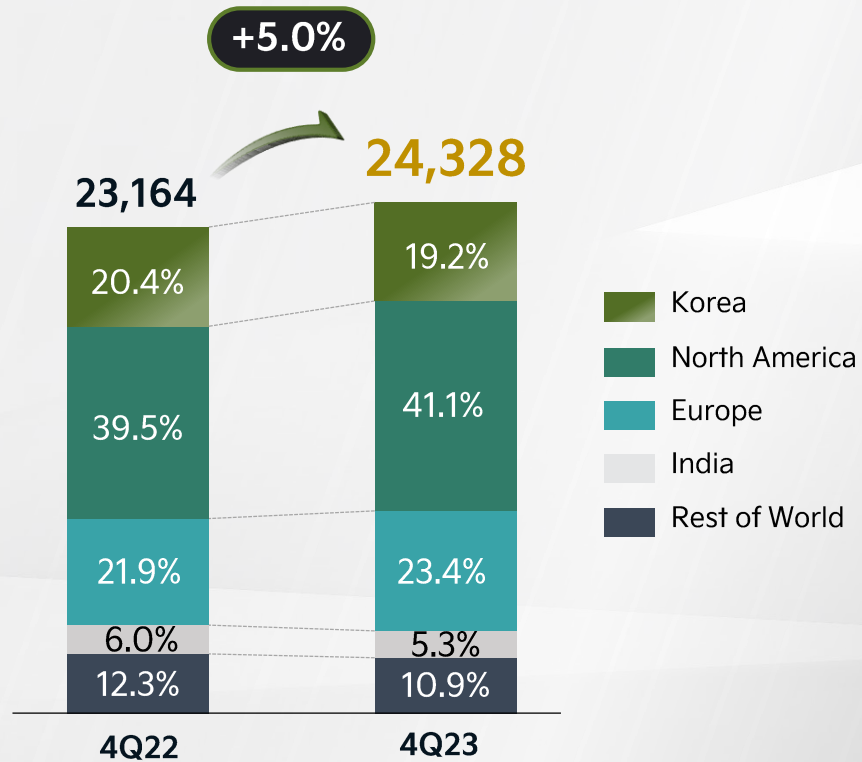
(in Billion Won)



Revenue Analysis

Revenue by Region

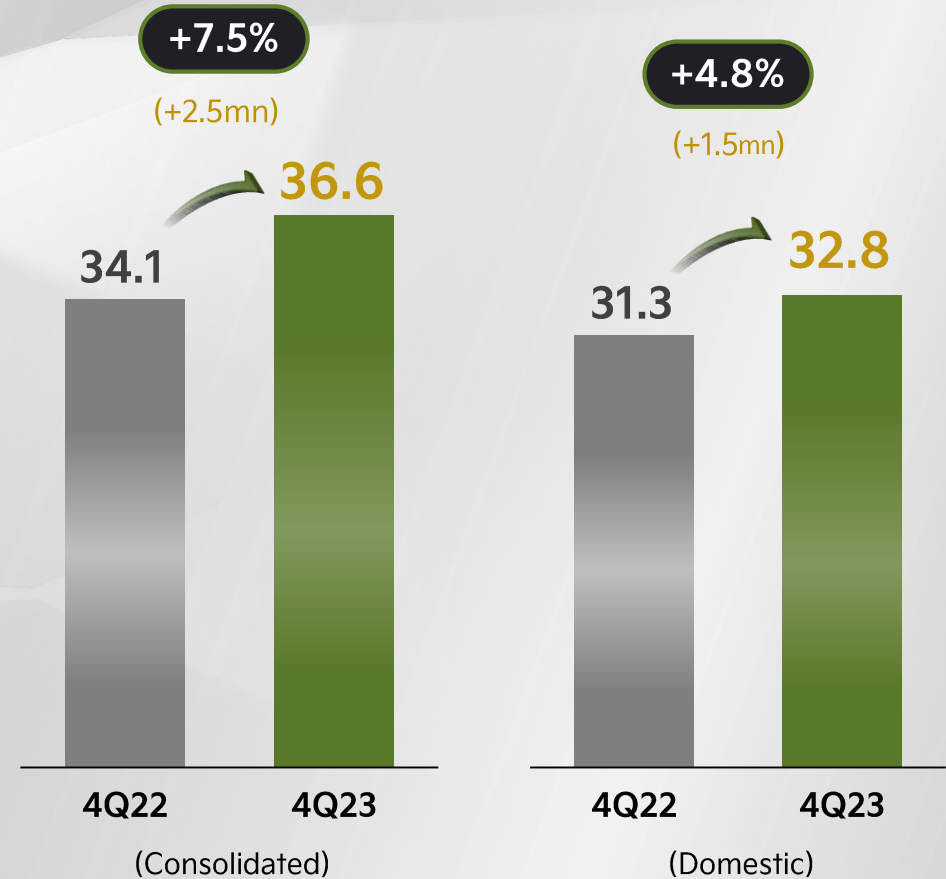
(in Billion Won)



- * Korea : Korea plant's domestic revenue
- * North America : US, Canada, Mexico wholesale revenue + export revenue
- * Europe : Europe, Russia wholesale revenue + export revenue
- * India : India wholesale + export revenue
- * Rest of World : Korea plant's direct export revenue, Asia-Pacific wholesale revenue

ASP

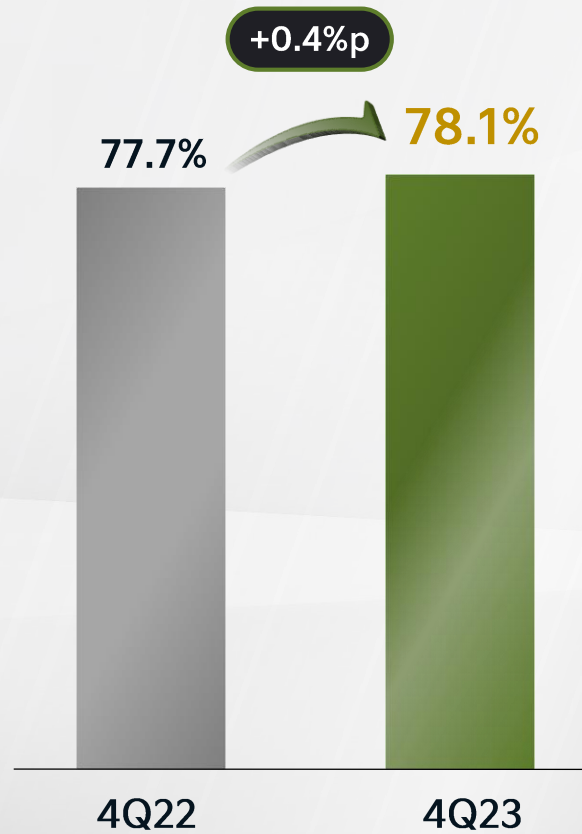
(in Million Won)



COS & SG&A

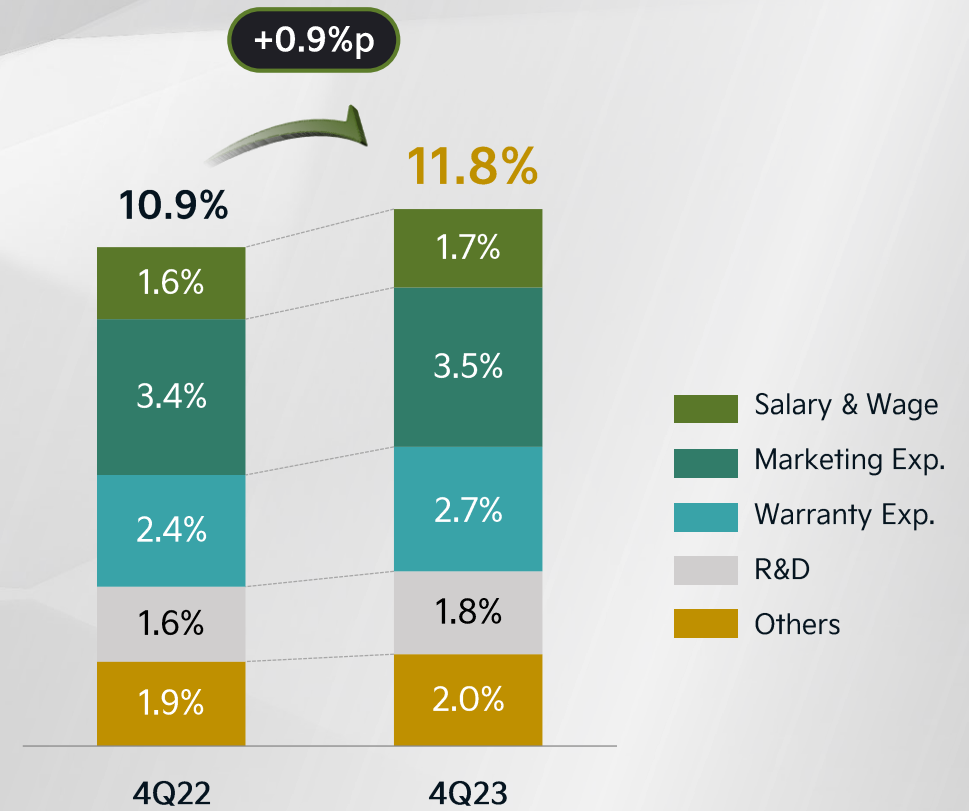
Cost of Sales Ratio

(% of sales revenue)



