

Kia Corporation 2024 2Q Business Results

July 26th, 2024



Movement that inspires

Note to Investors

This presentation has been prepared with unaudited results of 2024 2Q for investors' convenience. Therefore, some numbers are subject to change upon review of Kia's independent auditors.



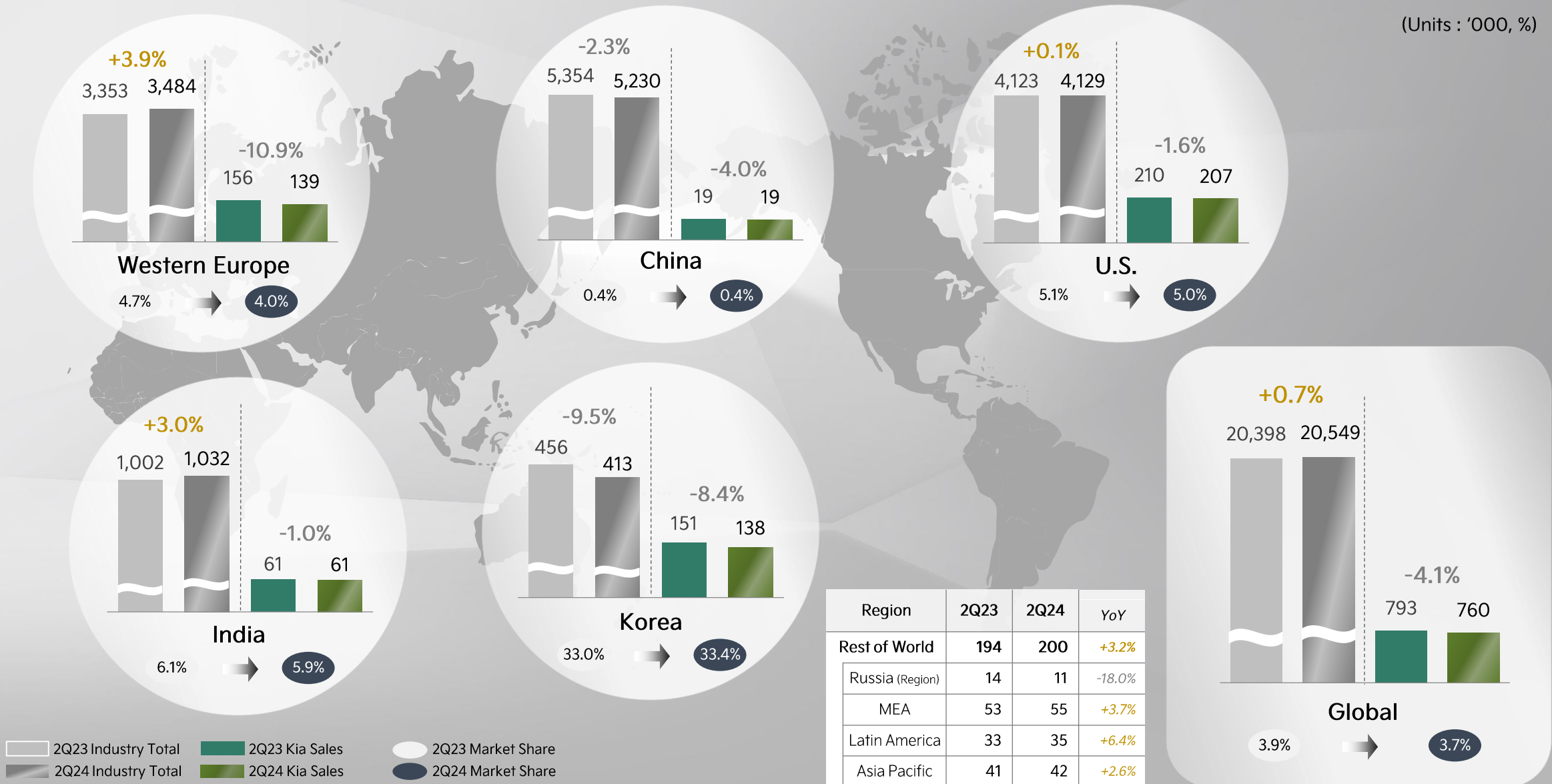
Movement that inspires

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Global Retail Sales

(Units : '000, %)



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

Wholesale by Region

(Units : '000)	2Q23	2Q24	YoY (%)
Wholesale	808	795	-1.6%
Korea	151	138	-8.4%
North America	261	278	+6.4%
U.S.	215	225	+4.3%
Europe	167	146	-12.5%
Western Europe	158	138	-12.5%
India	61	61	-1.0%
China	19	19	-4.0%
Russia & CIS	12	14	+19.2%
MEA	58	57	-2.0%
Latin America	36	39	+7.3%
Asia-Pacific	42	43	+4.6%

※ CKD / Special Vehicles Included ※ Special Vehicles : [2Q23] 1.6k units (Korea 0.5k units, Overseas 1.1k units) → [2Q24] 1.3k units (Korea 0.5k units, Overseas 0.8k units)

