

Kia Corporation 2024 3Q Business Results

October 25th, 2024



Movement that inspires

Note to Investors

This presentation has been prepared with unaudited results of 2024 3Q for investors' convenience. Therefore, some numbers are subject to change upon review of Kia's independent auditors.

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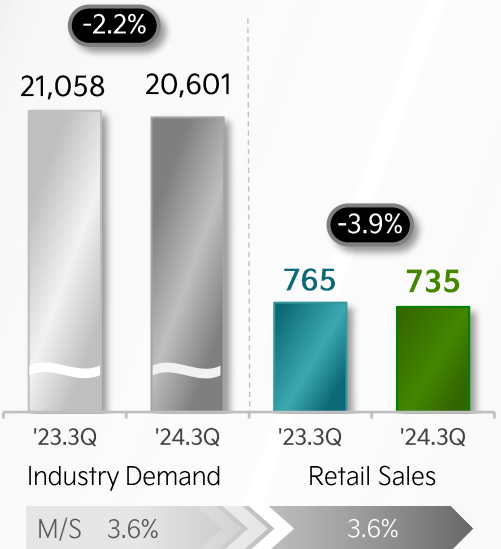
- 01 Sales Summary
- 02 Consolidated Income Statement
- 03 Revenue & Earnings Analysis
- 04 Consolidated Balance Sheet
- 05 Appendix

Global Retail Sales



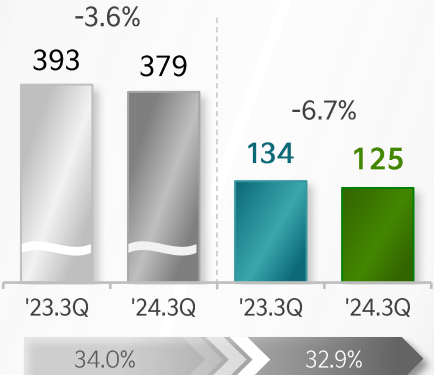
Global

(Unit : '000, %)



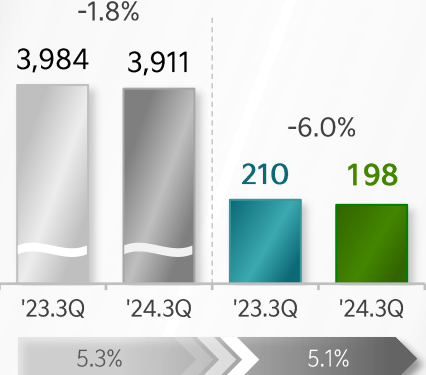
Korea

(Unit : '000, %)



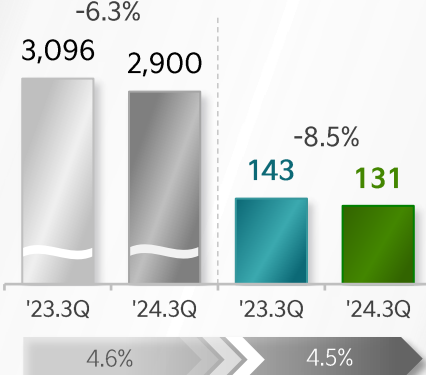
U.S.

(Unit : '000, %)



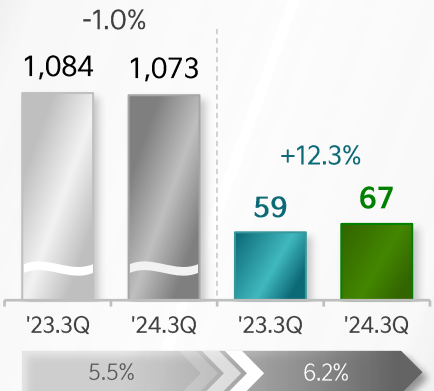
W. Europe

(Unit : '000, %)



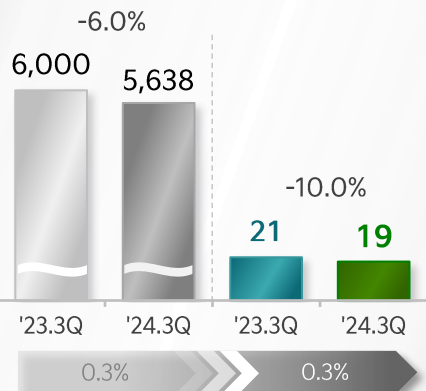
India

(Unit : '000, %)



China

(Unit : '000, %)



Rest of World

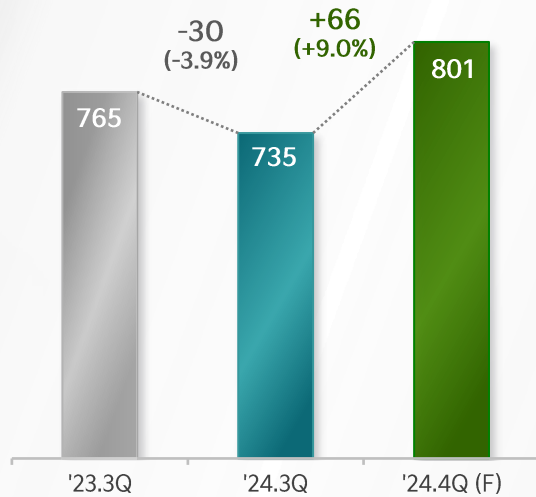
		'23.3Q	'24.3Q	YoY(%)
MEA	Demand	854	867	+1.5%
	Sales	55	55	-0.4%
Latin America	Demand	1,044	1,104	+5.8%
	Sales	36	37	+2.2%
Asia Pacific	Demand	1,247	1,158	-7.1%
	Sales	40	42	+5.0%
Russia (Region)	Demand	409	518	+26.6%
	Sales	13	12	-8.9%

Global Retail Sales (3Q result & 4Q outlook)



Global

(Unit : '000, %)



'24.3Q result

- Supply Constraint**
 - Facility construction(9 days) of Hwaseong plant for Tasman in Aug. (Sorento, -6k units)
 - Subcompact seg. supply constraint from Gwangmyeong EVO plant conversion (Rio, -33k units)

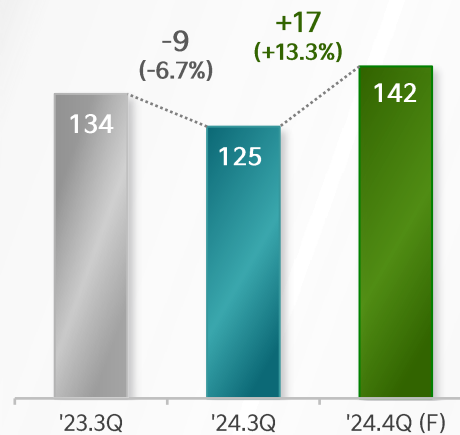
'24.4Q outlook

- Supply Increase**
 - Production expansion of Hwaseong plant (Sorento +11k units)
 - Global expansion of EVO plant's EV3 (EV +11k units)
- HEV Expansion**
 - Full-scale sales of K8 HEV, Carnival HEV (HEV +23k units)



Korea

(Unit : '000, %)



'24.3Q result

- Supply Constraint**
 - Hwaseong plant's facility construction(9 days) for Tasman in Aug. (Sorento, -6k units)
 - Decreased domestic supply due to increased export supply (Morning, -4k units)

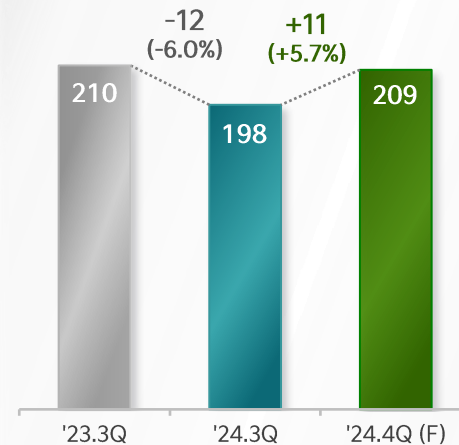
'24.4Q outlook

- Supply Increase**
 - Increase domestic supply of Sorento (+5k units)
 - Increase domestic supply of Morning (+1k units)
- HEV Expansion**
 - Launch of K8 HEV (+8k units)



U.S.

(Unit : '000, %)



'24.3Q result

- Supply Constraint**
 - Sedan line-up optimization (Rio -7k units, K5 -3k units)
 - Hurricane Helene effect, etc. (total, -4k units)

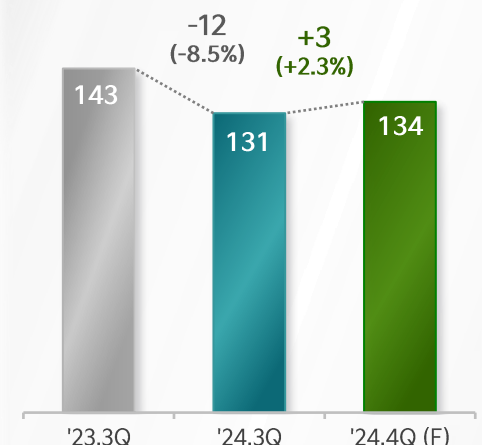
'24.4Q outlook

- Supply Increase**
 - Scale-up Korea produced K5 supply (+3k units)
 - Launch of KMX K4 for incremental growth (+22k units)
- HEV Expansion**
 - Launch of Carnival HEV (+7k units)



W. Europe

(Unit : '000, %)



'24.3Q result

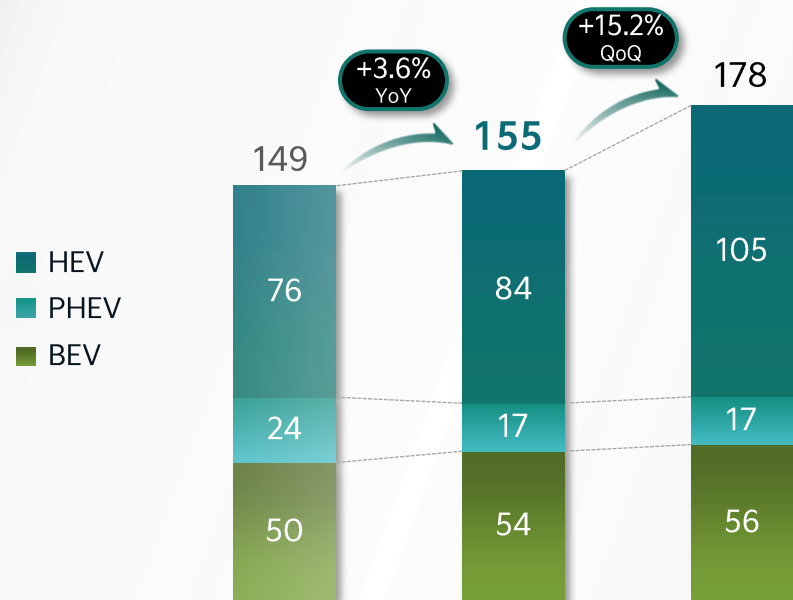
- Supply Constraint**
 - Subcompact seg. supply constraint from EVO plant conversion (Rio, -6k units)
- EV Chasm**
 - EV demand slowdown and intensified competition (EV, -7k units)

'24.4Q outlook

- Supply Increase**
 - EV3 launch to recover EV sales (+4k units)