SG&A Expense

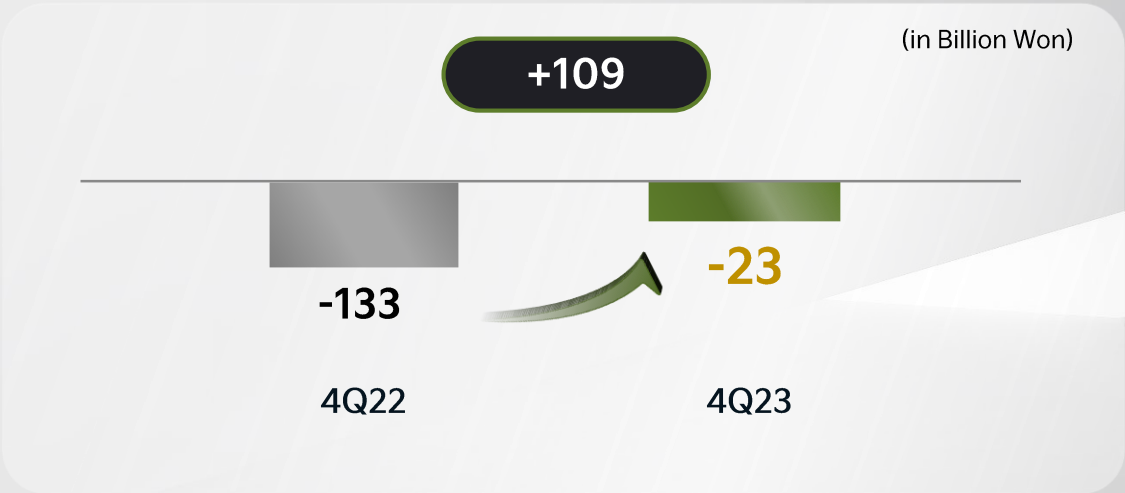
(% of sales revenue)



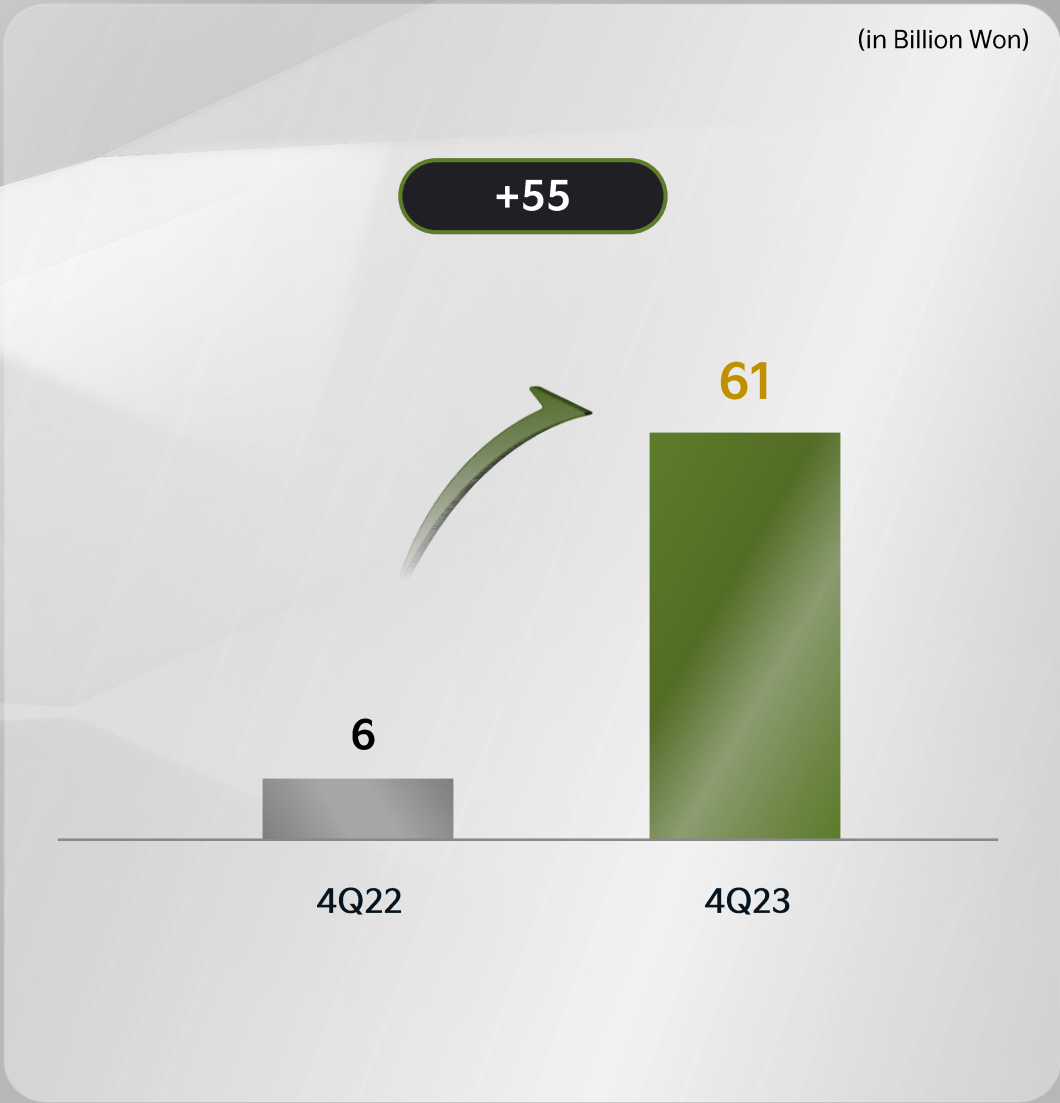
* Marketing Expenses :
Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Non-Operating Items

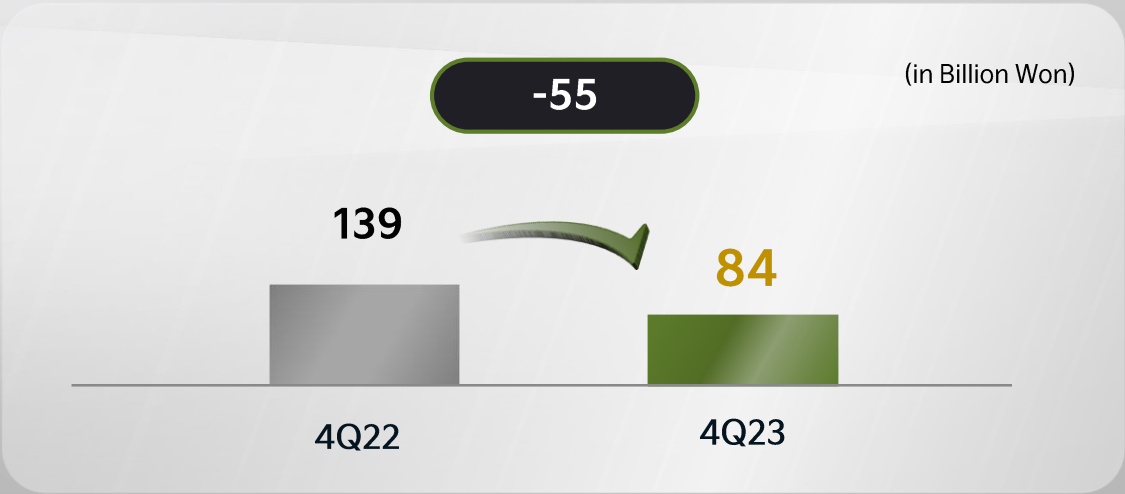
Equity Income (a)



Non-OP Income (a+b)



Financial & Other Income / Expense (b)



Consolidated Balance Sheet

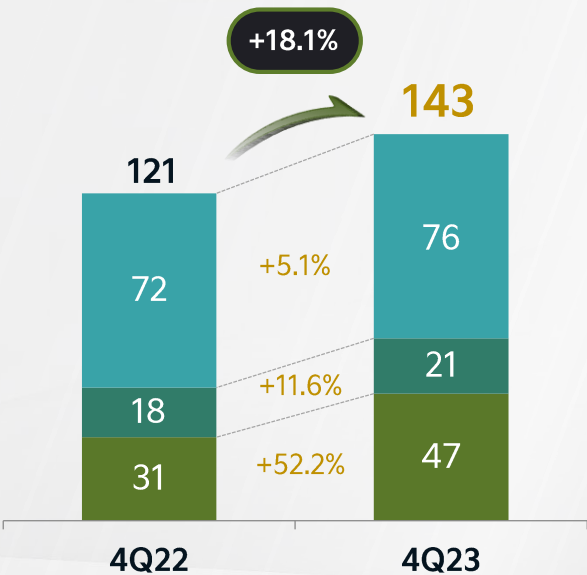
(in Billion Won)	2022 Year-end	2023 Year-end	Change
Asset	73,711	80,628	+6,917
Current Asset	34,147	37,466	+3,319
*Cash (a)	19,398	20,533	+1,135
Liability (b)	34,368	34,070	-298
Current Liability	25,378	25,674	+296
Debt (c)	7,473	3,800	-3,673
*Net Cash (a) - (c)	11,925	16,733	+4,808
Equity (d)	39,343	46,558	+7,215
Liability to Equity Ratio (b)/(d)	87.4%	73.2%	-14.2%p

* Cash = Cash & Cash Equivalents + ST Financial Instruments + ST Available-for-sale Financial Asset

Green Car Sales Summary

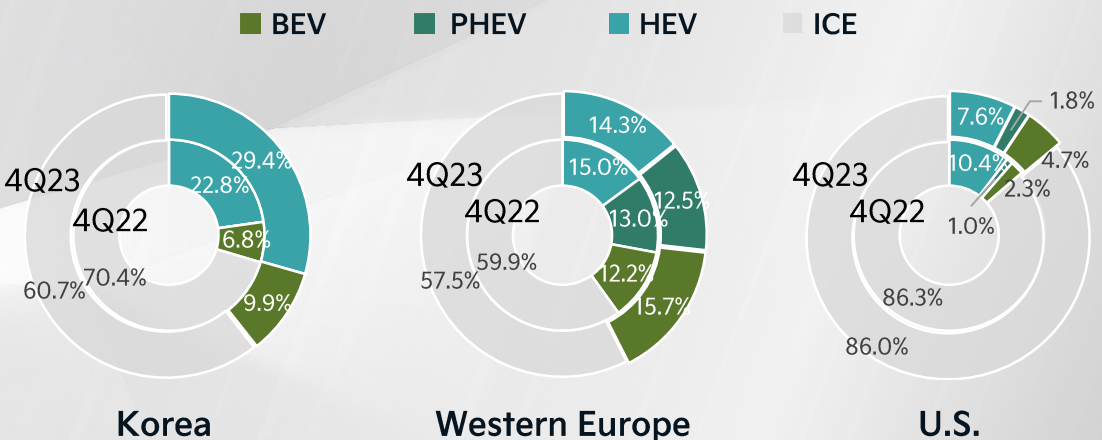
Global Sales (Retail)