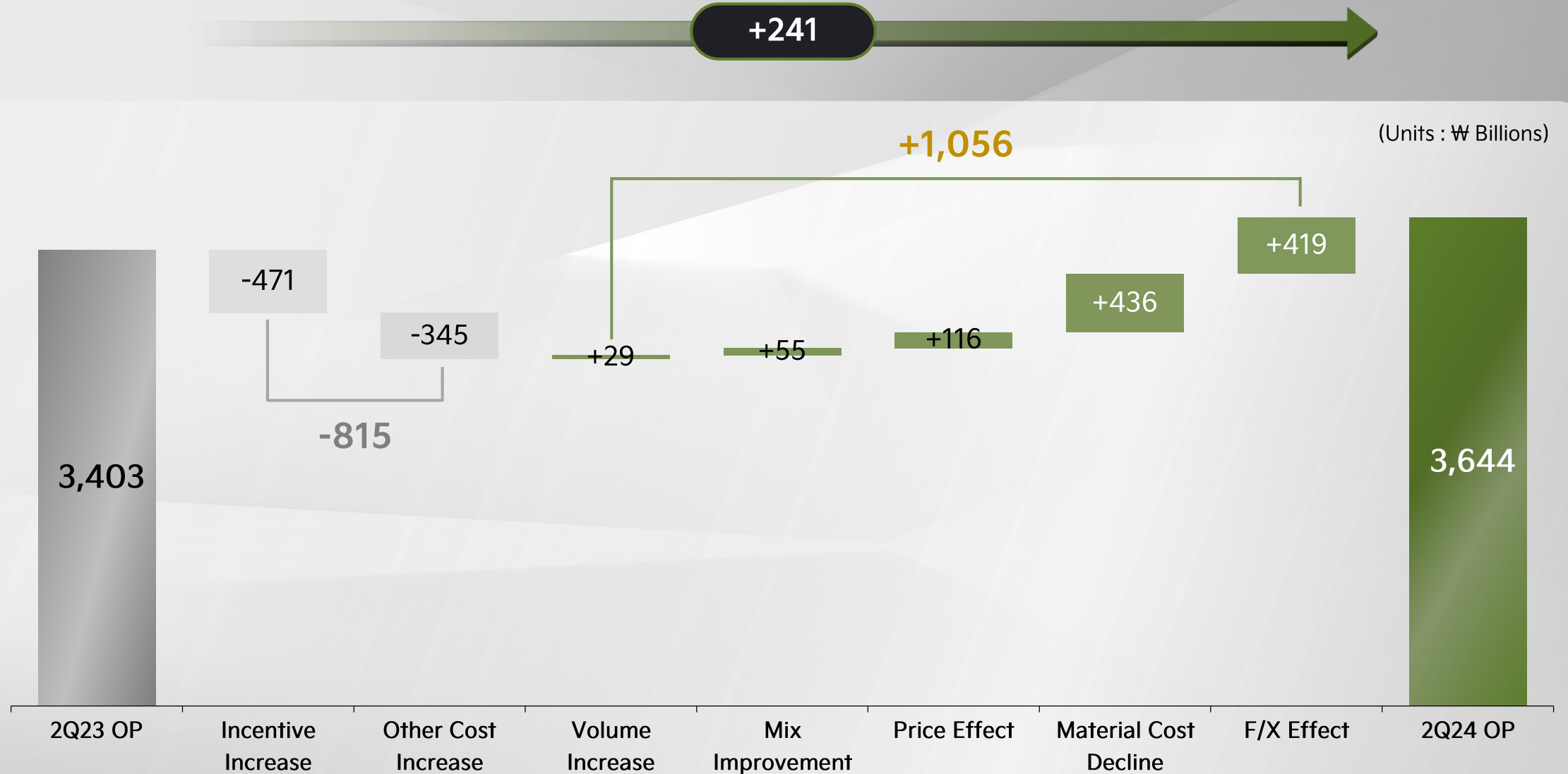
Consolidated Income Statement

(Units : ₩ Billion)	2Q23	(% of sales)	2Q24	(% of sales)	YoY (%)
Sales Revenue	26,244	100%	27,568	100%	+5.0%
Cost of Sales	20,178	76.9%	20,922	75.9%	+3.7%
Gross Profit	6,066	23.1%	6,646	24.1%	+9.5%
SG&A	2,663	10.1%	3,002	10.9%	+12.7%
Operating Profit	3,403	13.0%	3,644	13.2%	+7.1%
Pre-tax Profit	3,682	14.0%	4,040	14.7%	+9.7%
Net Profit	2,817	10.7%	2,957	10.7%	+5.0%

※ Consolidated Sales Unit : [2Q23] 770,451 units → [2Q24] 759,131 units (-11,320 units, -1.5%)

※ Average F/X Rate : USD/KRW [2Q23] ₩1,315 → [2Q24] ₩1,371 (+₩56 ↑, +4.3%)

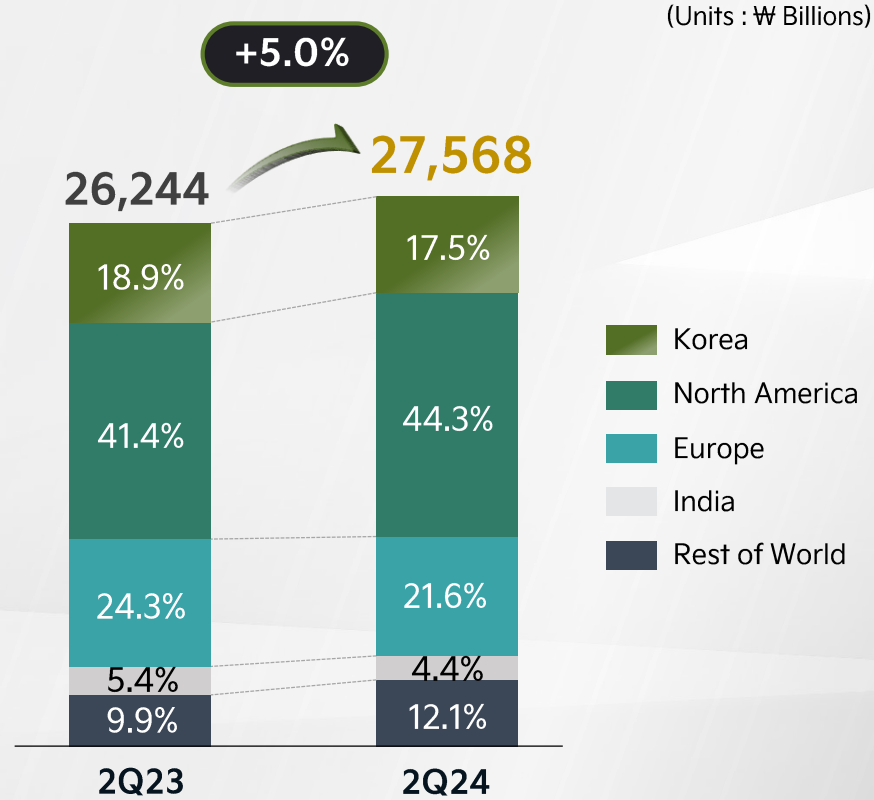
Operating Profit Analysis



※ Other cost : - ₩182.4bn for warranty expense, etc.