Global Retail Sales

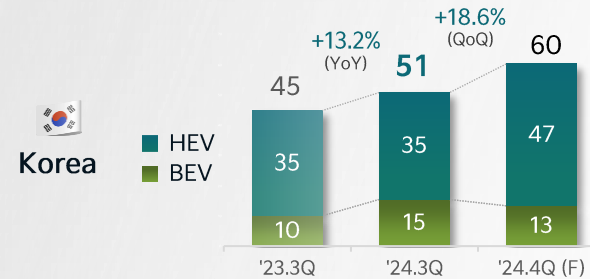
(Unit : '000, %,)



Sales Share	'23.3Q	'24.3Q	'24.4Q (F)
HEV	9.9%	11.4%	13.1%
PHEV	3.1%	2.3%	2.1%
BEV	6.5%	7.3%	7.0%
xEV	19.5%	21.0%	22.2%
ICE	80.5%	79.0%	77.8%
Sales Total	765k units	735k units	801k units

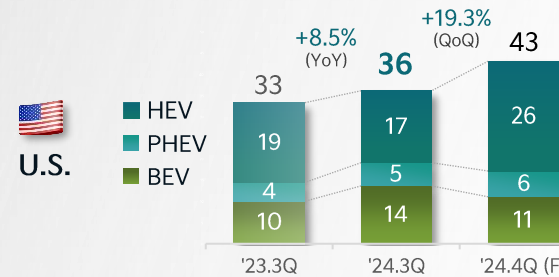
Market Strategy : Flexible Response to Demand Changes

(Unit : '000, %,)



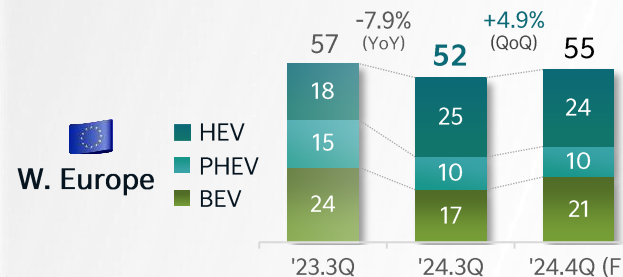
Stronger presence in HEVs with new models

[3Q] : Carnival HEV : +6k units(YoY), EV3 : new +8k(YoY)
 [4Q] : K8 PE HEV : +6.1k units(QoQ),
 Sorento/Carnival HEV +5.5k units(QoQ)
 ※ HEV sales share **+4.8%p** : [3Q] 28.2% → [4Q] 33.1%



xEV share to be 20% with Carnival HEV addition

[3Q] : Carnival HEV : new +1k units(YoY), EV9 : +6.3k(YoY)
 [4Q] : Carnival HEV : +6.7k units(QoQ)
 Sorento HEV : +1.5k units(QoQ)
 ※ HEV sales share **+3.8%p** : [3Q] 8.6% → [4Q] 12.4%



Respond to EV chasm with new EV3 (mass EV)

[3Q] : Niro HEV : +5k units(YoY), Sportage HEV +3k(YoY)
 [4Q] : EV3 : new +9.2k units(QoQ)
 Sportage HEV : +1k units(QoQ)
 ※ EV sales share **+2.7%p** : [3Q] 12.7% → [4Q] 15.4%
 ※ xEV sales share **+1.0%p** : [3Q] 39.8% → [4Q] 40.8%

Wholesale by Region



(Unit : '000)

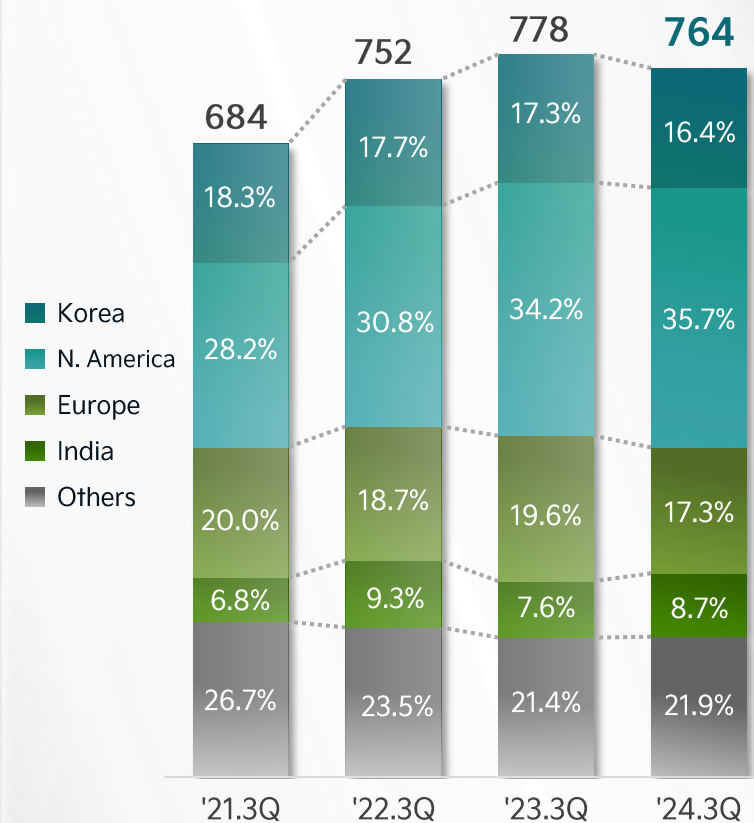
	'23.3Q	'24.3Q	YoY (%)
Wholesale	778	764	-1.9%
Korea	134	125	-6.7%
North America	266	273	+2.5%
U.S.	217	222	+2.2%
Europe	152	132	-13.4%
Western Europe	144	128	-11.1%
India	59	67	+12.3%
China	21	19	-10.0%
MEA	56	59	+6.5%
Latin America	39	38	-3.3%
Asia-Pacific	38	44	+16.7%
Russia & CIS	13	8	-42.6%

※ Special Vehicles : ['23.3Q] 1.4k units (Korea 0.5k, Overseas 0.9k) → ['24.3Q] 1.9k units (Korea 0.5k, Overseas 1.4k)

※ CKD / Special Vehicles Included

Wholesale Trend by Region

(Unit : '000, %)



Consolidated Income Statement



(Unit : ₩ Billion)

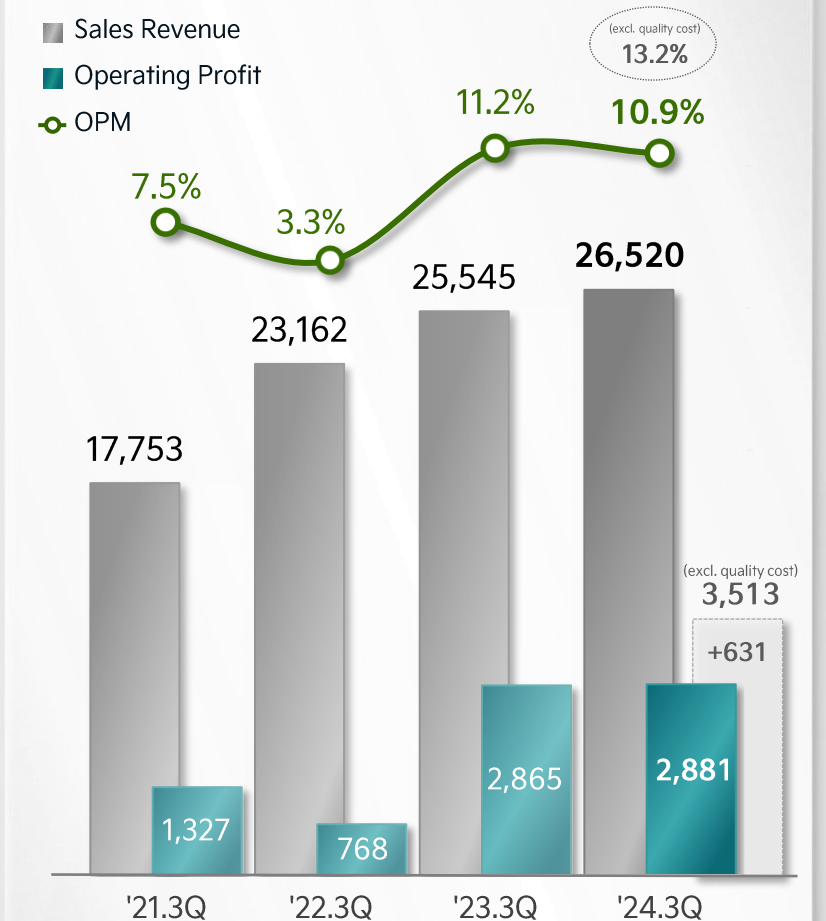
	'23.3Q	(% of sales)	'24.3Q	(% of sales)	YoY (%)
Sales Revenue	25,545	100%	26,520	100%	+3.8%
Cost of Sales	19,686	77.1%	20,380	76.8%	+3.5%
Gross Profit	5,860	22.9%	6,140	23.2%	+4.8%
SG&A	2,995	11.7%	3,258	12.3%	+8.8%
Operating Profit	2,865	11.2%	2,881	10.9%	+0.6%
Pre-tax Profit	3,327	13.0%	3,232	12.2%	-2.8%
Net Profit	2,221	8.7%	2,268	8.6%	+2.1%

※ Consolidated Sales Units : ['23.3Q] 741,348 units → ['24.3Q] 727,601 units (-13,747 units, -1.9%)

※ Average Currency Rate : USD/KRW ['23.3Q] ₩1,311 → ['24.3Q] ₩1,359 (+₩48 ↑, +3.7%)