■ BEV ■ PHEV ■ HEV (in thousand units, %)

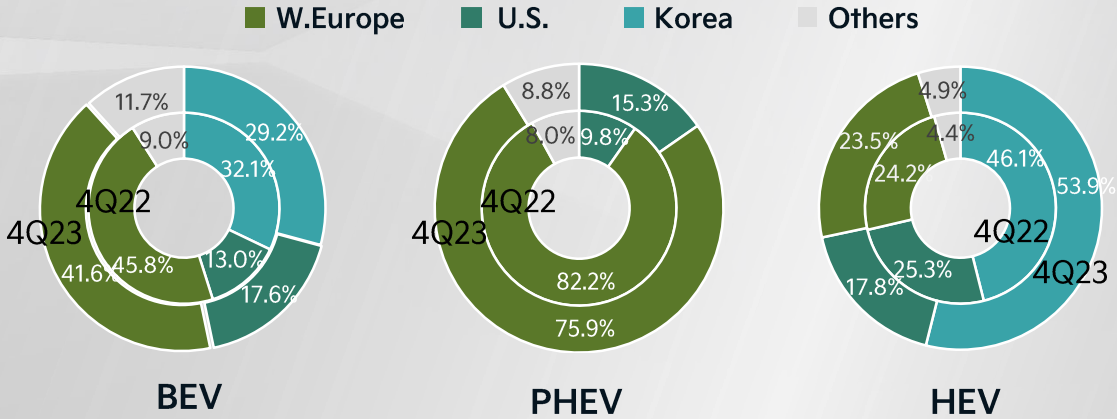


% of Sales	4Q22	4Q23
HEV	10.1%	10.5%
PHEV	2.6%	2.8%
BEV	4.3%	6.5%
xEV	17.0%	19.9%
ICE	83.0%	80.1%
Total Sales (units)	716k	721k

Green Car Sales Contribution in Major Markets



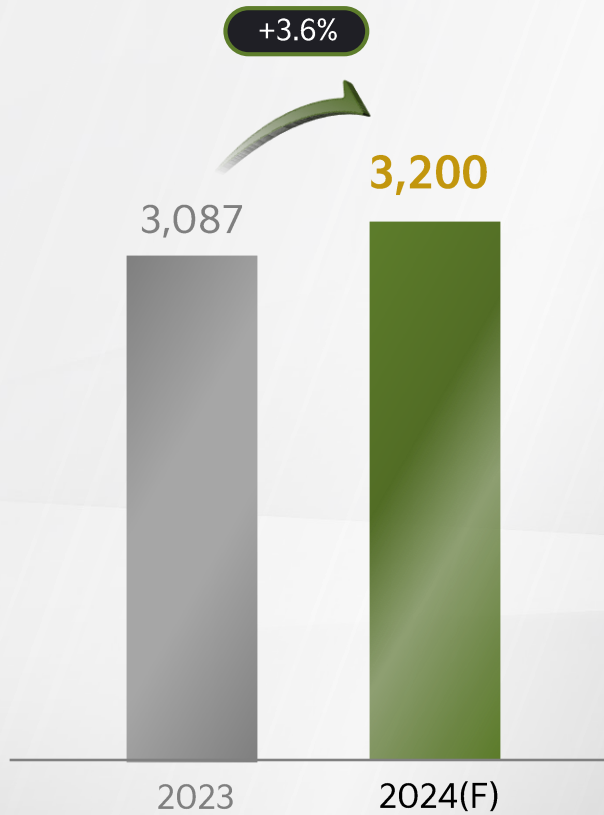
Market Division of Green Car Sales by Type



2024 Business Plan

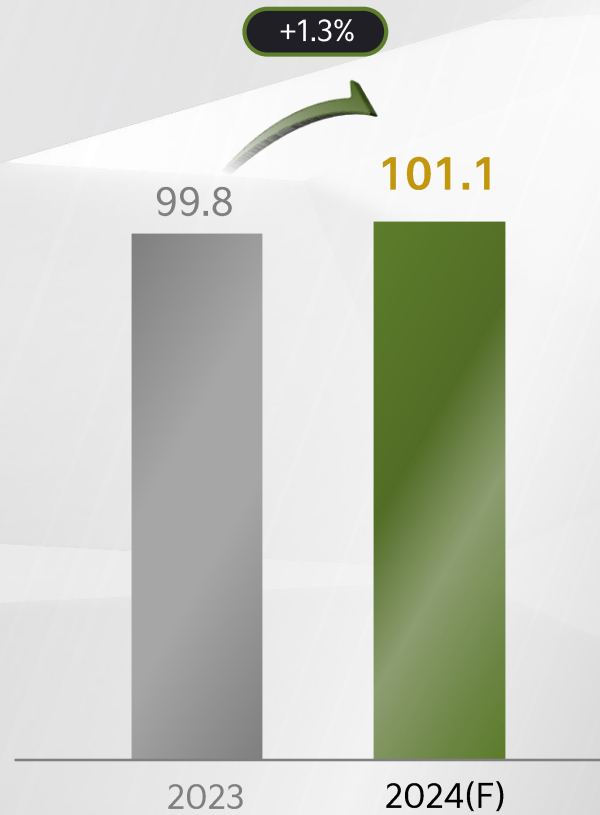
Wholesale

(in thousand units)



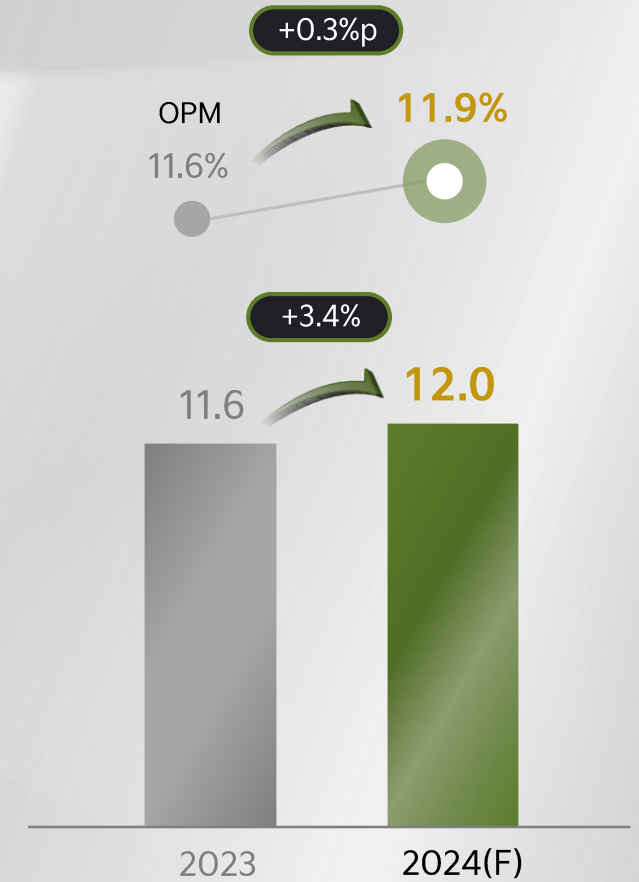
Sales Revenue

(in trillion won)



Operating Profit (%)

(in trillion won, %)



※ Consolidated Sales Unit : [2023] 2,865k units → [2024] 2,859k units (-6k units, -0.2%)

※ Average F/X Rate : USD/KRW [2023] KRW 1,305 → [2024] KRW 1,270 (35 won ↓, -2.7%)

Appendix

- 2024 Business Plan (Wholesale / Retail Sales)
 - 4Q Sales Performance by Market (Korea, U.S., Western Europe, India, China)
 - 2023 Global Retail Sales & Green Car Sales Summary
 - 2023 Consolidated Income Statement
 - Global Market Share Trend
 - Cash Flow Highlights
-

2024 Business Plan (Wholesale by Region)

(in thousand units)	2023	2024(F)	YoY (%)
Wholesale	3,087	3,200	+3.6%
<i>(CKD)</i>	<i>64</i>	<i>85</i>	<i>+32.2%</i>
Korea	566	532	-6.0%
North America	1,008	1,045	+3.7%
U.S.	825	852	+3.3%
Europe	607	610	+0.5%
Western Europe	573	579	+1.2%
India	255	280	+9.8%
China	80	117	+45.6%
Russia & CIS	51	72	+43.4%
Middle East Asia	223	229	+2.8%
Latin America	142	144	+1.9%
Asia Pacific	156	170	+8.8%

※ CKD / Special Vehicles Included ※ Special Vehicles : [2023] 5.7k units (Korea 2.2k units, Overseas 3.5k units) → [2024] 7.0k units (Korea 2.1k units, Overseas 4.9k units)