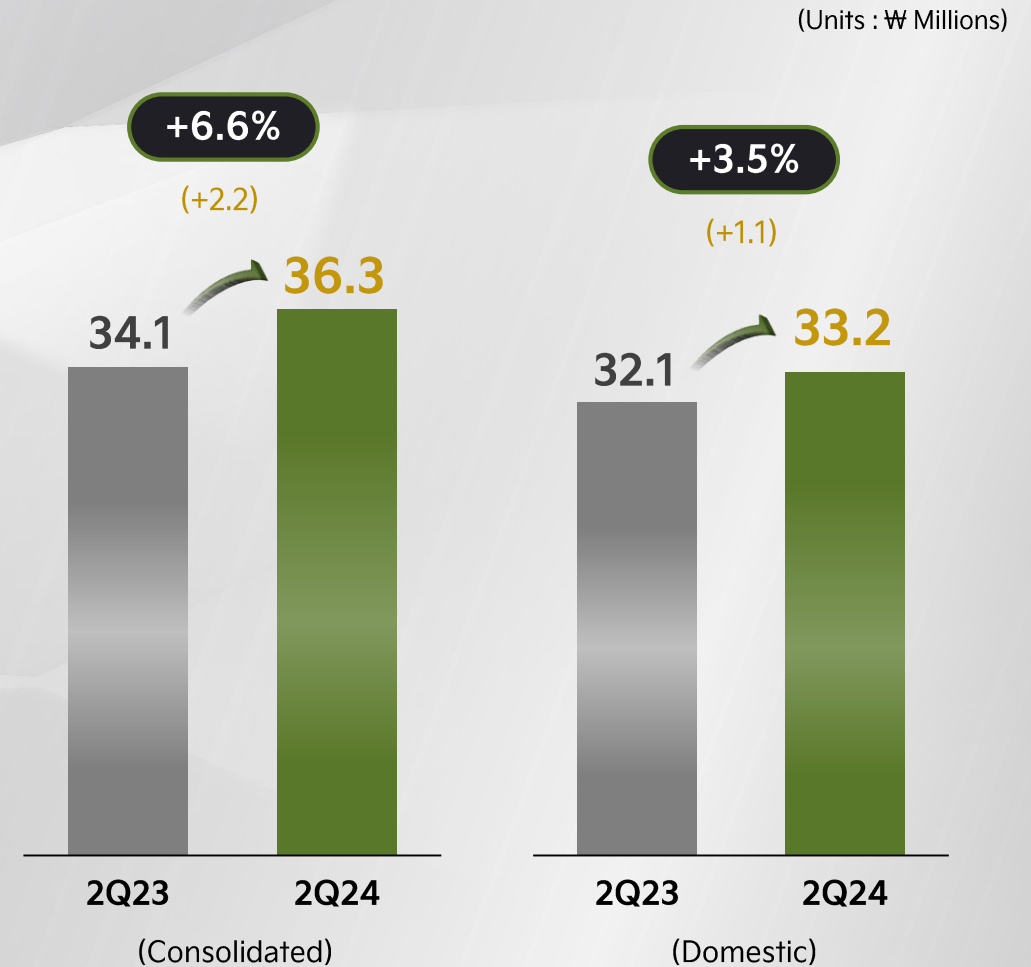
Revenue Analysis

Revenue by Region



- * 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

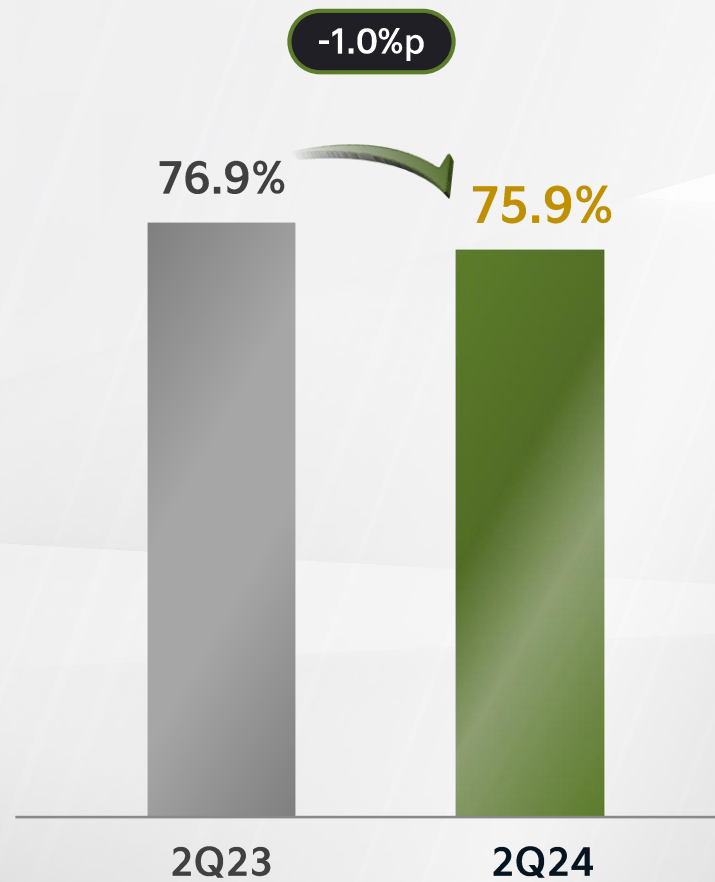
ASP



COS & SG&A

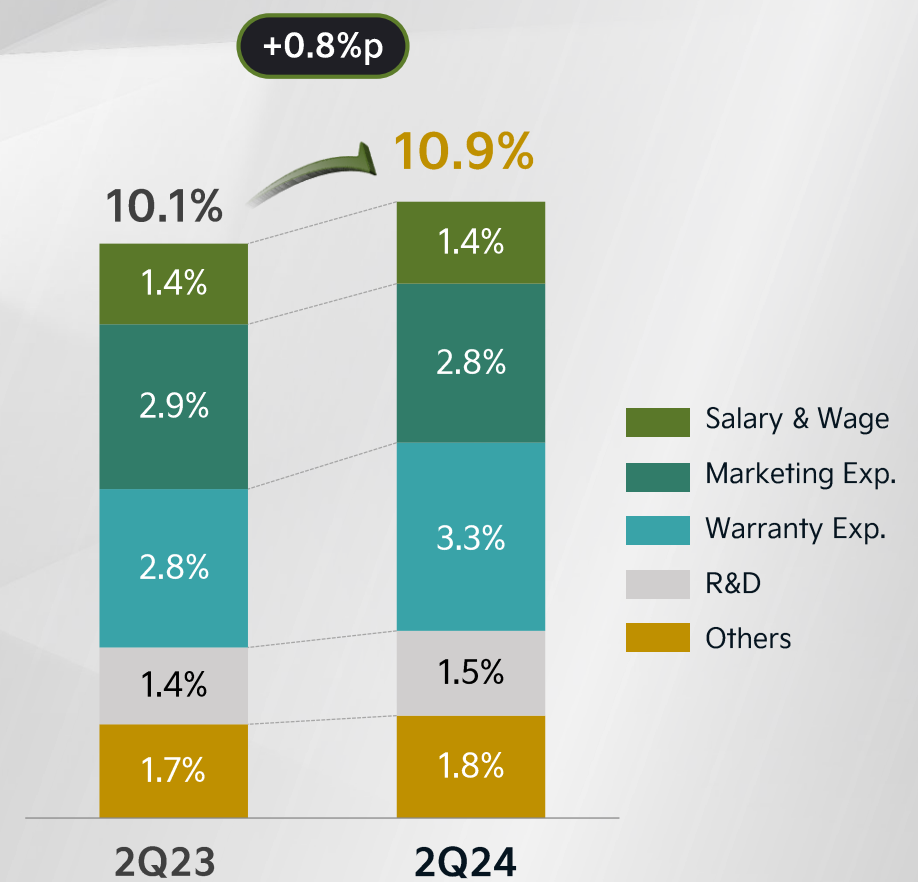
Cost of Sales Ratio

(% of Sales Revenue)



SG&A Expense

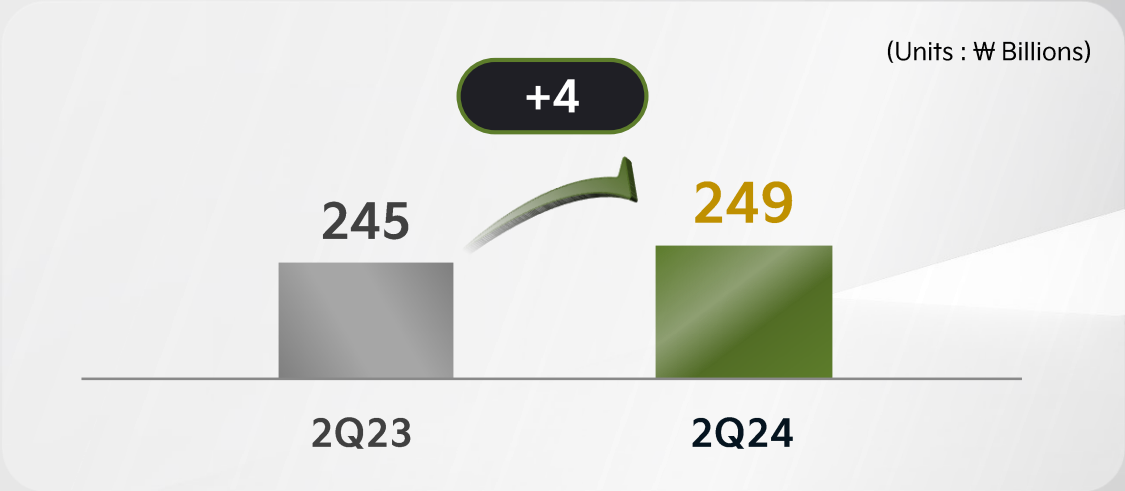
(% of Sales Revenue)