Operating Profit Trend

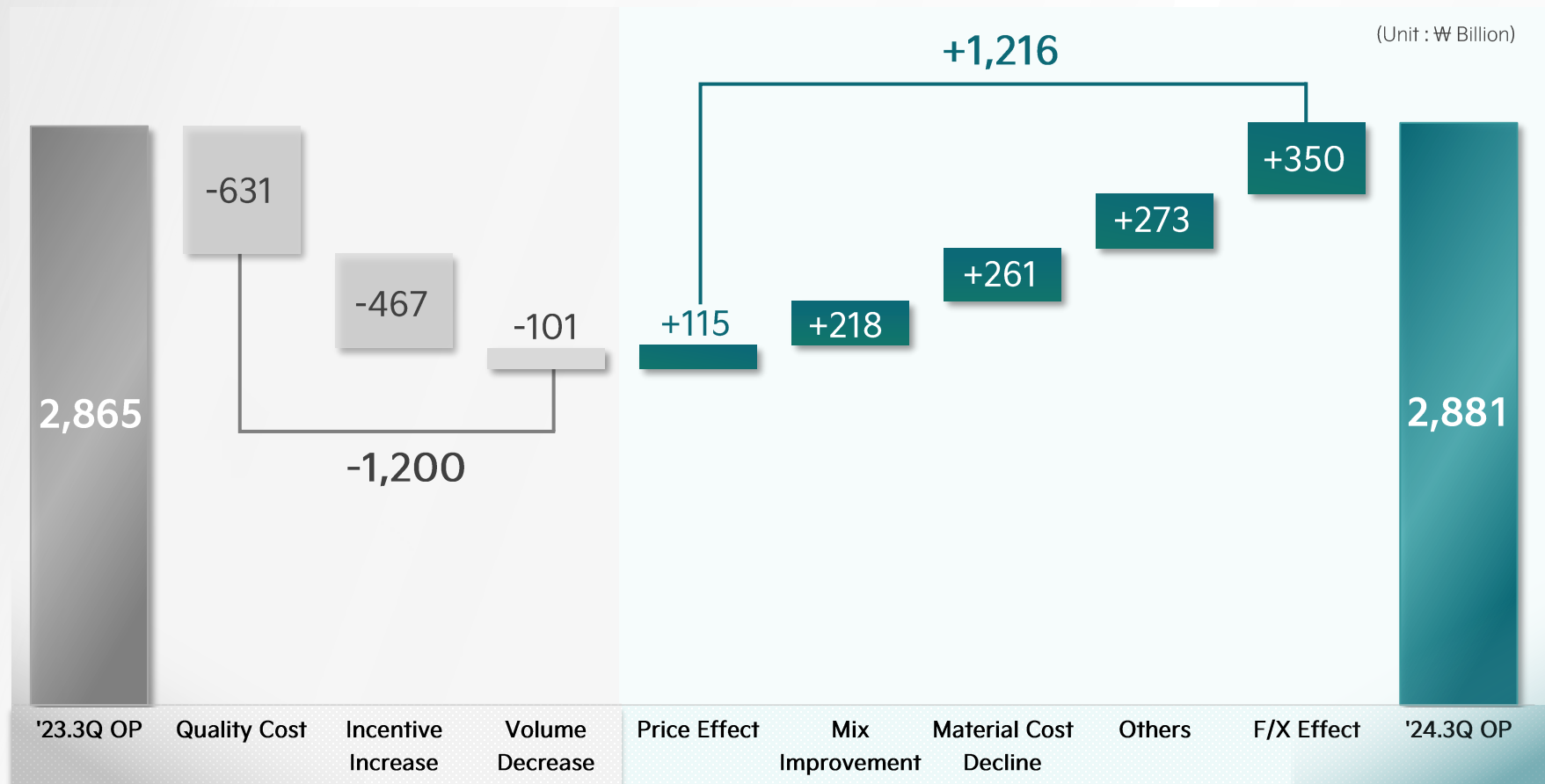
(Unit: ₩ Billion, %)



Operating Profit Analysis



+16



(+) Drivers

Price Effect

Enhanced product value incl. ADAS

Mix Improvement

RV mix improvement of +1.9%p
['23.3Q] : 67.0% → ['24.3Q] : 68.9%

Material Cost Decline

Stabilization of raw material cost, incl.
battery cells and precious metals

F/X Effect

USD/KRW (+3.7%), EUR/KRW (+4.4%)

(-) Detractors

Quality Cost

Lambda II engine's warranty extension

Incentive Increase

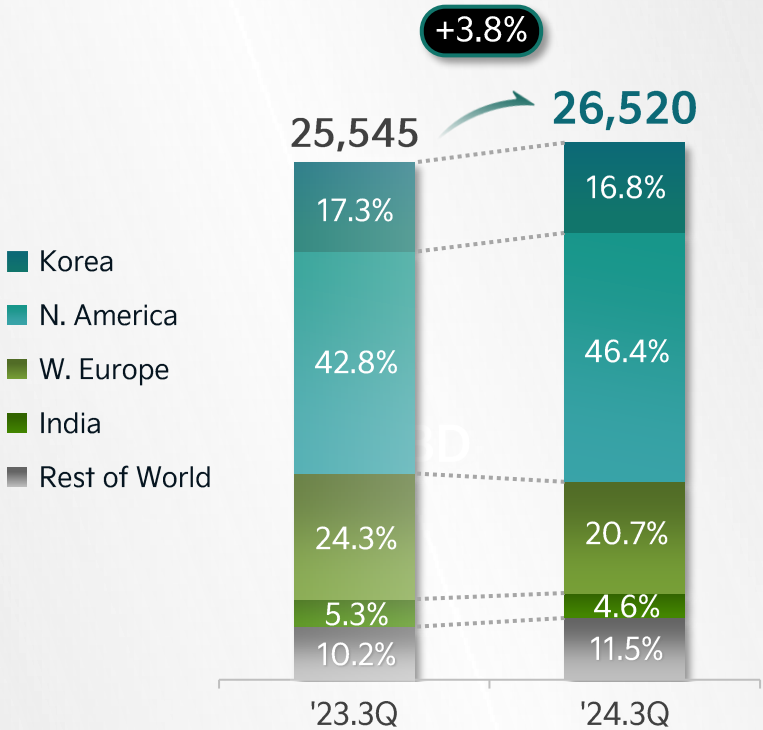
Response to intensified sales competition

Sales Decrease

Consolidated volume decrease of -1.9%,
due to discontinuation of subcompact car
production, etc.

Revenue by Region

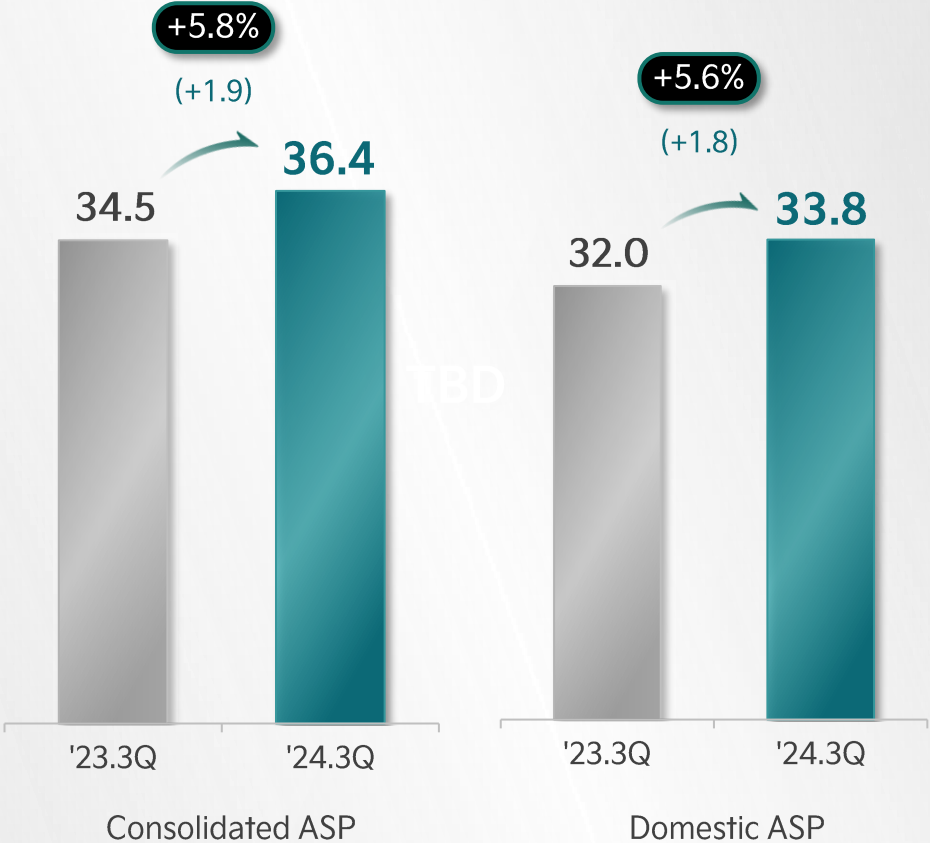
(Unit : ₩ Billion)



- * 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

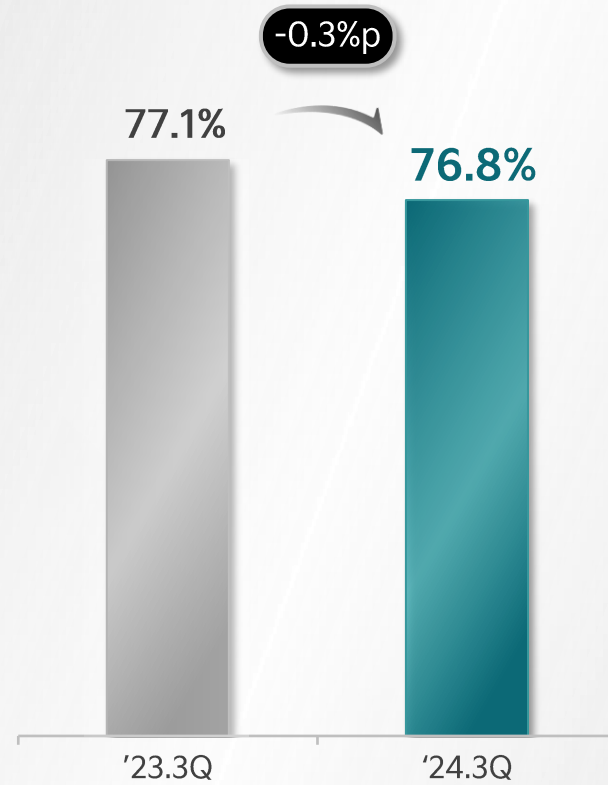
ASP

(Unit : ₩ Million)



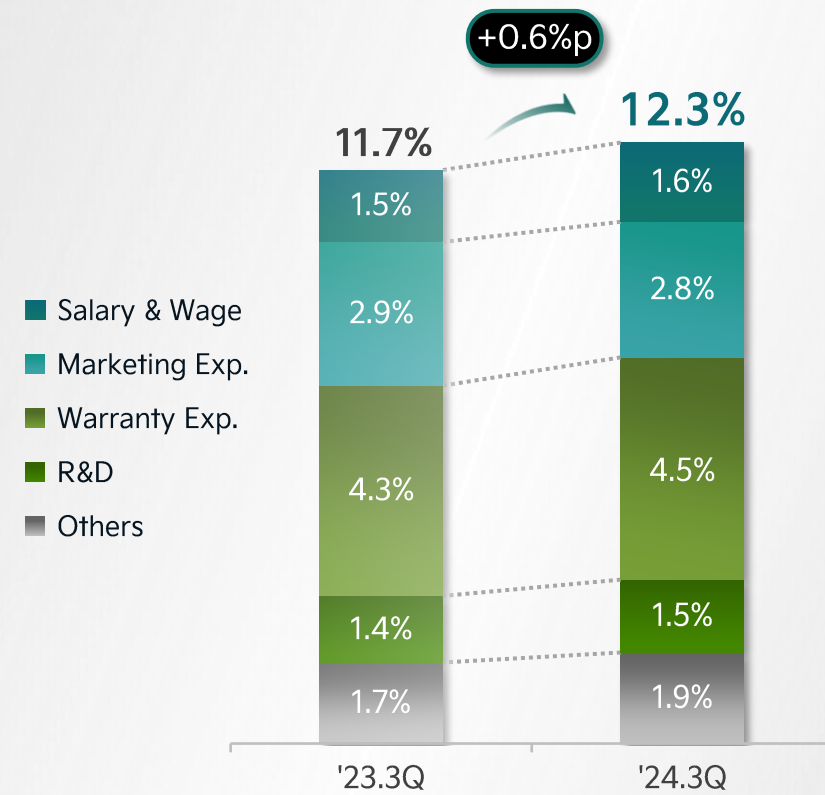
Cost of Sales Ratio

(% of Sales Revenue)