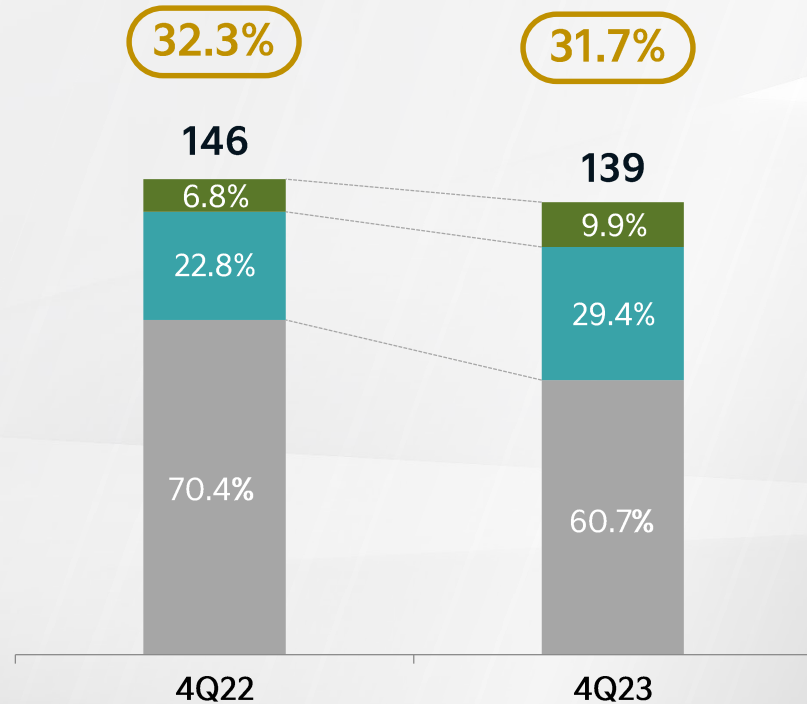
2024 Business Plan (Retail Sales by Region)

(in thousand units)	2023	2024(F)	YoY (%)
Retail Sales	3,016	3,140	+4.1%
<i>(CKD)</i>	<i>63</i>	<i>82</i>	<i>+29.7%</i>
Korea	566	532	-6.0%
North America	961	1,009	+5.0%
U.S.	782	822	+5.1%
Europe	602	610	+1.4%
Western Europe	572	579	+1.1%
India	244	277	+13.3%
China	84	115	+36.9%
Russia & CIS	52	69	+32.8%
Middle East Asia	211	217	+2.8%
Latin America	136	142	+4.6%
Asia Pacific	159	168	+5.5%

※ CKD / Special Vehicles Included ※ Special Vehicles : [2023] 4.6k units (Korea 2.2k units, Overseas 2.4k units) → [2024] 7.3k units (Korea 2.1k units, Overseas 5.2k units)

Sales/Market Share

ICE HEV EV M/S (in thousand units)



※ Imported brands included

Sales Summary

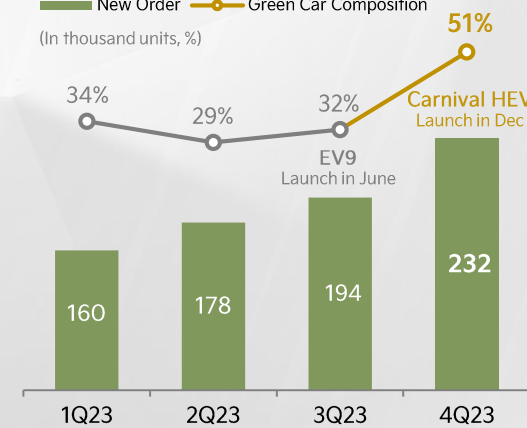
Industry -2.9%

[YoY]

Kia -4.8%

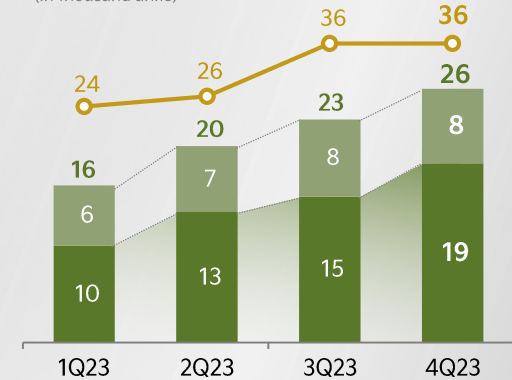
New Order Trend

New Order Green Car Composition
(In thousand units, %)



Sorento Sales Trend (Retail)

HEV ICE New Order
(In thousand units)



4Q Results

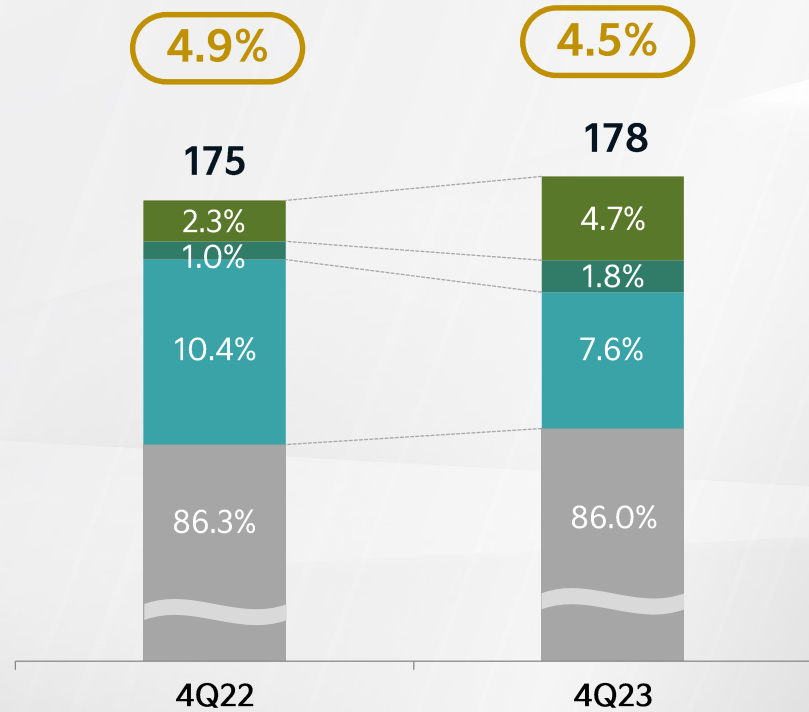
- New orders expanded with new green car launches
- Sales decreased w/ temporary reduction in production
- Reduced Carnival production to secure EV9 volume to US
- Maintained HEV sales momentum for Sorento

2024 Initiatives

- Expect mix improvement to continue w/ Sorento/Carnival etc.
- Expand green car sales composition with full-scale rollout of Carnival HEV and successful launch of EV3 in 1H24
- Continue sales momentum w/ the launch of EV6 / Sportage PE

Sales/Market Share

ICE HEV PHEV EV M/S (in thousand units)



Sales Summary

Industry +8.1%

[YoY]

Kia +1.4%

U.S. Vehicle Awards Details



2024 U.S. ALG Residual Value Awards

Kia Telluride

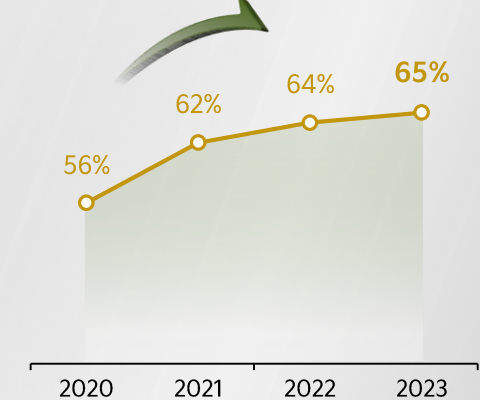


2024 North American Utility Vehicle of the Year™

Kia EV9

Telluride's Residual Value Trend

(Units : %)



4Q Results

- Maintained the lowest incentive level in the industry
 - [Kia] \$1,522 vs. [Industry] \$2,530 (Source : Autodata)
- Maintained the lowest inventory days by optimizing pull method
 - [Kia] 26 Days vs. [Industry] 41 Days (Source : Autodata)

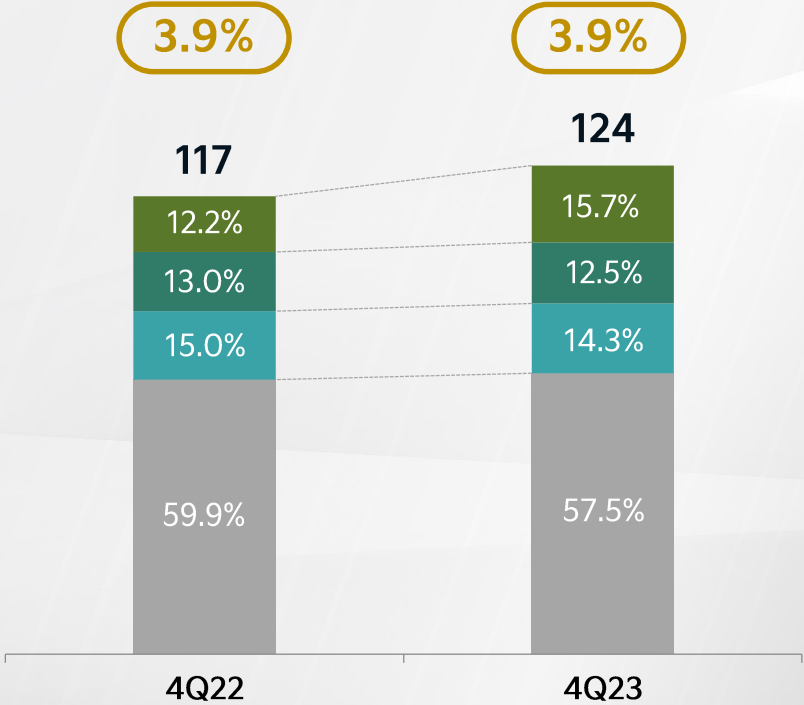
2024 Initiatives

- Build EV leading brand image with successful EV9 launch
 - Expect volume increase (+12k Target) with Carnival HEV launch (2H24)
 - Strengthen profitability by increasing lucrative SUV models (Sportage +24k, Sorento +17k Target)

Western Europe

Sales/Market Share

ICE HEV PHEV EV M/S (in thousand units)