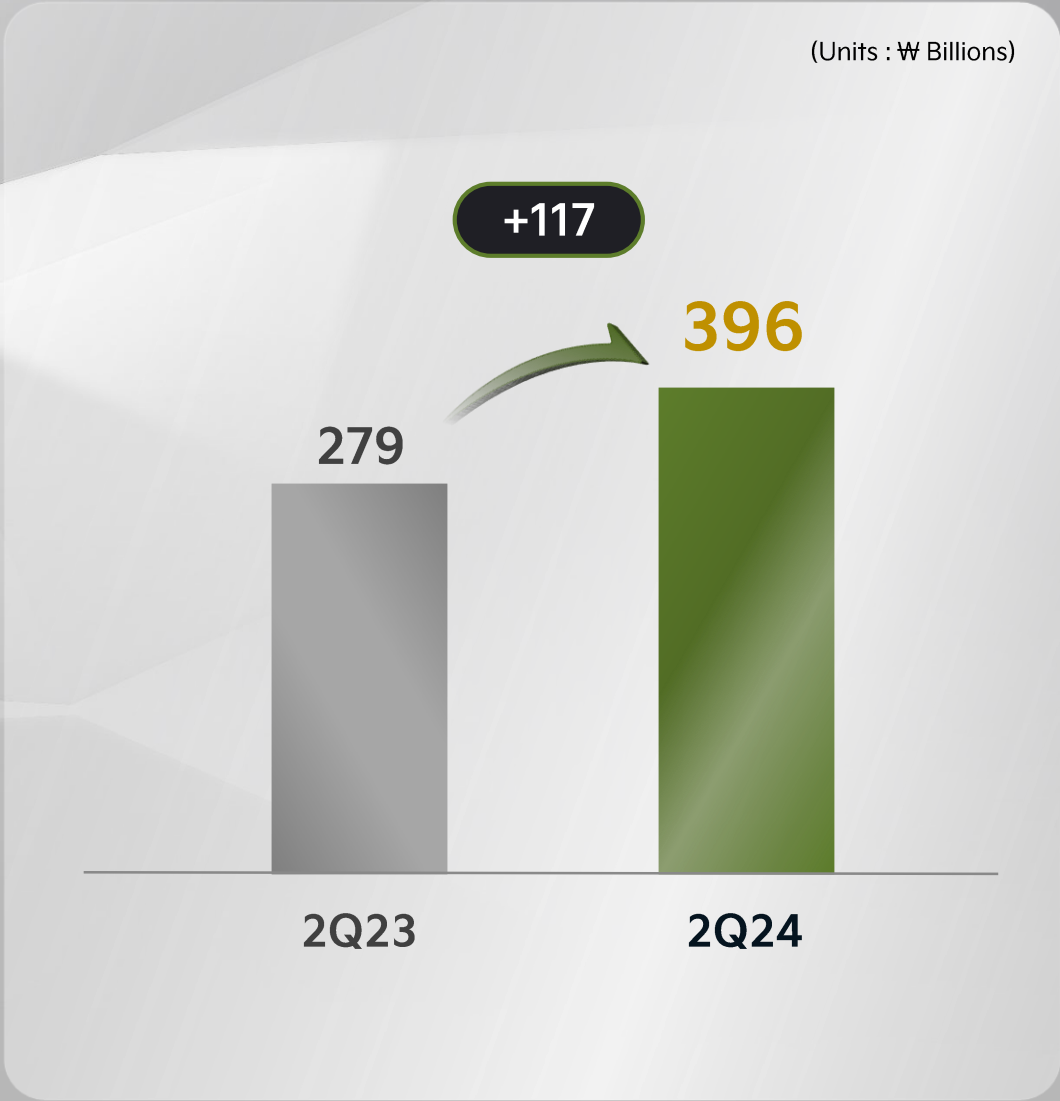
* Marketing Expenses :
Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Non-Operating Items

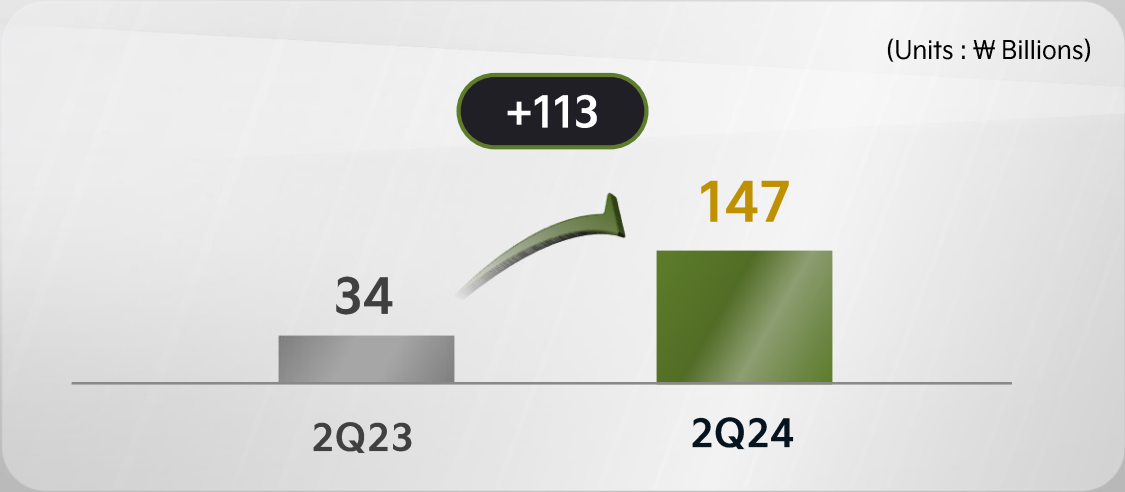
Equity Income (a)



Non-OP Income (a+b)



Financial & Other Income / Expense (b)



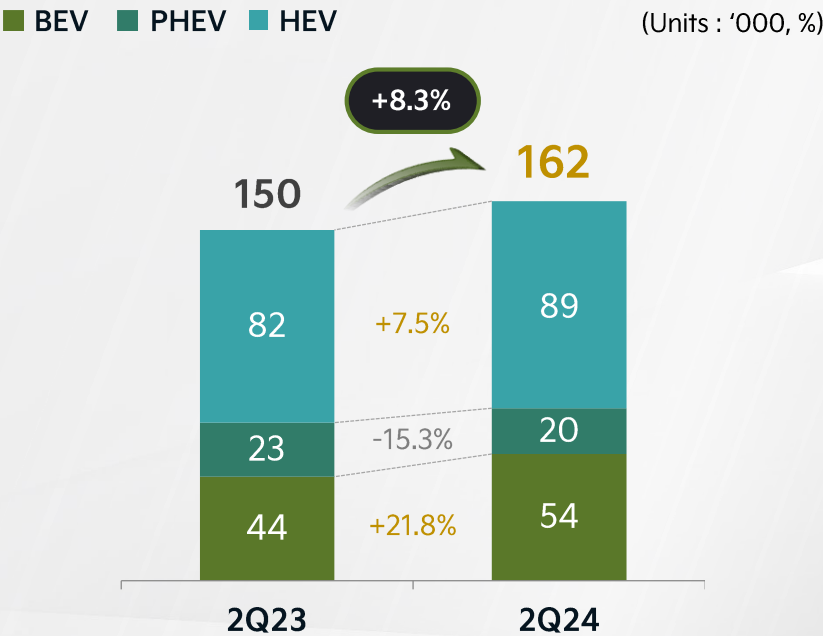
Consolidated Balance Sheet

(Units : ₩ Billions)	2023 Year-end	2Q24-end	Change
Assets	80,628	86,046	+5,418
Current Assets	37,466	38,955	+1,488
*Cash (a)	20,533	19,434	-1,099
Liabilities (b)	34,070	35,214	+1,145
Current Liabilities	25,674	26,821	+1,147
Debt (c)	3,800	3,234	-566
*Net Cash (a) - (c)	16,733	16,200	-533
Equity (d)	46,558	50,832	+4,273
Liabilities to Equity Ratio (b)/(d)	73.2%	69.3%	-3.9%p