SG&A Expense

(% of Sales Revenue)



※ Marketing Expenses :

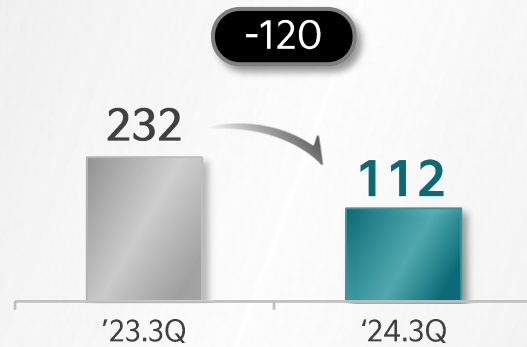
Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Non-Operating Items



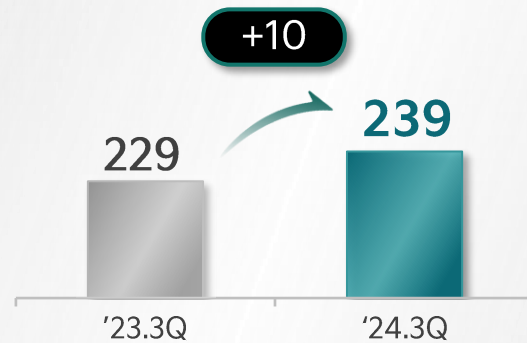
Equity Income (a)

(Unit : ₩ Billion)



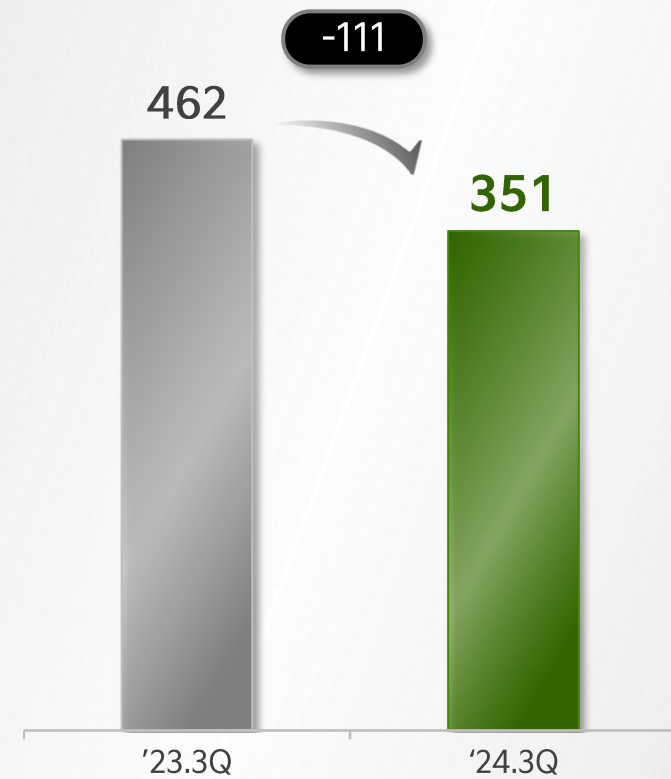
Financial & Other Income / Expense (b)

(Unit : ₩ Billion)



Non-OP Income (a+b)

(Unit : ₩ Billion)



Consolidated Balance Sheet



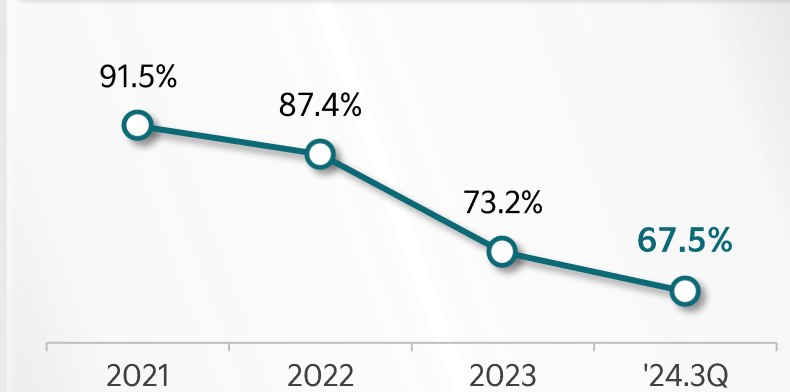
(Unit : ₩ Billion)

	2023 Year-end	'24.3Q-end	Change
Asset	80,628	87,535	+6,907
Current Asset	37,466	40,128	+2,662
* Cash (a)	20,533	21,512	+979
Liability (b)	34,070	35,262	+1,192
Current Liability	25,674	26,903	+1,229
Debt (c)	3,800	2,933	-867
* Net Cash (a)-(c)	16,733	18,579	+1,846
Equity (d)	46,558	52,273	+5,715
Liability to Equity Ratio (b)/(d)	73.2%	67.5%	-5.7%p

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

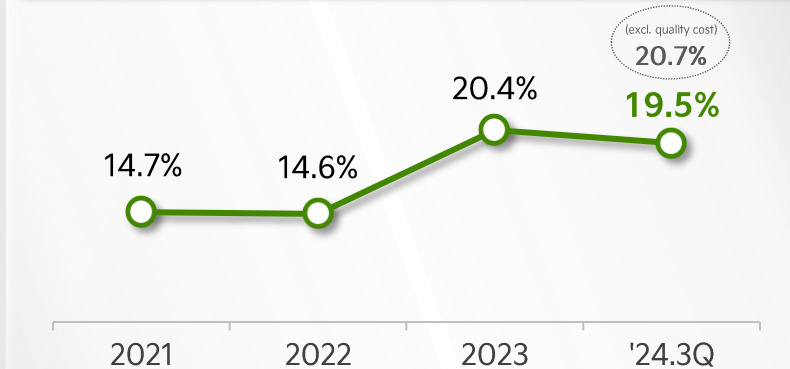
Liability to Equity Ratio

(Unit : %)



Return on Equity (ROE)

(Unit : %)



* '24.3Q ROE = based on LTM (Last Twelve Months) net income / Average of the beginning and end of the year's equity

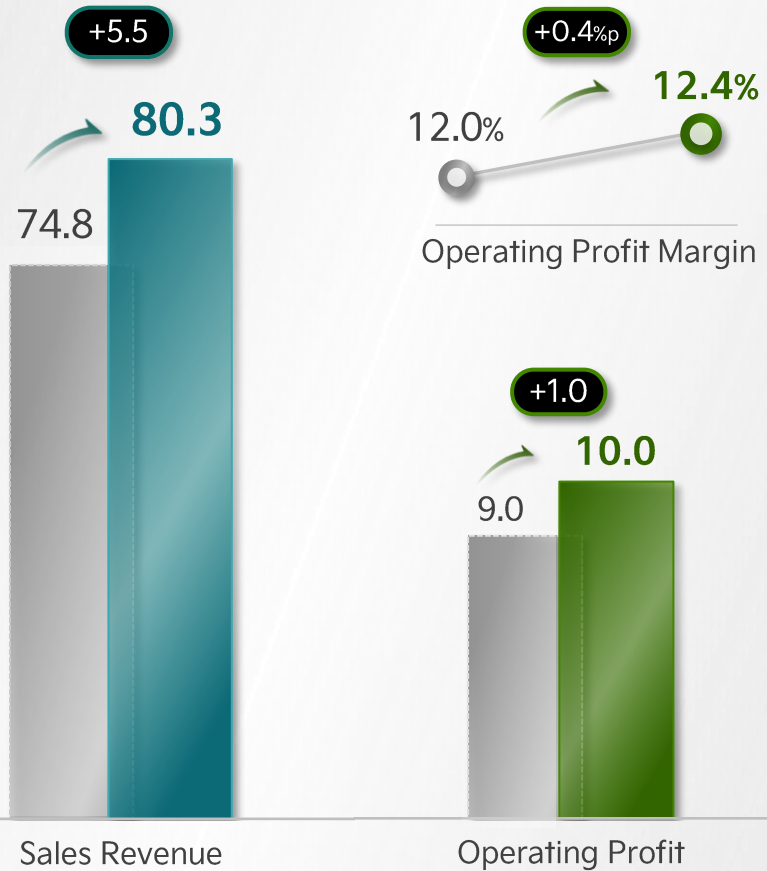
2024 Annual Guidance Update



3Q YTD Results (vs. Business Plan)

(Unit: ₩ Trillion, %)

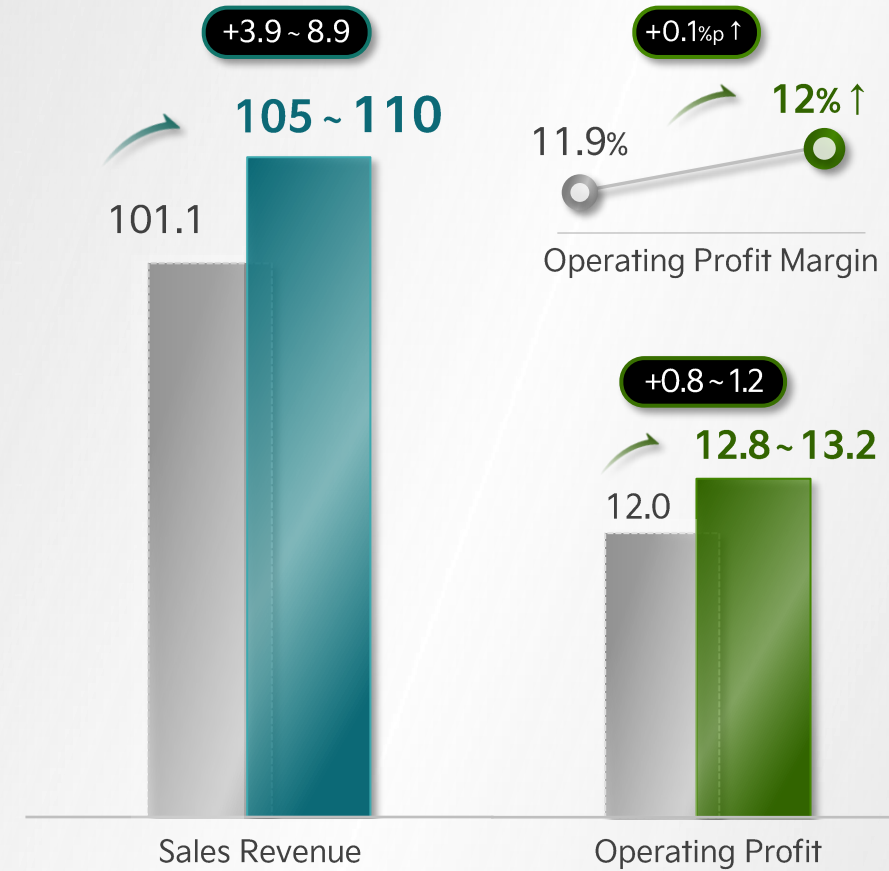
■ Business Plan ■ Sales Revenue(A) ■ Operating Profit Margin(A)



Revised Guidance

(Unit: ₩ Trillion, %)

■ Initial Guidance ■ Sales Revenue(F) ■ Operating Profit Margin(F)