Sales Summary

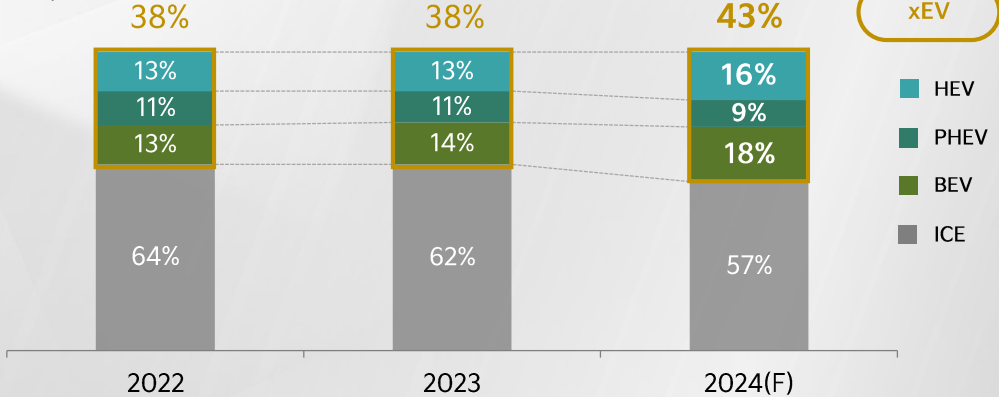
Industry +4.8%

[YoY]

Kia +6.7%

Green Car Sales Contribution

(Unit : %)



4Q Results

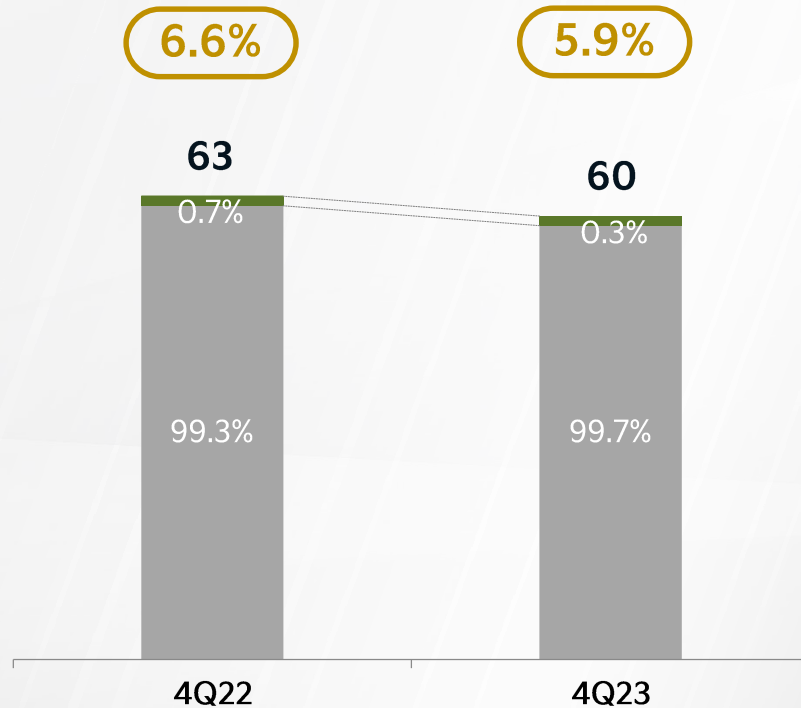
- Maintained sales momentum with Sportage (10k units/month, +20.8%)
- Led EV-focused sales with EV6 & Niro EV resulting in the growth of green car contribution : [3Q23 YTD] 36.3% → [4Q] 42.5%

2024 Initiatives

- Maintain EV sales momentum with EV9 full-scale roll-out and new PE model launches (EV6 PE in May, EV3 in Sept)
- Green Car/HEV/BEV : [2023] 37.7%/13.1%/14.0% → [2024(F)] 43.5%/16.1%/18.3%
- Maximize Sportage production capacity from Slovakia (+11k units), and enhance utilization rate w/ extra overtime

Sales/Market Share

ICE EV M/S (in thousand units)



* M/S based on Wholesale

Sales Summary

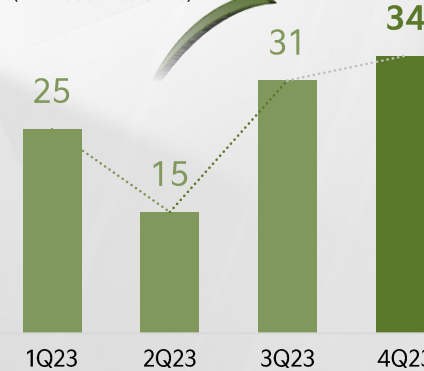
Industry +7.3%

[YoY]

Kia -4.6%

Seltos Sales Trend (Wholesale)

(In Thousands units)



New PE Models



Model	Seltos PE	Sonet PE
Launch	July '23	Dec '23
Strategy	Enhanced Design / Specifications Premium brand positioning	

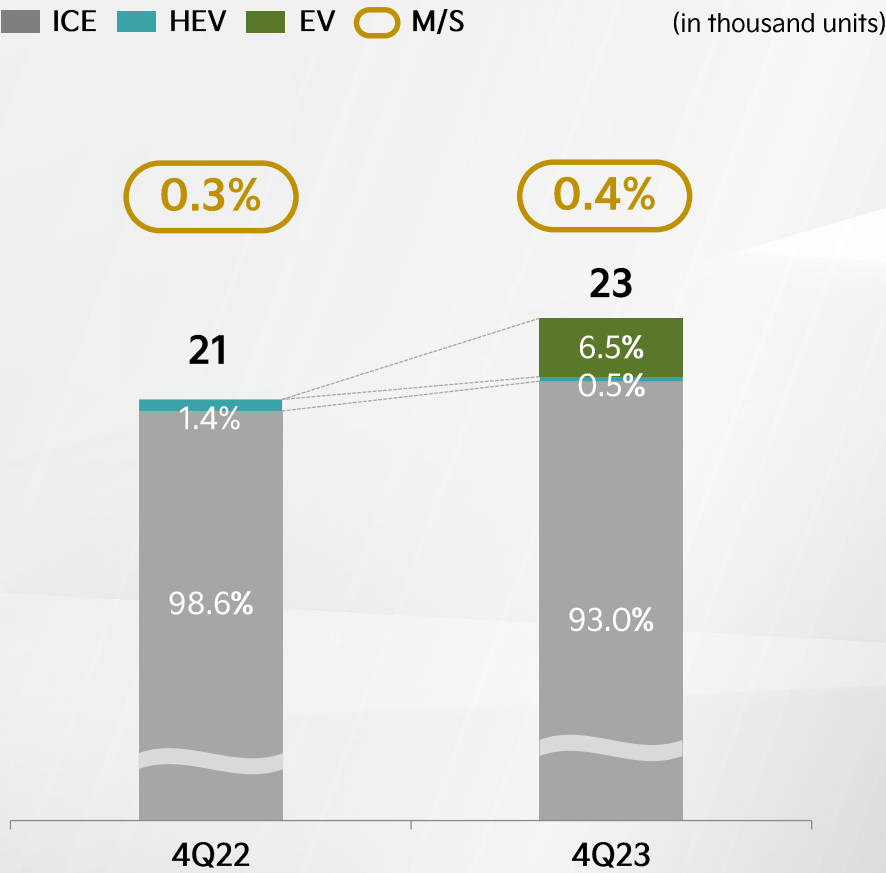
4Q Results

- Sales slowdown due to waiting demand for Sonet PE launch in Jan '24
 - Sales slowdown with Sonet production balancing-out
 - Strengthened the virtuous cycle of sales/production by optimizing supply volume based on actual demand

2024 Initiatives

- Secure sales momentum with full-scale Sonet PE launch
- Strengthen 3 pillars of Branding Strategy (High Positioning)
 - ① Eco-friendly Brand, ② Leading Design Brand, ③ High-tech leading Brand

Sales/Market Share



* M/S based on Wholesale

Sales Summary

Industry +3.0%

[YoY]

Kia +9.9%

Business Plan (Ex-factory)

Domestic Export

(in thousand units)

2023	80	86
2024(F)	117	172
2025(F)	140	253

First EV-dedicated model in China

Model	EV5
Launch	'23. Nov : Standard '24. Jan : Long Range '24. Mar : e-AWD
Strategy	First China dedicated EV(C-SUV) with LFP to drive domestic sales

4Q Results

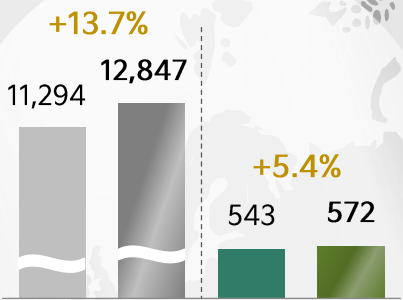
- Launched EV5(C-SUV) in Oct, the very first EV model
- Improved profitability with increased exports from China plant (1Q : 10k units → 2Q : 16k units → 3Q : 28k units → 4Q : 32k units)

2024 Initiatives

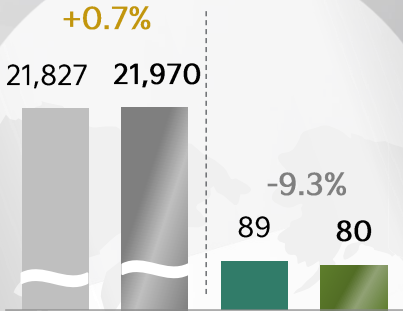
- Improve profitability and accelerate EV transition w/ full-fledged sales of EV5
- Expand export volume to improve utilization rate

Global Retail Sales (2023)

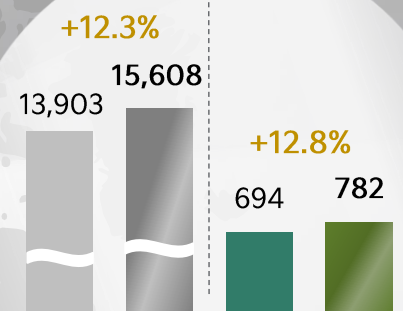
(In thousand units)



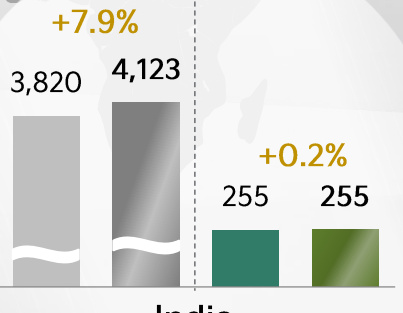
Western Europe



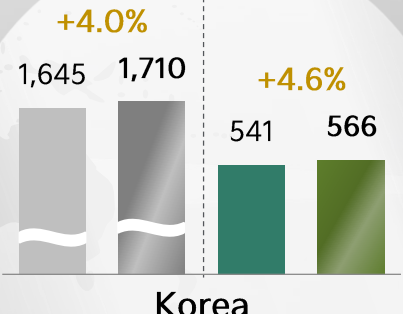
China



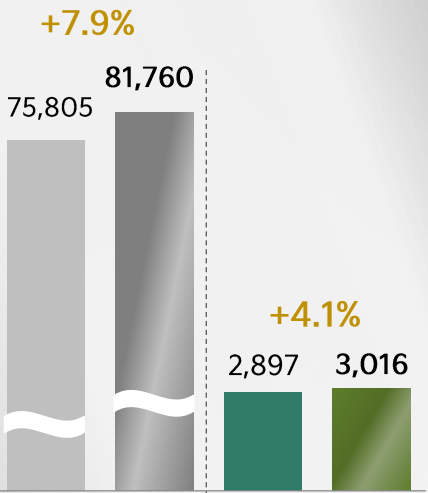
U.S.