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

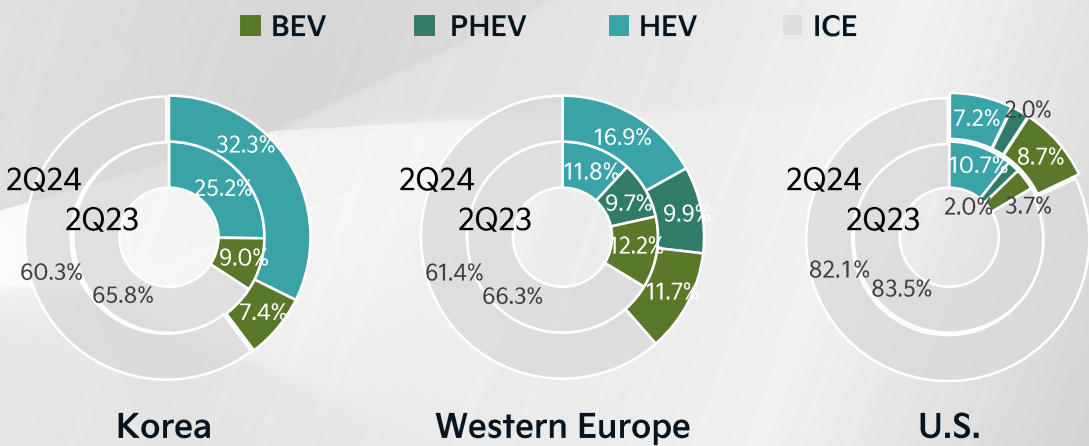
Green Car Sales Summary

Global Retail Sales

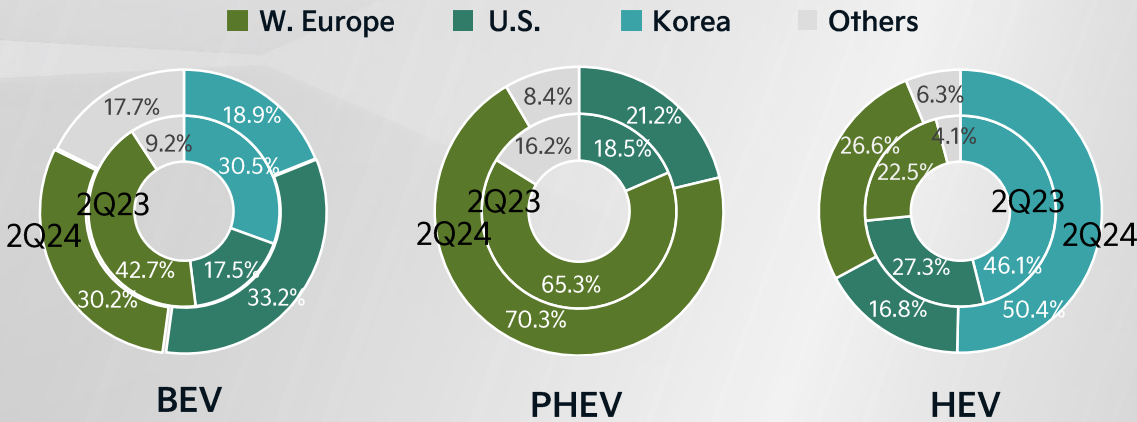


% of Sales	2Q23	2Q24
HEV	10.4%	11.7%
PHEV	2.9%	2.6%
BEV	5.6%	7.1%
xEV	18.9%	21.4%
ICE	81.1%	78.6%
Total Sales (units)	793k	760k

Green Car Sales Contribution in Major Markets



Market Division of Green Car Sales by Type

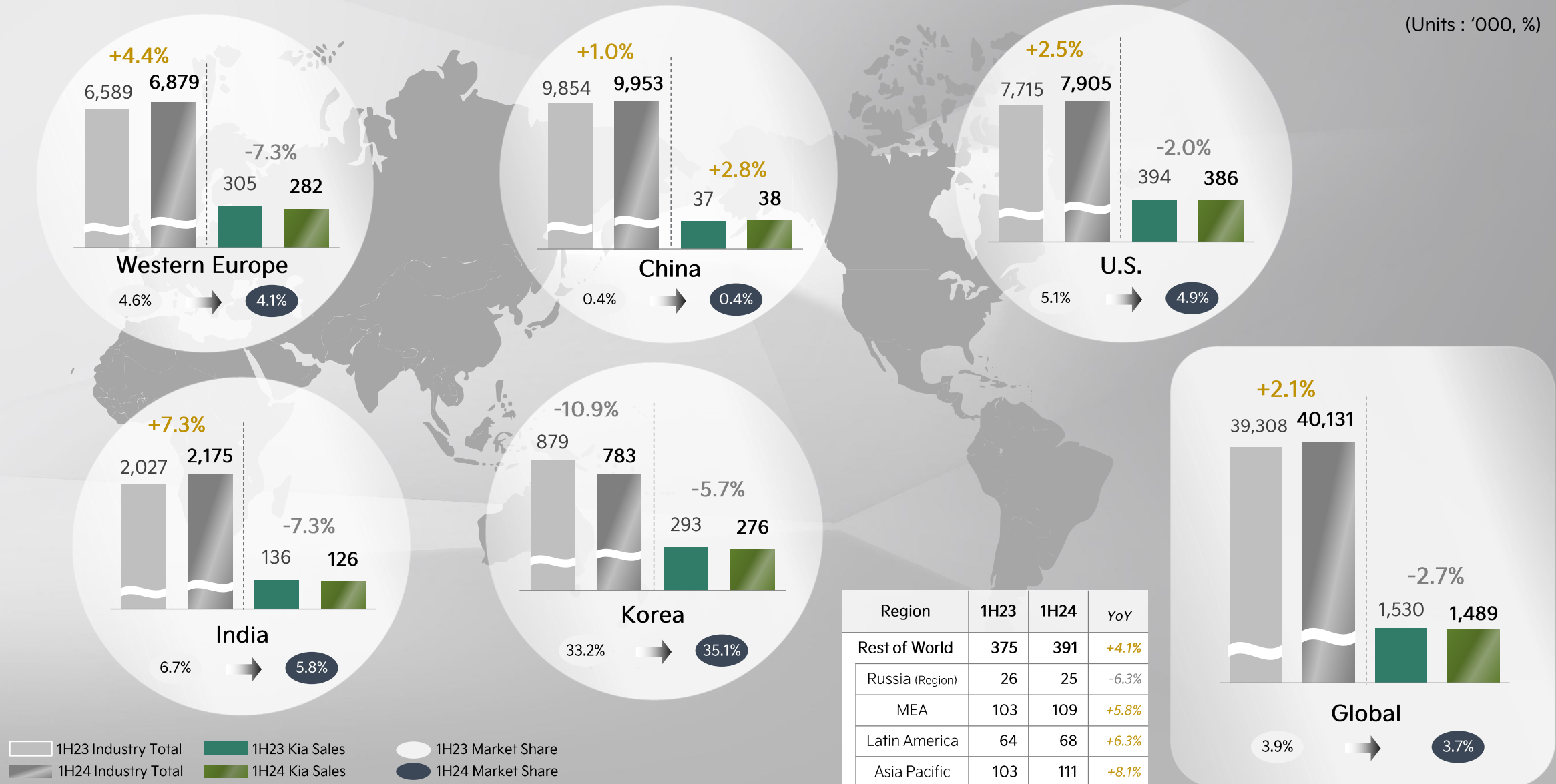


Appendix

- Global Retail Sales (1H)
 - Consolidated Income Statement (1H)
 - Cash Flow Highlights
 - Sales Performance by Market (Korea, U.S., Western Europe, India, China)
 - Global Market Share Trend
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Global Retail Sales (1H)

(Units : '000, %)