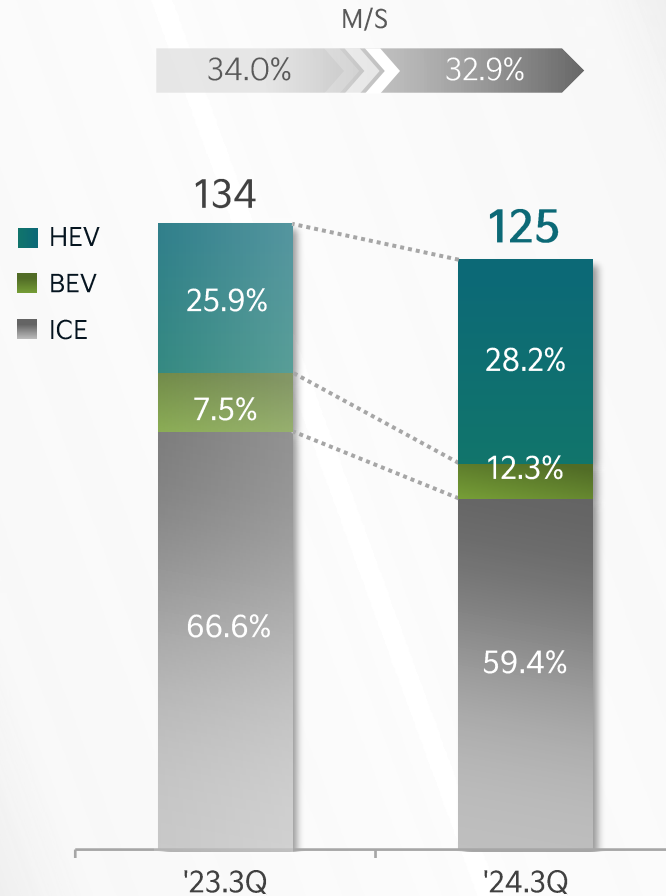


APPENDIX

- 01 **Sales Performance by Market** (KR, US, W. Europe, India, China)
- 02 **Global Retail Sales** (3Q YTD)
- 03 **Consolidated Income Statement** (3Q YTD)
- 04 **Global Market Share Trend**
- 05 **Cash Flow Highlights**

Sales & Market Share

(Unit : '000, %)



※ Industry & M/S : incl. imported brands / ex. Special vehicles

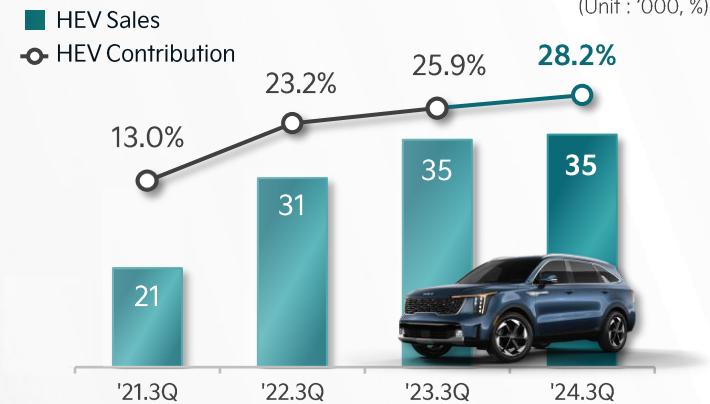
Sales Summary

Industry -3.6%

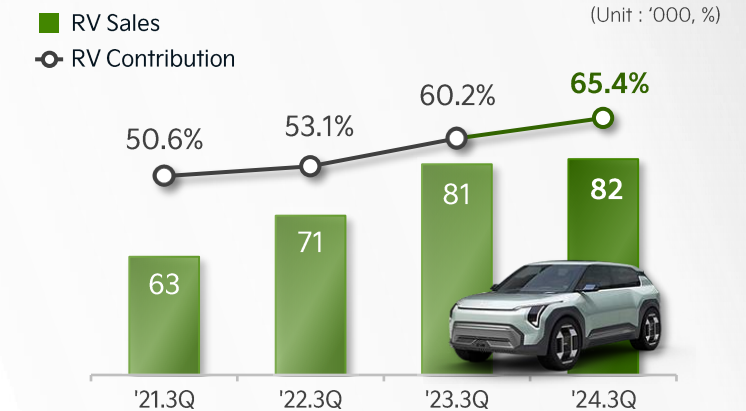
[YoY]

Kia -6.7%

HEV Sales Trend



RV Sales Trend



3Q Results

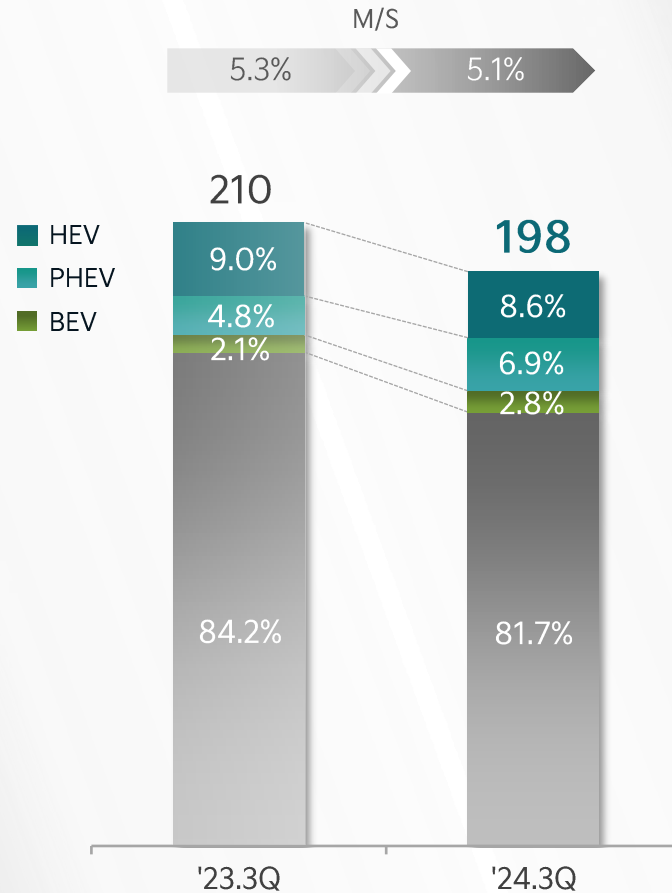
- Despite temporal supply constraints of Sorento due to a 9day S/D at Hwaseong Plant (for Tasman), HEV/RV sales contribution growth continued with new model launches (EV3, K8 PE/HEV)
 - HEV : ['23.3Q] 25.9% → ['24.3Q] 28.2% (+2.3%p YoY), RV : ['23.3Q] 60.2% → ['24.3Q] 65.4% (+5.2%p YoY)
- ASP : ['23.3Q] ₩32.0mn → ['24.3Q] ₩33.8mm (+5.6% YoY)
- Backorders : ['24.2Q] 174k units → ['24.3Q] 182k units ※ RV(Sorento/Carnival/Sportage) : 81.1%

4Q Initiatives

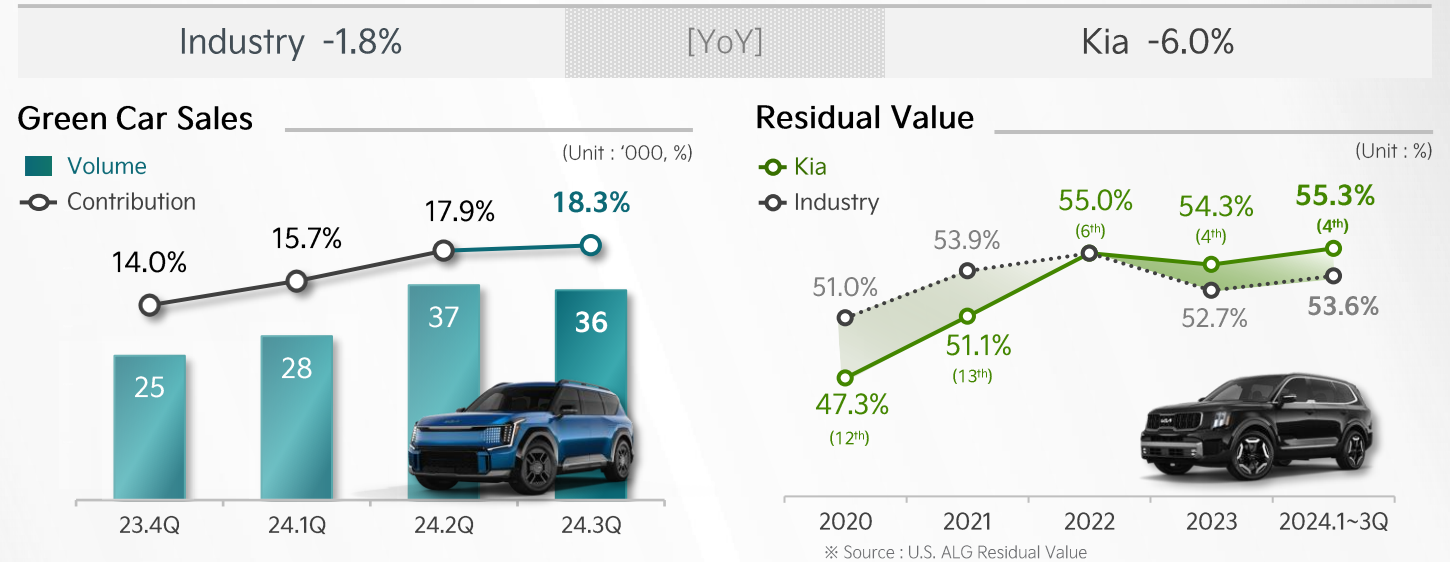
- Continue sales momentum with new launches of EV3(Jul.), K8 PE/HEV(Sept.), and Sportage PE(Nov.)
- Maintain HEV/RV contribution growth with Sorento, Carnival, and Sportage
- Roll out Tasman World Premiere(Oct. 29th) for launch in 2025

Sales & Market Share

(Unit : '000, %)