India



Korea



Global

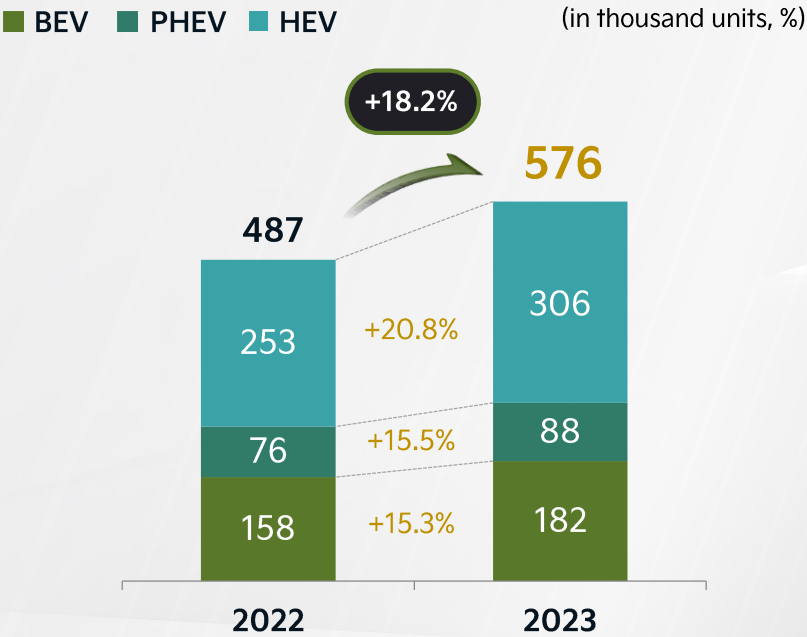
Region	2022	2023	YoY
Rest of World	774	767	-0.9%
Russia/CIS	89	52	-41.3%
MEA	202	211	+4.4%
Latin America	124	136	+9.9%
Asia Pacific	174	159	-8.5%

2022 Industry Total
 2022 Kia Sales
 2022 Market Share
 2023 Industry Total
 2023 Kia Sales
 2023 Market Share

* W. Europe Industry Demand: ACEA, China/India Sales: Wholesale ※ CKD / Special Vehicles Included

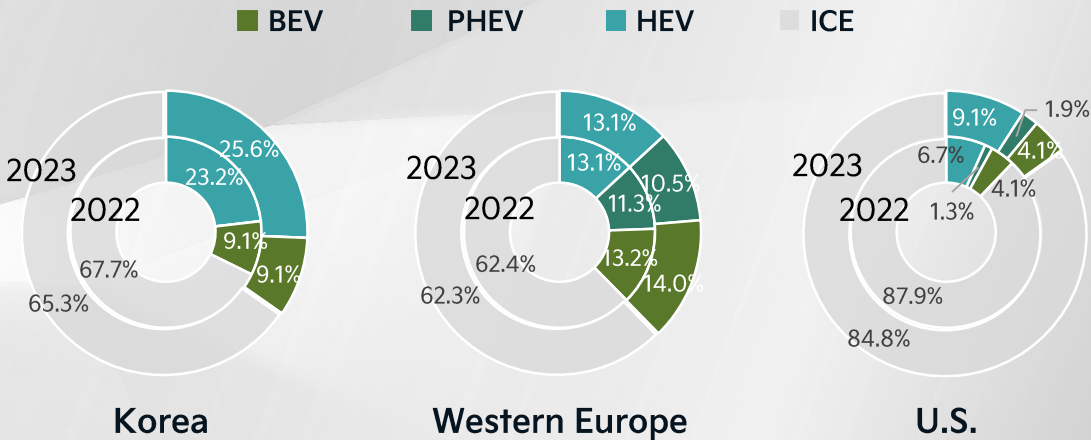
Green Car Sales Summary (2023)

Global Sales (Retail)

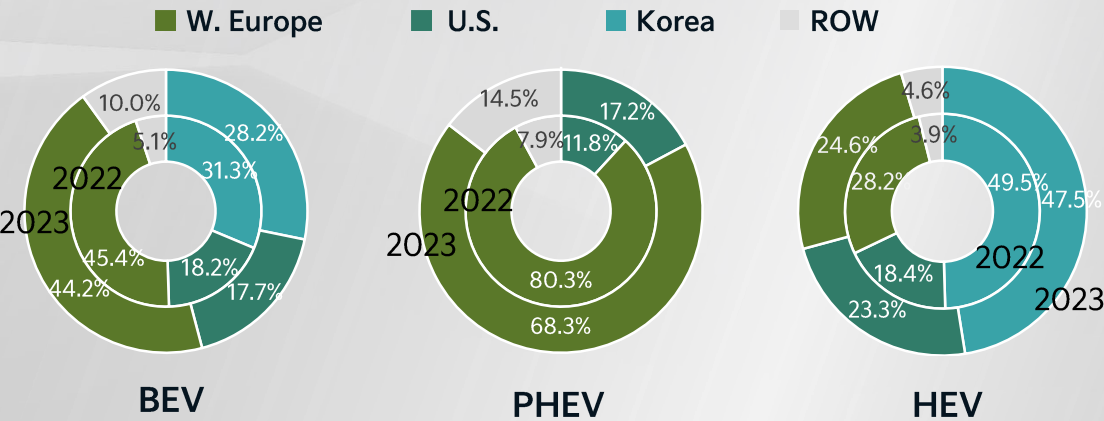


% of Sales	2022	2023
HEV	8.7%	10.1%
PHEV	2.6%	2.9%
BEV	5.5%	6.1%
xEV	16.8%	19.1%
ICE	83.2%	80.9%
Total Sales (units)	2,897k	3,016k