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

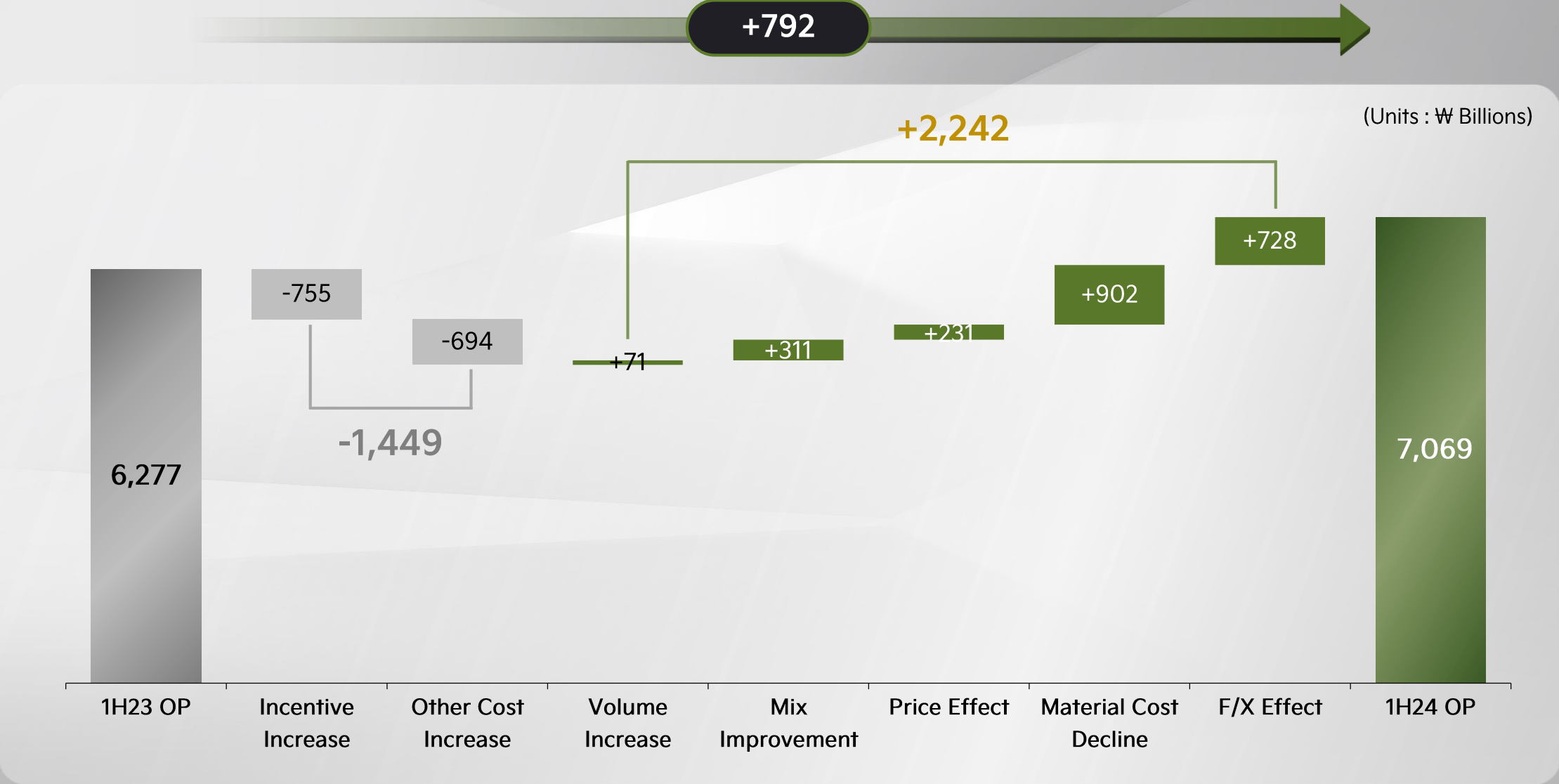
Consolidated Income Statement (1H)

(Units : ₩ Billion)	1H23	(% of sales)	1H24	(% of sales)	YoY (%)
Sales Revenue	49,935	100%	53,781	100%	+7.7%
Cost of Sales	38,495	77.1%	40,899	76.0%	+6.2%
Gross Profit	11,440	22.9%	12,882	24.0%	+12.6%
SG&A	5,163	10.3%	5,812	10.8%	+12.6%
Operating Profit	6,277	12.6%	7,069	13.1%	+12.6%
Pre-tax Profit	6,824	13.7%	7,825	14.5%	+14.7%
Net Profit	4,937	9.9%	5,766	10.7%	+16.8%

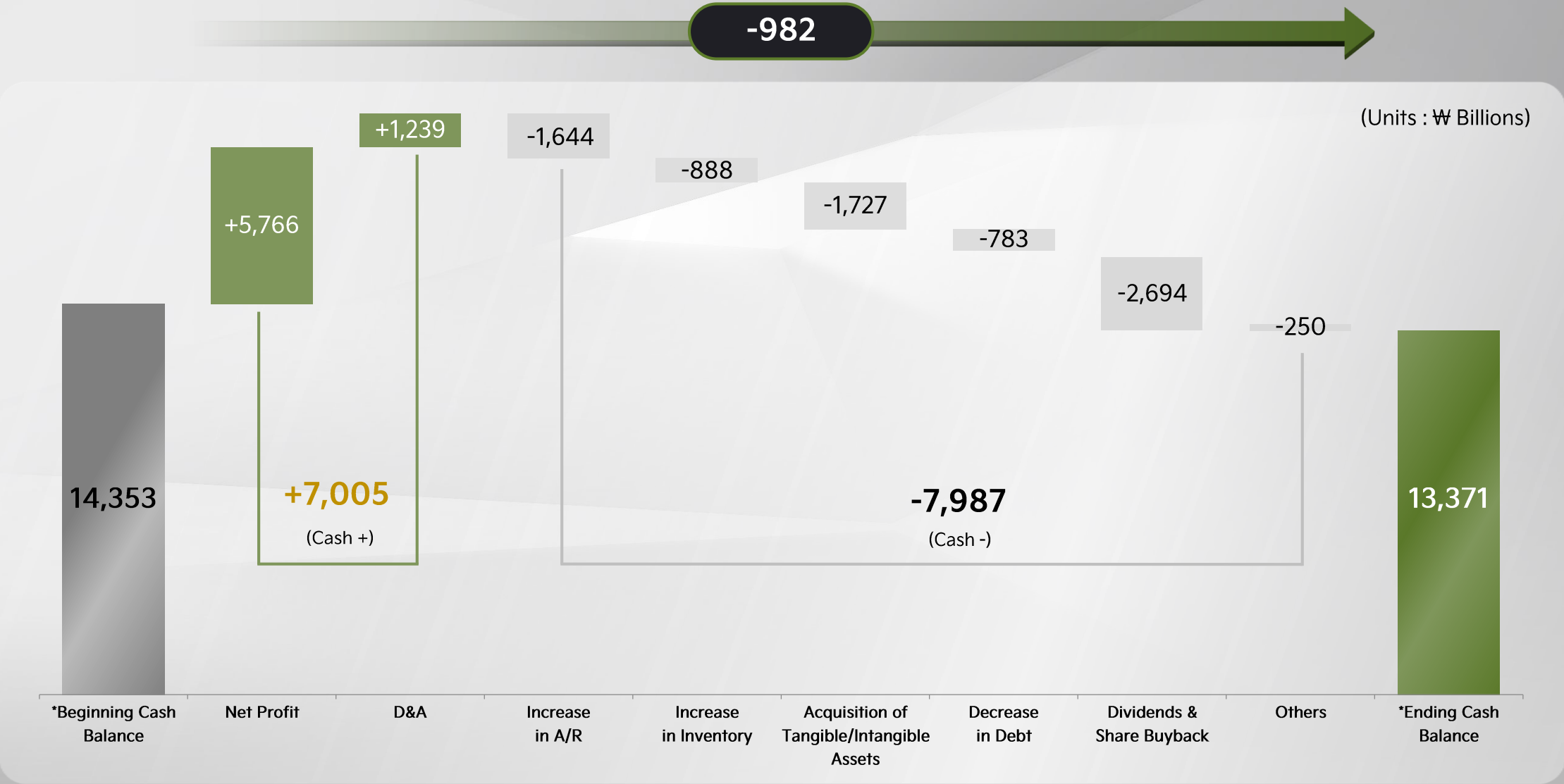
※ Consolidated Sales Unit : [1H23] 1,506,038 units → [1H24] 1,484,559 units (-21,479 units, -1.4%)