Sales Summary



3Q Results

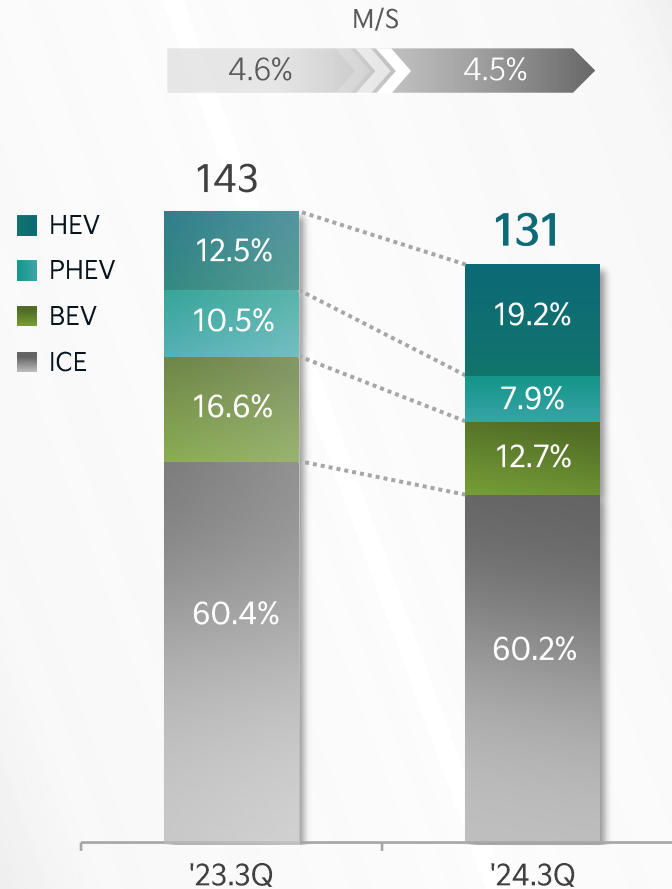
- Despite sales gap from Rio's discontinuation, RV/Green Car contribution led higher profitability
 - RV Contribution : ['23.3Q] 71.7% → ['24.3Q] 75.1% (+3.4%p YoY)
 - Green Car Contribution : ['23.3Q] 15.8% → [24.3Q] 18.3% (+2.4%p YoY)
- Maintained industry-leading Residual Value with product competitiveness and brand value
 - ['21FY] 51.1% (13th) → ['22FY] 55.0% (6th) → ['23FY] 54.3% (4th) ['24 YTD] 55.3% (4th)

4Q Initiatives

- Expanding the lineup with new K4 and Carnival HEV models to drive sales growth
 - Sales Forecast : K4(Sept.) : 24k units, Carnival HEV(Sept.) : 8k units
- Drive sales growth with key RV models, such as Sportage, Telluride, and Sorento

Sales & Market Share

(Unit : '000, %)



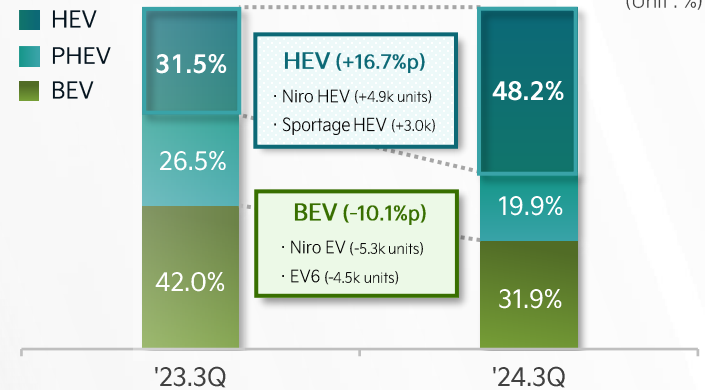
Sales Summary

Industry -6.3%

[YoY]

Kia -8.5%

Green Car Sales Contribution



New EV3

Launch : November 2024

AER

- [81.4kWh] 600km
- [58.3kWh] 429km
(WLTP)



Key Features

① Segment-leading AER , ② Spacious Interior (capacity of 460L)
③ High-Tech Features (i-Pedal 3.0, smart frequency control damper, AI Assistant, etc)

3Q Results

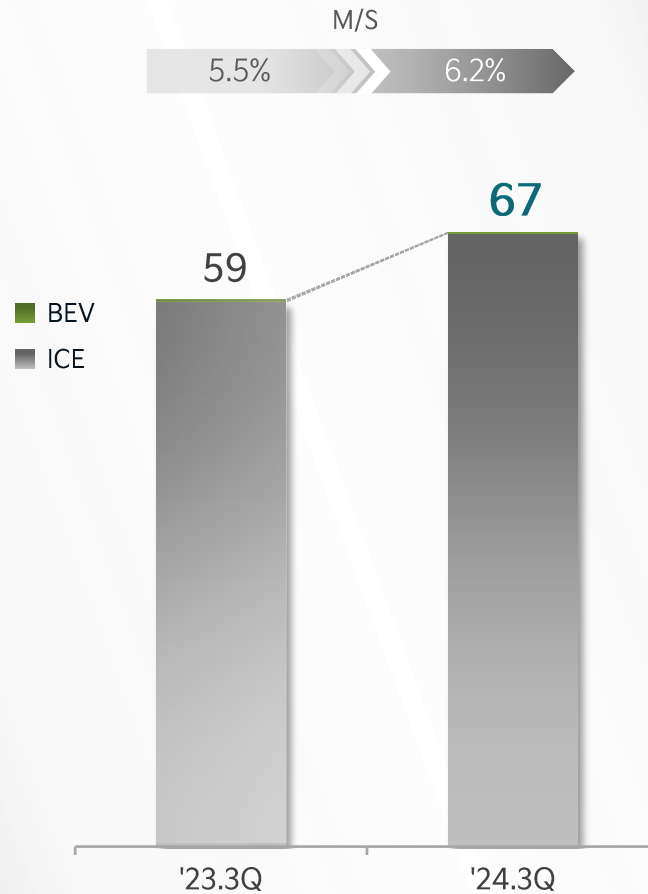
- Strong HEV sales of 25.2k units (+41.1% YoY) led green car sales growth
 - Niro HEV : ['23.3Q] 5.2k units → ['24.3Q] 10.1k units (+94.1% YoY)
 - Sportage HEV : ['23.3Q] 10.8k units → ['24.3Q] 13.8k units (+27.4% YoY)
- Sales gap from Rio's discontinuation and Picanto's supply constraints from electrification conversion (Gwangmyeong EVO)
 - Rio: ['23.3Q] 6.1k units → ['24.3Q] 0.02k units (-99.6% YoY), Morning: ['23.3Q] 1.9k units → ['24.3Q] 1.7k units (-10.5% YoY)

4Q Initiatives

- Launch of EV3 (the 1st mass EV) to partially offset the sales shortfalls from Gwangmyeong plant's conversion
 - EV3 : ['24.4Q] +9.2k units ※ ['24.4Q] EV Sales(F) : +5.6 YoY
- Increase subcompact car(Picanto & Stonic) supplies to recover shortfall in the segment

Sales & Market Share

(Unit : '000, %)



※ M/S : Wholesale

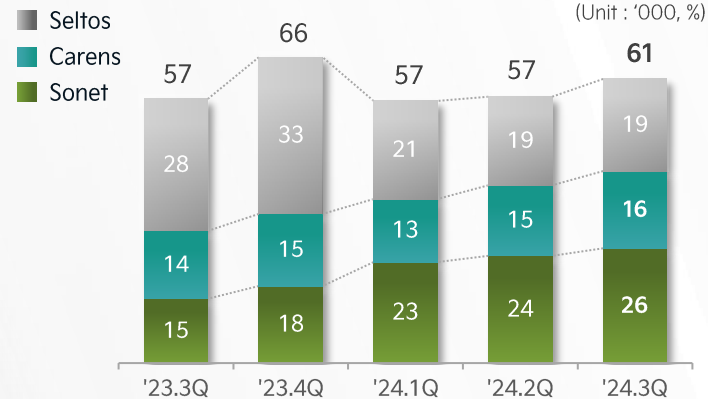
Sales Summary

Industry -1.0%

[YoY]

Kia +12.3%

Retail Sales Trend



Product Value Enhancement

Product Enhancement Roadmap



2Q

3Q

4Q

Special Action Model
(Consumer-preferred Features)GT-Line Ext.
(Affordable GT-Line)Special Editions
(Design-Features)

3Q Results

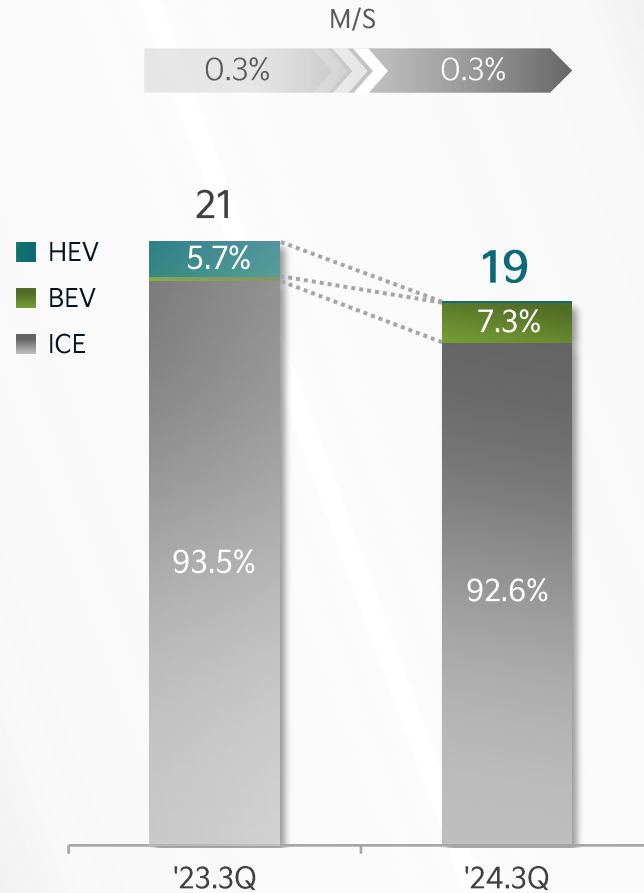
- Sequential launches of product value enhanced models drove steady retail sales improvements
 - Sonet : [1Q] 23k units → [2Q] 24k units (+5.8% QoQ) → [3Q] 26k units (+6.6% QoQ)
 - Carens : [1Q] 13k units → [2Q] 15k units (+11.9% QoQ) → [3Q] 16k units (+9.5% QoQ)
- Strengthened market presence with the opening of +110 dealers (3Q YTD)

4Q Initiatives

- Capture sales momentum with improved features and product value in the season of Diwali
 - [3Q] : Affordable GT-Line (Seltos, Sonet) → [4Q] : Special Editions (all models)
- Expand +120 dealer network(439 in '24FY) and prepare launching plan for A-SUV volume model

Sales & Market Share

(Unit : '000, %)



※ M/S : Wholesale

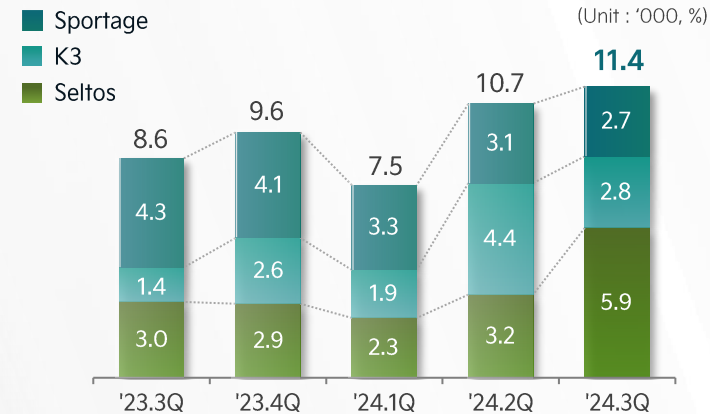
Sales Summary

Industry -6.0 %

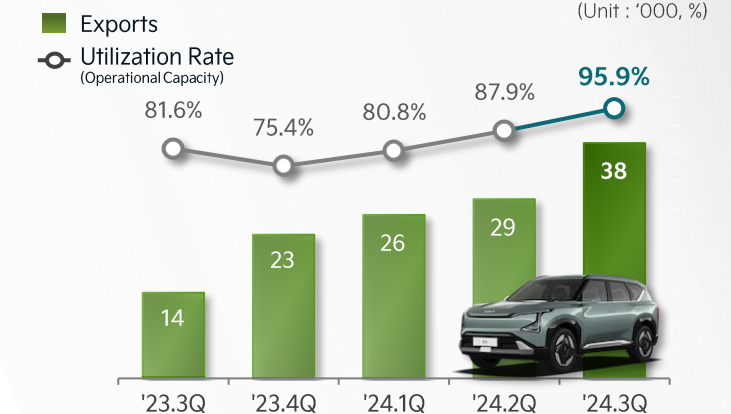
[YoY]