Green Car Sales Contribution for Major Markets

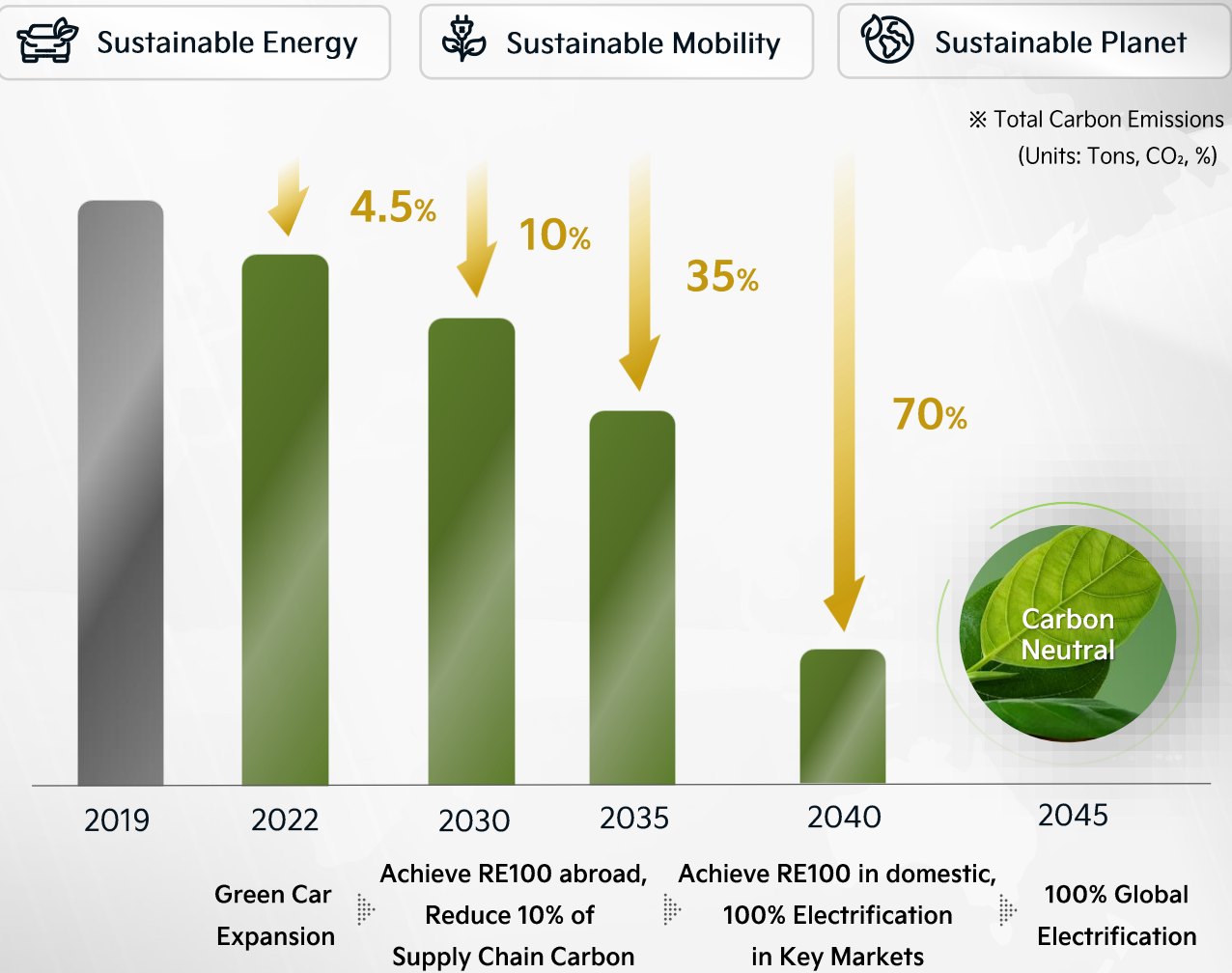


Green Car Sales Market Division by Type

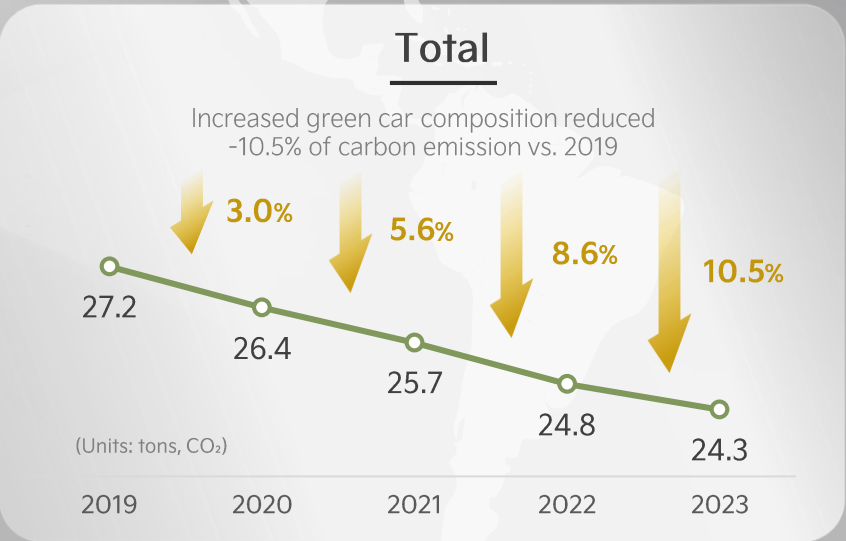
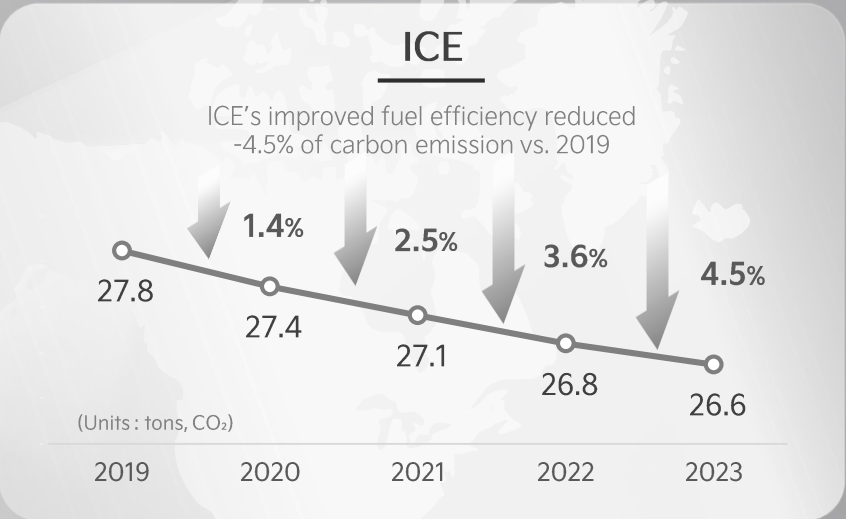


Kia 2045 Carbon Neutrality

Mid/long-term Roadmap



Carbon Emission Trend Per Vehicle



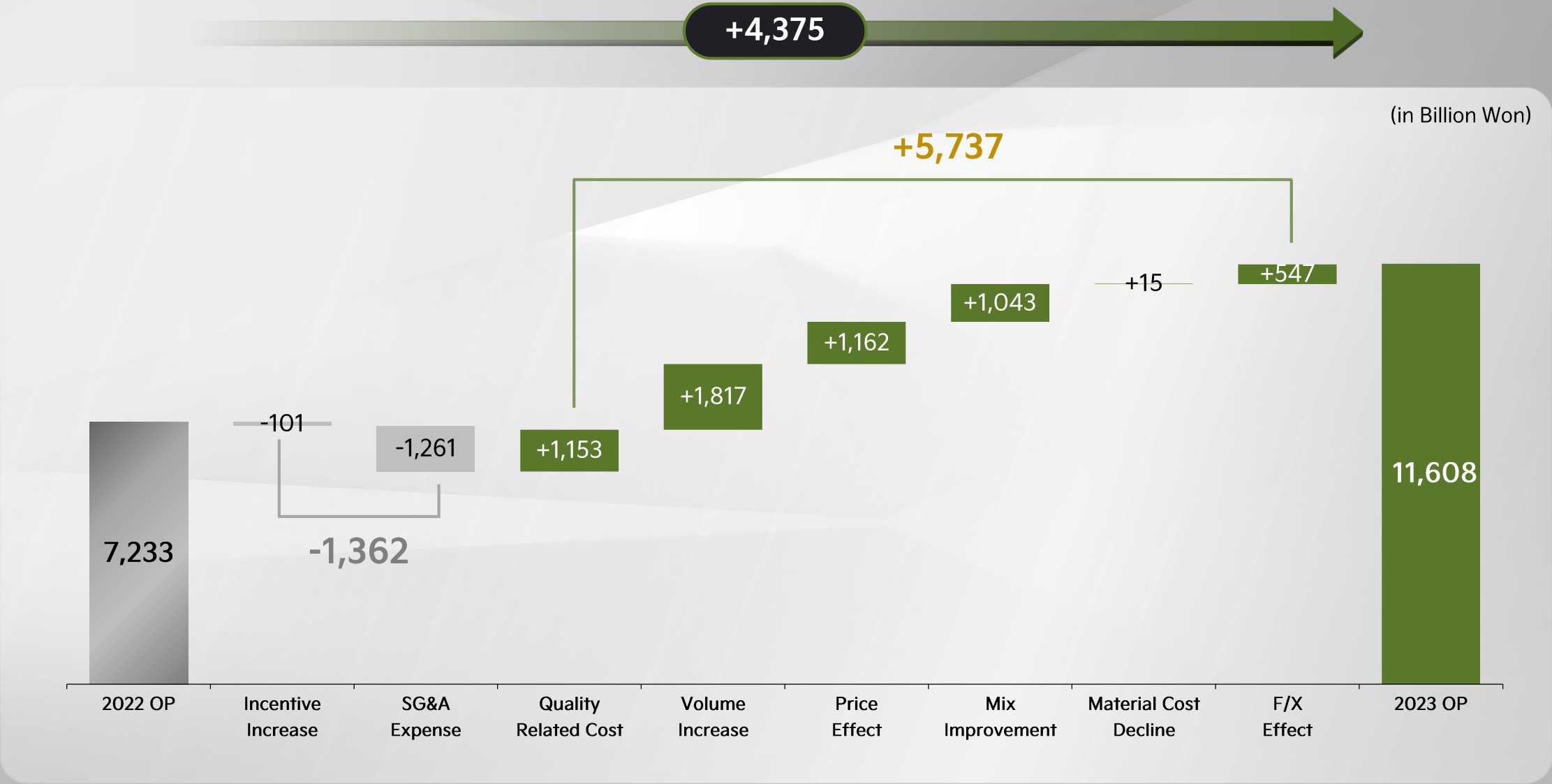
Consolidated Income Statement (2023)

(in Billion Won)	2022	(% of sales)	2023	(% of sales)	YoY (%)
Sales Revenue	86,559	100%	99,808	100%	+15.3%
Cost of Sales	68,536	79.2%	77,180	77.3%	+12.6%
Gross Profit	18,023	20.8%	22,629	22.7%	+25.6%
SG&A	10,790	12.5%	11,021	11.0%	+2.1%
Operating Profit	7,233	8.4%	11,608	11.6%	+60.5%
Pre-tax Profit	7,502	8.7%	12,677	12.7%	+69.0%
Net Profit	5,409	6.2%	8,778	8.8%	+62.3%

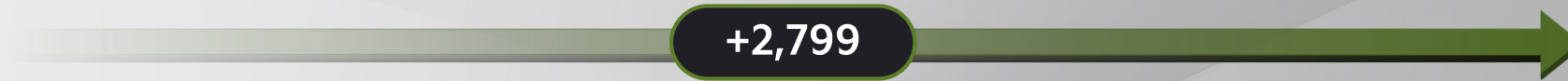
※ Consolidated Sales Unit : [2022] 2,715,381 units → [2023] 2,865,287 units (+149,906 units, +5.5%)

※ Average F/X Rate : USD/KRW [2022] KRW 1,291 → [2023] KRW 1,305 (14 won ↑, +1.0%)