※ Average F/X Rate : USD/KRW [1H23] ₩1,295 → [1H24] ₩1,350 (+₩55 ↑, +4.2%)

Operating Profit Analysis (1H)



Cash Flow Highlights

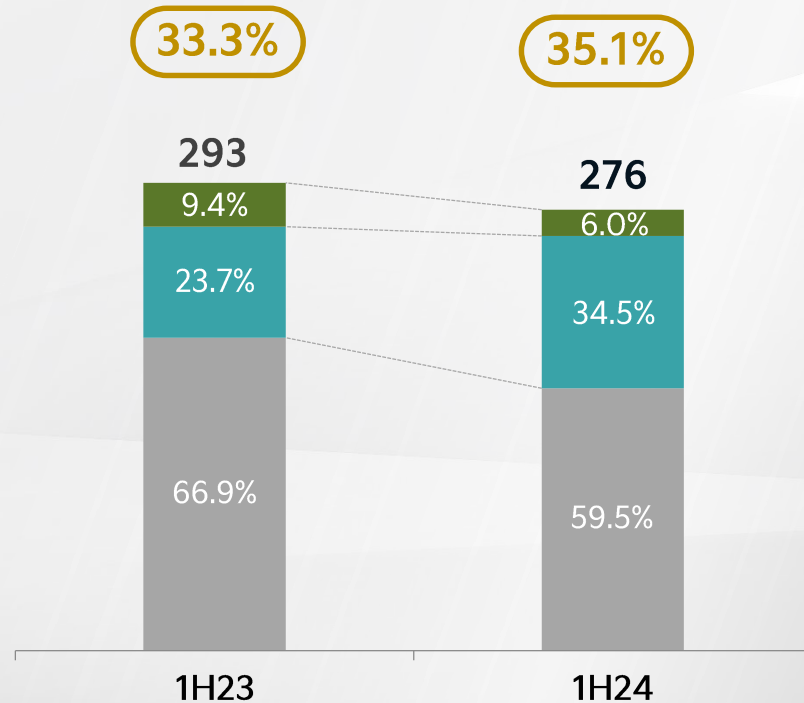


* Beginning/Ending Cash Balance excludes ST financial instruments & ST Available-for-sales Financial Asset

Sales & Market Share

ICE HEV BEV M/S

(Units : '000)



※ M/S : Including imported brands while excluding special vehicles

Sales Summary

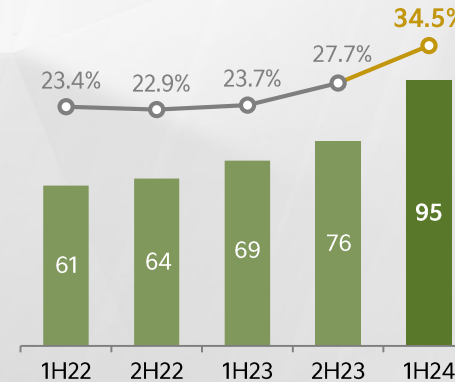
Industry -10.9%

[YoY]

Kia -5.7%

HEV Sales Contribution

(Units : '000, %) HEV Sales HEV Mix



The newly unveiled EV3



Launch

July 2024

A E R
(Long Range)

[81.4kWh] 501km (WLTP 600km)
Fast-charging (10-80%) : 31min

Features

Widescreen Display, i-Pedal 3.0,
High-tech (ADAS, FoD, OTA, HUD),
AI Assistant, In-vehicle & Outdoor V2L

1H Results

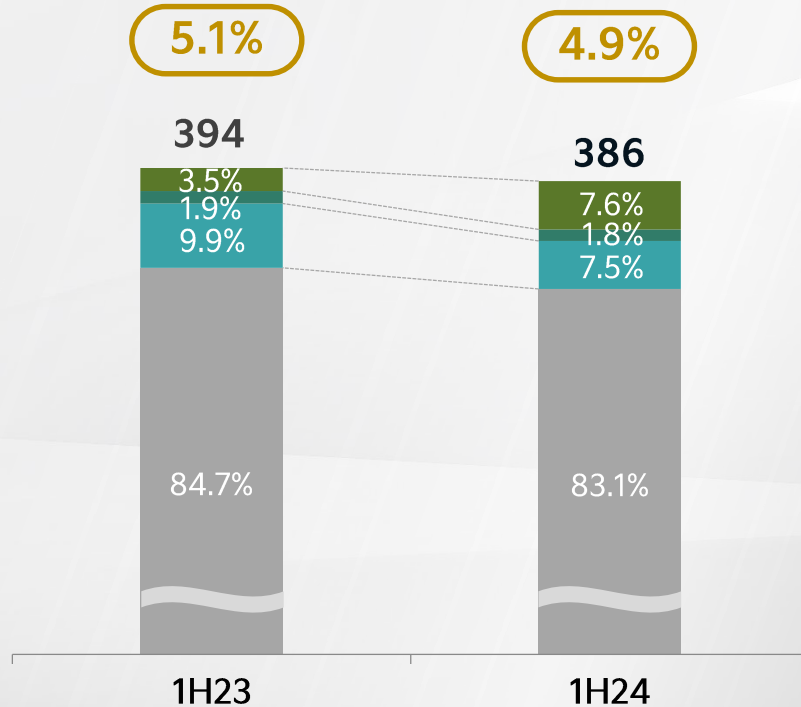
- Despite -11% auto demand, HEV/RVs sales led M/S growth of +2%p
- HEV Mix : [1H23] 23.7% → [1H24] 34.5% (+10.8%p YoY)
- RV Mix : [1H23] 57.3% → [1H24] 65.2% (+7.9%p YoY)
- ASP Growth Continued : ['23.1H] ₩31.9mil → ['24.1H] ₩33.1mil (+3.8% YoY)

2H Initiatives

- Strong market presence with HEV/RVs (Sorento, Carnival, and Sportage, etc.)
- Lead EV popularity with newly unveiled EV3 and EV6 PE model
- Maintain sales momentum with K8(3Q) and Sportage(4Q) PE model launches

Sales & Market Share

ICE HEV PHEV BEV M/S (Units : '000)



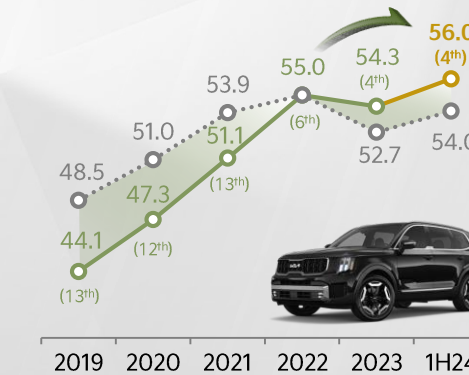
Sales Summary

Industry +2.5%

[YoY]

Kia -2.0%

Residual Value (Source : U.S. ALG Residual Value)
(Units : %)



Additional HEV Line-up



1H Results

- Despite sales/production gap from Rio discontinuation and K5 plant transfer, RV mix improvement led higher profitability
 - RV Mix : [1H23] 71.7% → [1H24] 78.0% (+6.3%p YoY)
- Ranked 4th highest residual value due to pull-based incentive operation policy
 - Residual Value : [2020] 12th (47.3%) → [2022] 6th (55.0%) → [1H24] 4th (56.0%)