Kia -10.4 %

Key Models' Sales Trend



KCN Exports Trend



3Q Results

- In an NEV centric market, **sales of key ICE models**(Seltos, K3, Sportage) **have expanded**, supported by competitive ICE technology
 - Affordable LFP battery equipped EV5 for both domestic and export market (APAC, LATAM, etc.)
- **Continued operational turnaround** driven by improved capacity utilization
 - KCN Exports : ['23.3Q] : 13.7k units → ['24.3Q] : 37.6k units (+175% YoY)

4Q Initiatives

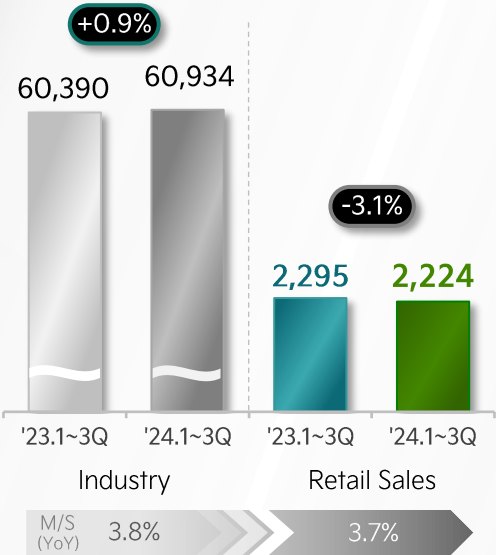
- **Sales momentum** through EV5(25MY) with interior upgrade and EV6 marketing promotions
- **Sustain profitability improvements** through expanded Sonet exports targeting the affordable RV market
 - Expand export models and markets → [LATAM] 55%, [MEA] 39% (3Q YTD)

Global Retail Sales (3Q YTD)

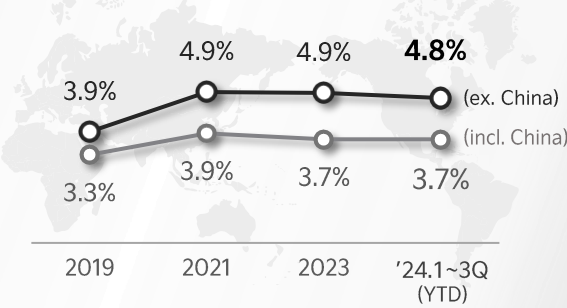


Global

(Unit : '000, %)

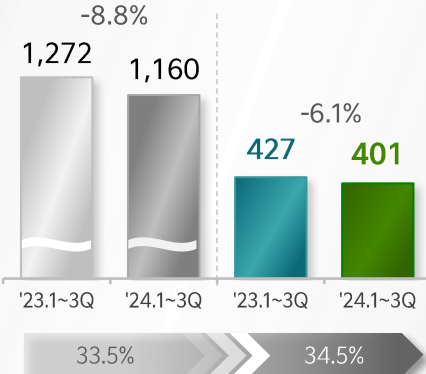


Global M/S Trend



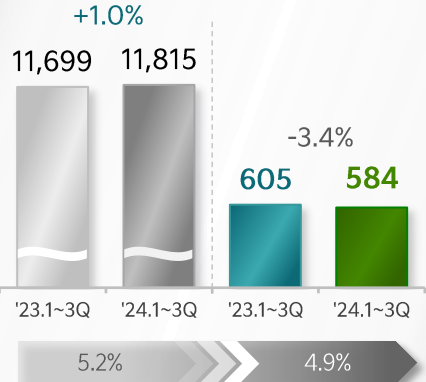
Korea

(Unit : '000, %)



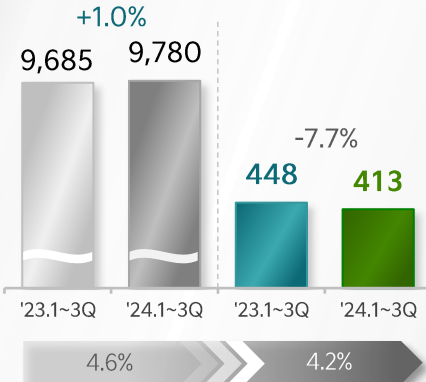
U.S.

(Unit : '000, %)



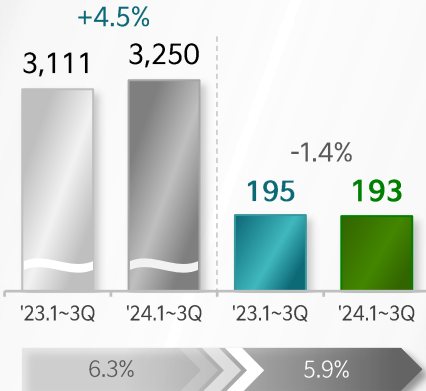
W. Europe

(Unit : '000, %)



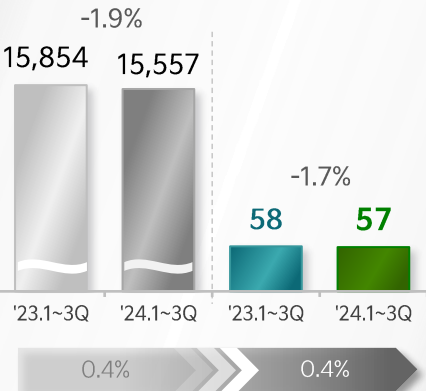
India

(Unit : '000, %)



China

(Unit : '000, %)



Rest of World

		'23.1~3Q	'24.1~3Q	YoY(%)
MEA	Demand	2,461	2,452	-0.4%
	Sales	158	164	+3.7%
Latin America	Demand	2,864	3,003	+4.9%
	Sales	100	105	+4.8%
Asia Pacific	Demand	3,701	3,588	-3.1%
	Sales	120	120	+0.5%
Russia (Region)	Demand	958	1,399	+46.1%
	Sales	40	37	-7.2%

Consolidated Income Statement (3Q YTD)



(Unit : ₩ Billion)

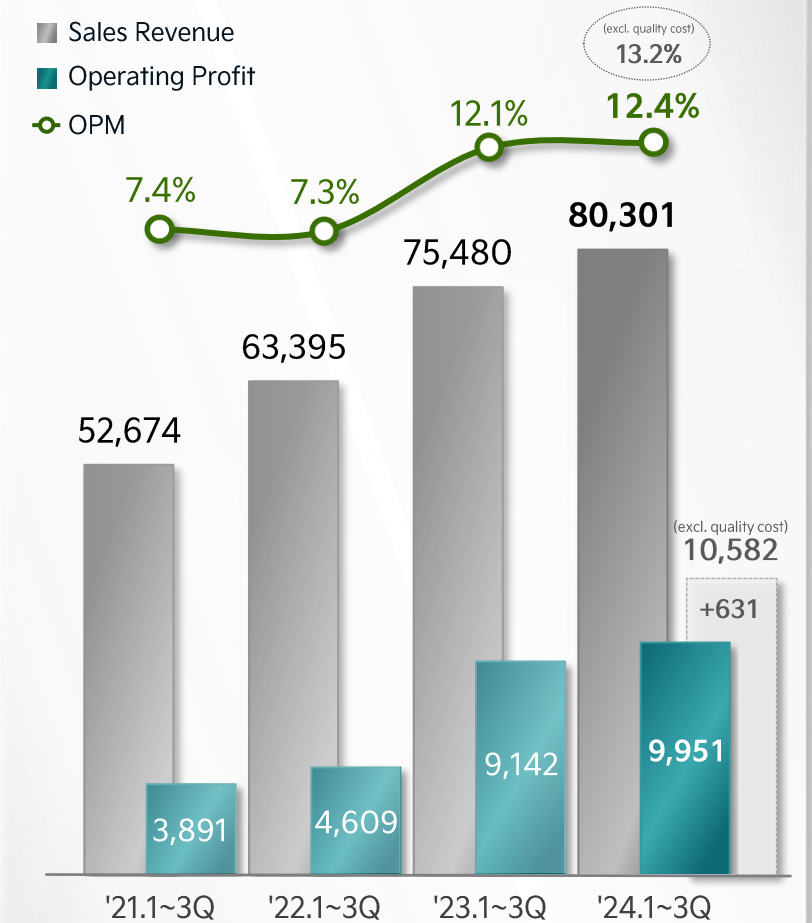
	'23.1~3Q	(% of sales)	'24.1~3Q	(% of sales)	YoY (%)
Sales Revenue	75,480	100%	80,301	100%	+6.4%
Cost of Sales	58,181	77.1%	61,279	76.3%	+5.3%
Gross Profit	17,300	22.9%	19,021	23.7%	+10.0%
SG&A	8,158	10.8%	9,071	11.3%	+11.2%
Operating Profit	9,142	12.1%	9,951	12.4%	+8.8%
Pre-tax Profit	10,151	13.4%	11,056	13.8%	+8.9%
Net Profit	7,158	9.5%	8,034	10.0%	+12.2%

※ Consolidated Sales Units : ['23.1~3Q] 2,247,386 units → ['24.1~3Q] 2,212,160 units (-35,226 units, -1.6%)

※ Average Currency Rate : USD/KRW ['23.1~3Q] ₩1,300 → ['24.1~3Q] ₩1,353 (+₩53 ↑, +4.0%)