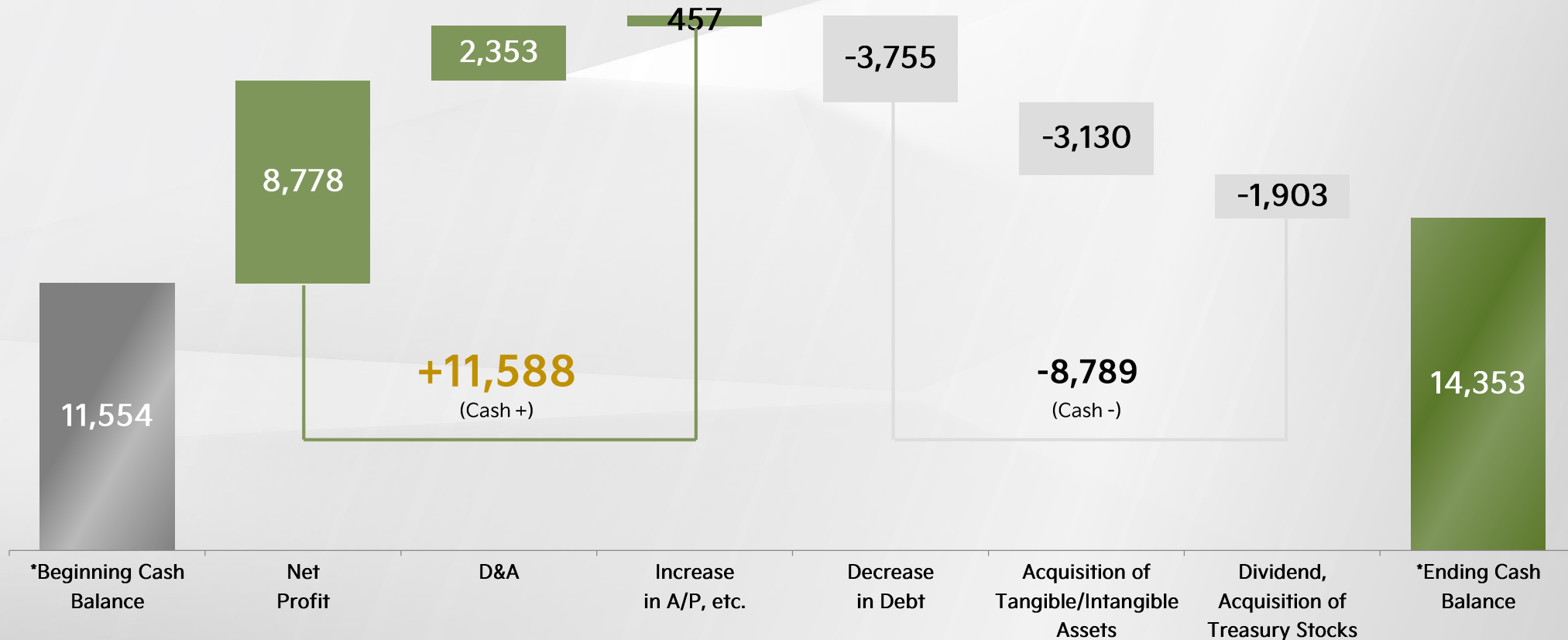
Operating Profit Analysis (2023)



Cash Flow Highlights



(in Billion Won)

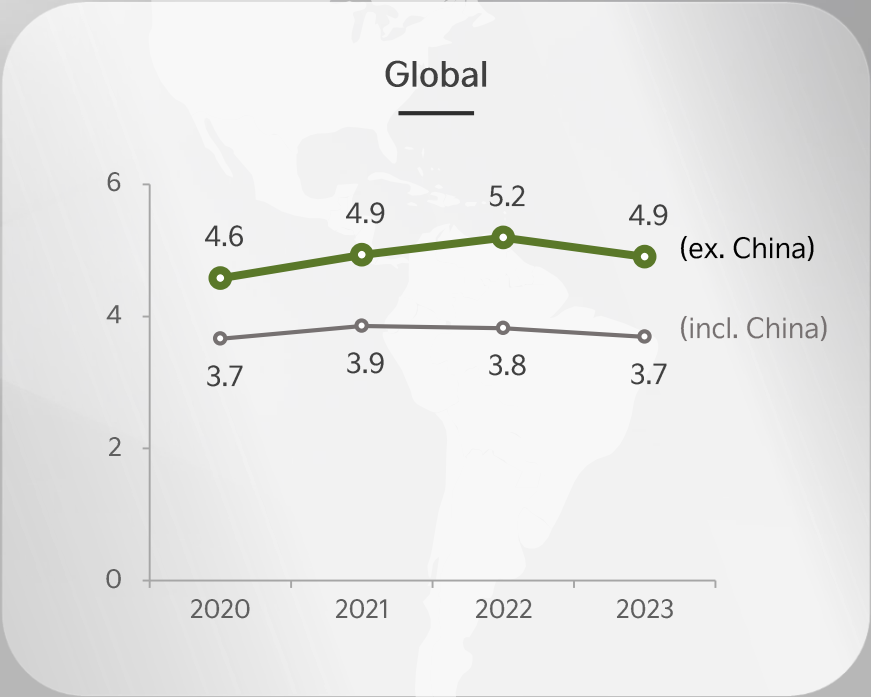
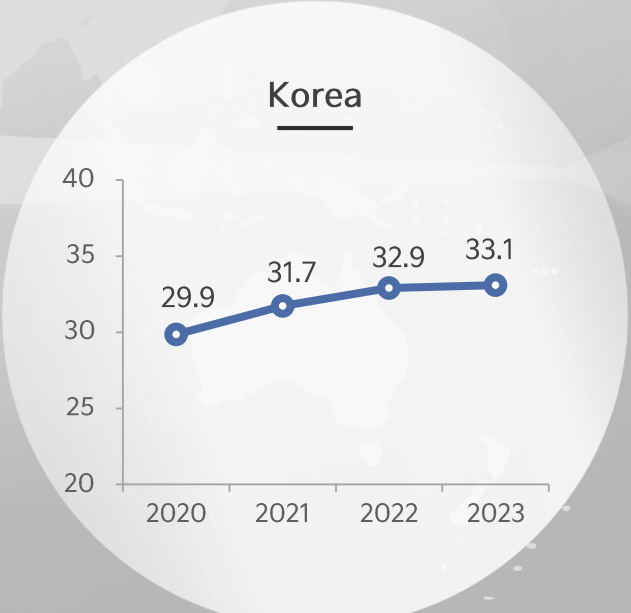
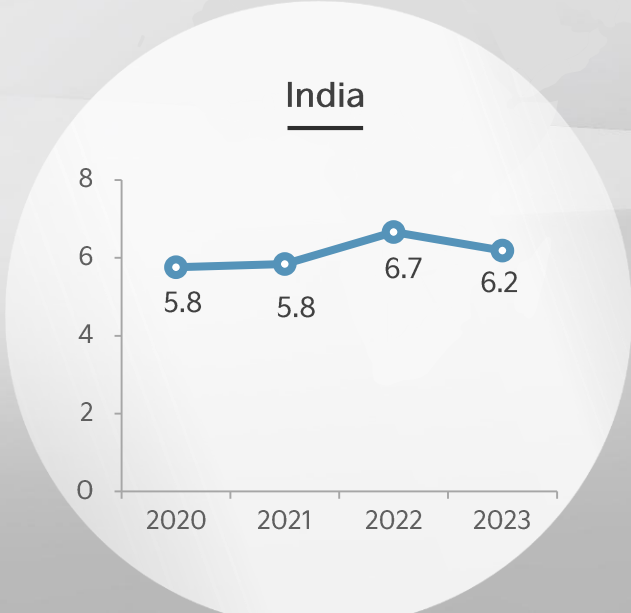
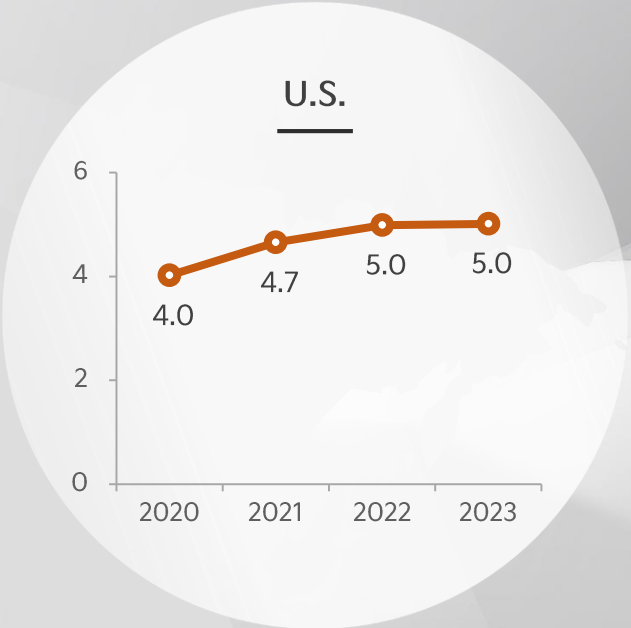
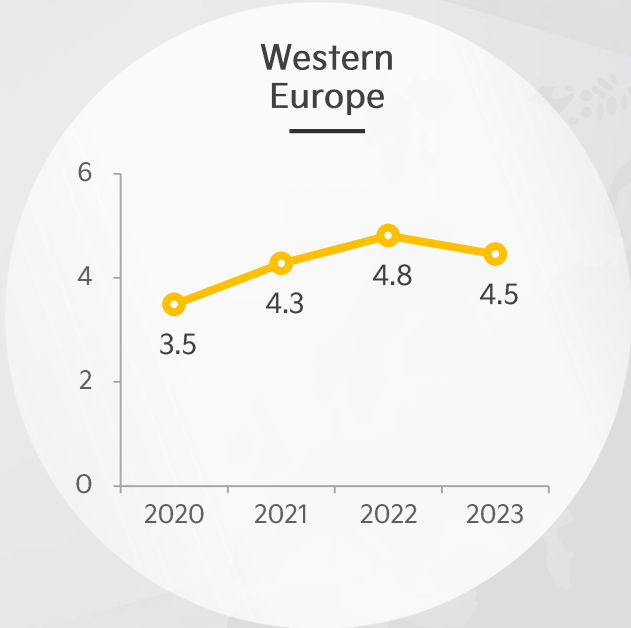


* Beginning/Ending Cash Balance excludes ST financial instruments & ST Available-for-sales Financial Asset

Global Market Share Trends

(Units : %)

Region	2020	2021	2022	2023
Russia+CIS	11.6	11.4	8.7	3.7
MEA	6.2	6.5	6.2	6.5
Latin America	2.5	3.0	3.3	3.5
Asia Pacific	3.0	3.5	3.5	3.2



Thank You



Movement that inspires