Operating Profit Trend

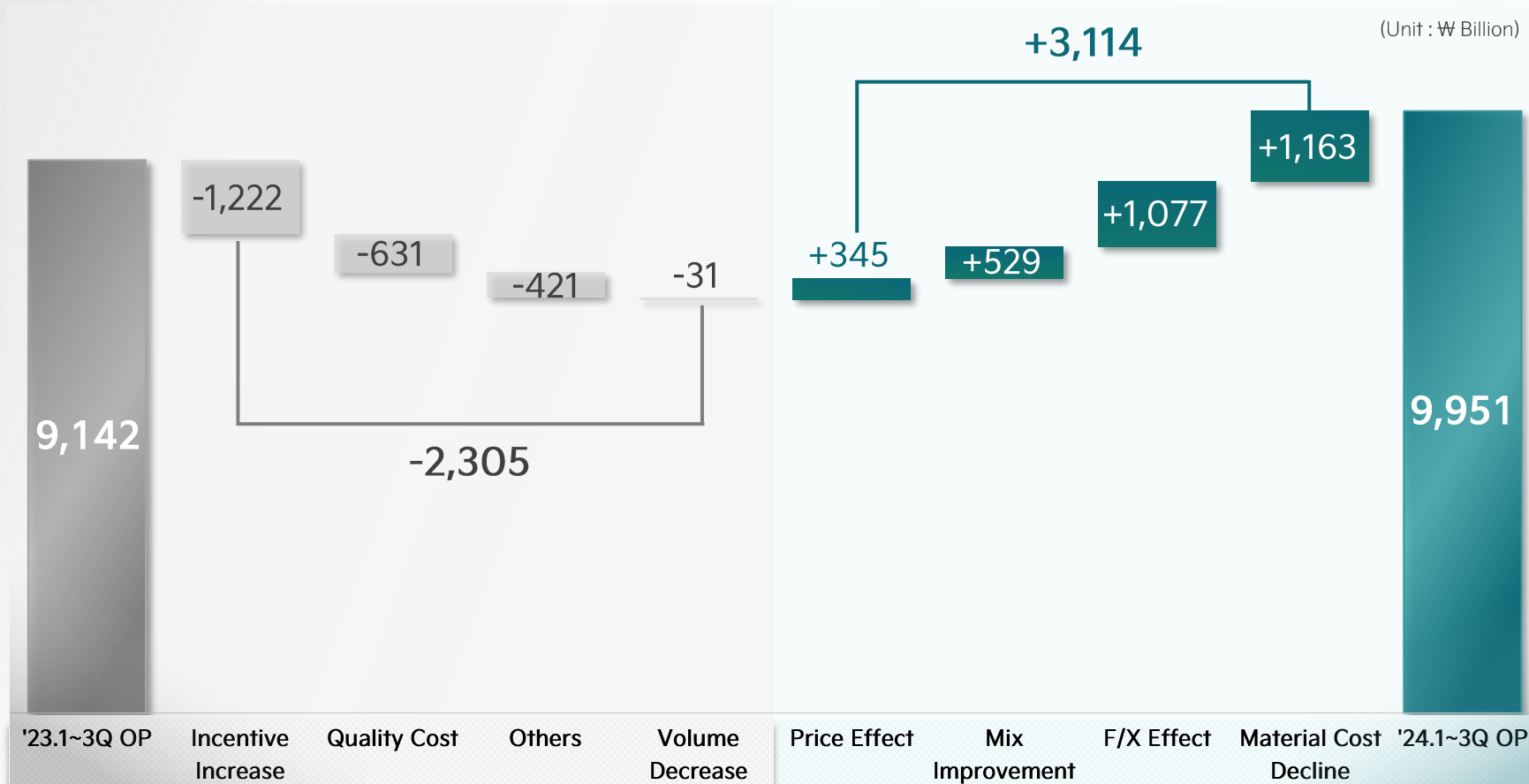
(Unit: ₩ Billion, %)



Operating Profit Analysis (3Q YTD)



+809



(+) Drivers

Price Effect

Enhanced Product Value incl. ADAS

Mix Improvement

RV Mix improvement of +4.0%p
['23.1~3Q]: 65.9% → ['24.1~3Q]: 69.9%

Material Cost Decline

Stabilization of raw material cost, incl. battery cells and precious metals

F/X Effect

USD/KRW (+4.0%), EUR/KRW (+4.3%)

(-) Detractors

Quality Cost

Lambda II engine's warranty extension

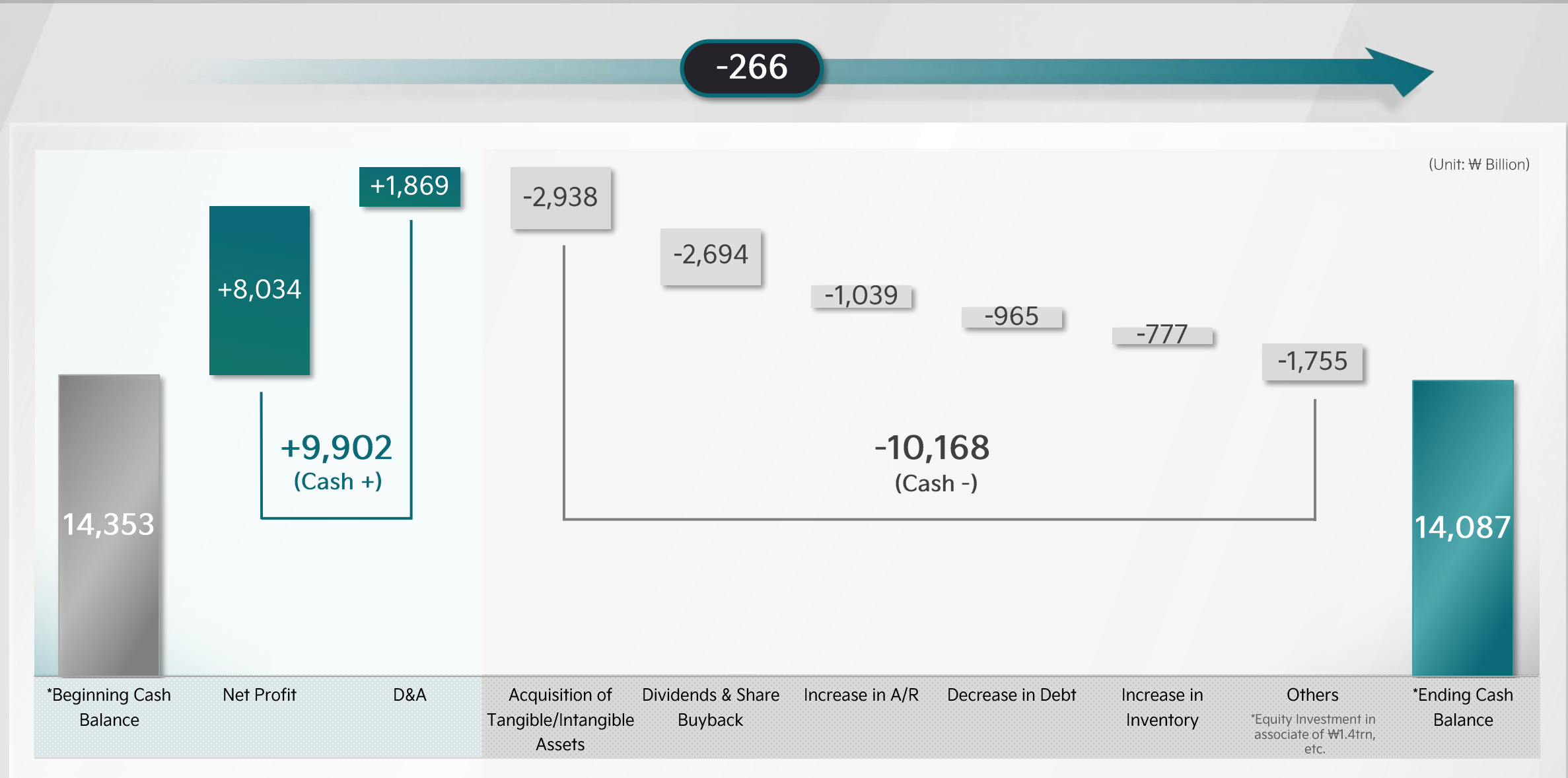
Incentive increase

Response to intensified sales competition

Volume Decrease

Consolidated volume decrease of -1.6% due to electrification conversion, etc.

Cash Flow Highlights



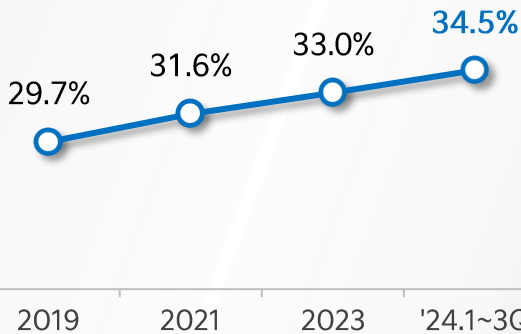
※ Beginning/Ending Cash Balance excludes ST financial instruments & ST Available-for-sales Financial Asset

Global Market Share Trend



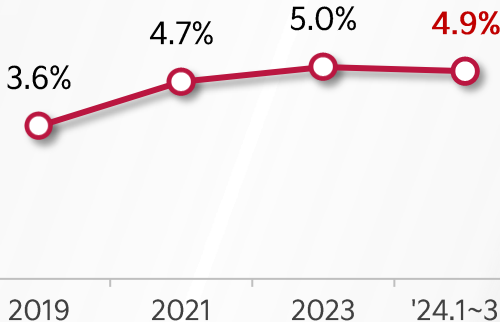
Korea

(Unit: %)



U.S.

(Unit: %)



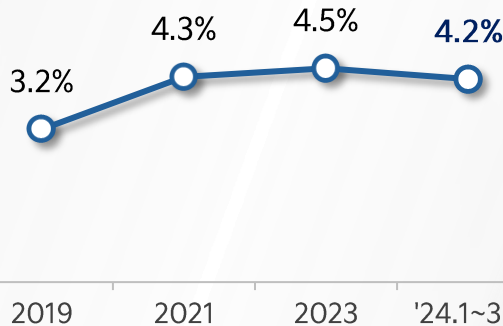
(Unit: %)

	2019	2021	2023	'24.1~3Q
MEA	5.7%	6.5%	6.3%	6.7%
Latin America	3.0%	3.0%	3.4%	3.5%
Asia Pacific	2.6%	3.5%	3.2%	3.3%
Russia (Region)	11.8%	11.4%	3.7%	2.6%



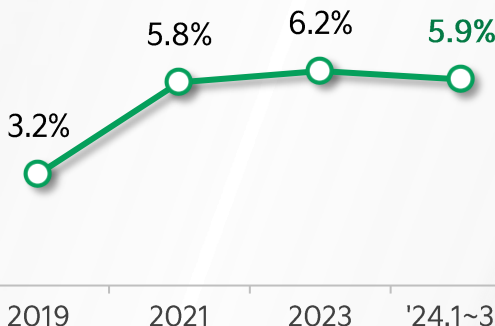
W. Europe

(Unit: %)



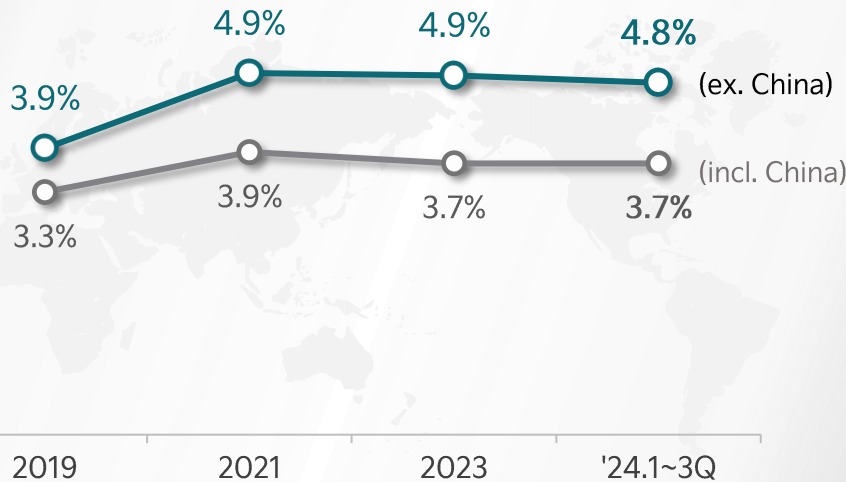
India

(Unit: %)



Global

(Unit: %)



Thank you.



Movement that inspires