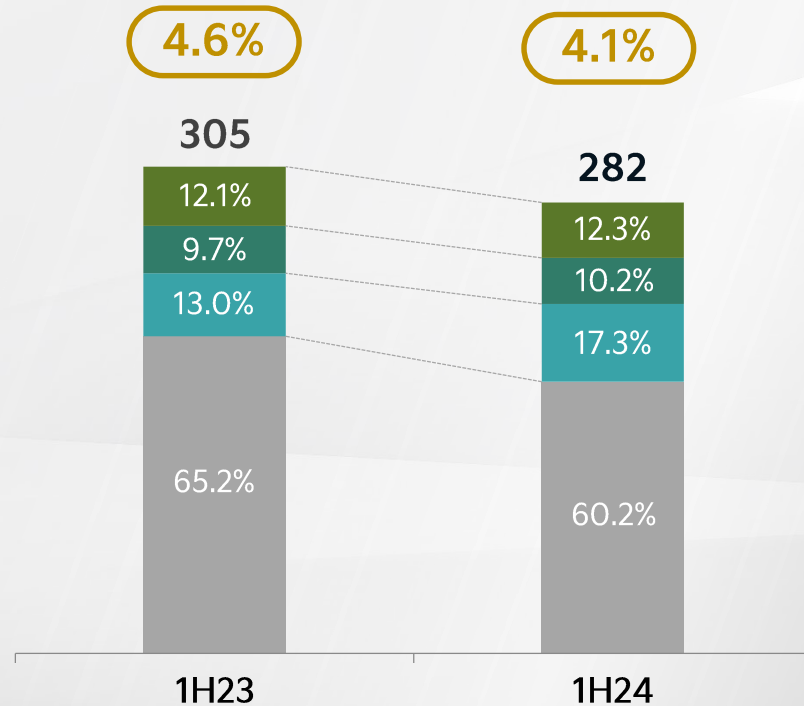
2H Initiatives

- Full roll-out of new HEV models and refreshed models
 - New launches : Sorento HEV (PE), Carnival HEV, K4, K5 (PE), EV6 (PE)
- EV sales promotions and efficient ICE inventory management
 - Leveraging on Georgia plants' flexible production line

Western Europe (1H)

Sales & Market Share

ICE HEV PHEV BEV M/S (Units : '000)



Sales Summary

Industry +4.4%

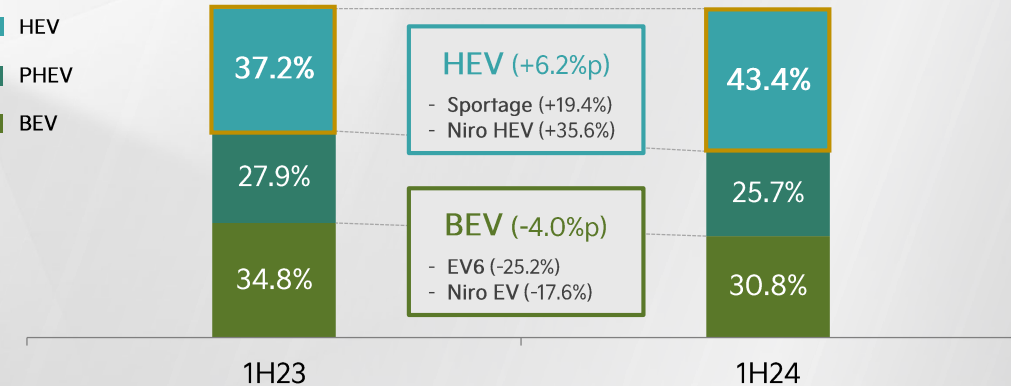
[YoY]

Kia -7.3%

Green Car Sales Contribution

(Units : %)

HEV
PHEV
BEV



1H Results

- Despite strong subcompact car(B seg & below) demand, supply constraints led to sales decrease of -28.2% YoY
- Tight inventory in the subcompact car segment due to Rio's discontinuation(-18k units), and Picanto (-15.6% YoY) and Stonic's (-4.3% YoY) supply constraints
- EV sales fell by -6.3% YoY due to EV subsidy cuts and price competition

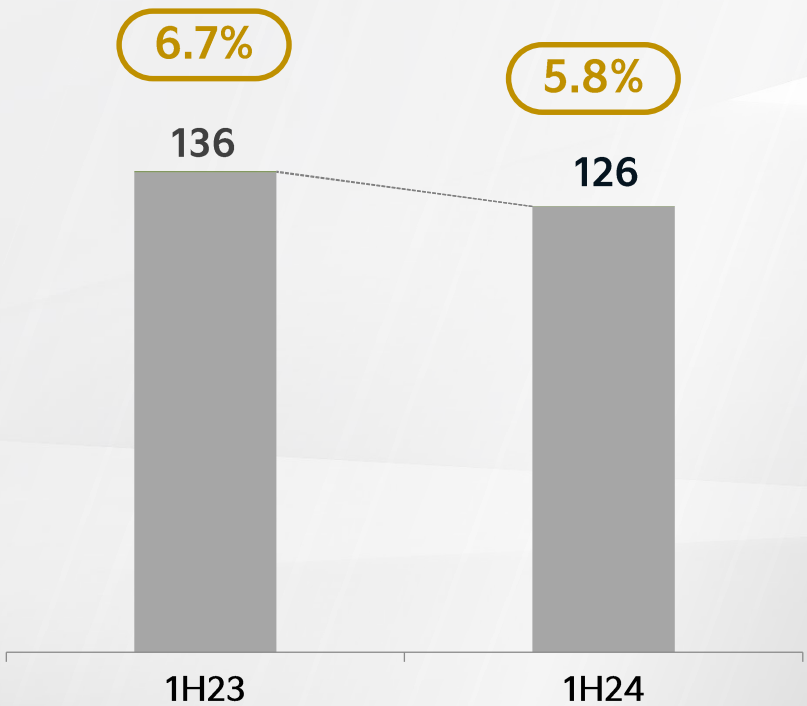
2H Initiatives

- Increase subcompact car(Picanto & Stonic) supplies to recover shortfall in 1H
- Strengthen EV sales momentum by launching new EV3 and EV6 PE models
- Supply optimization based on EV backorders and rising HEV demand

Sales & Market Share

ICE BEV M/S

(Units : '000)



* M/S based on Wholesales

Sales Summary

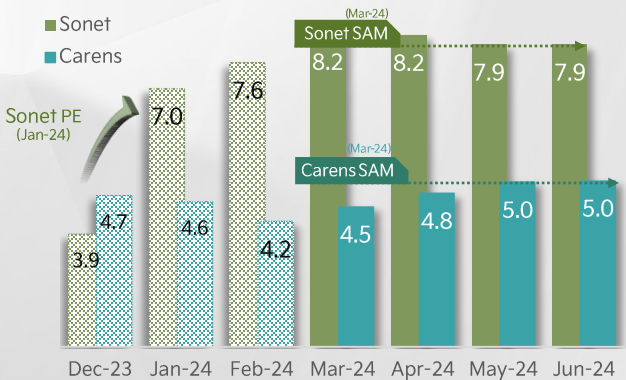
Industry +7.3%

[YoY]

Kia -7.3%

Retail Sales Trend of S.A.M (Special Action Model)

(Units : '000)



Product Value Enhancements



- 1 Special Action Models (Sunroof, LED DRL, Smart Key, etc)
- 2 Affordable GT-Line + Preferred Options (3Q)
- 3 Special Editions (4Q)

1H Results

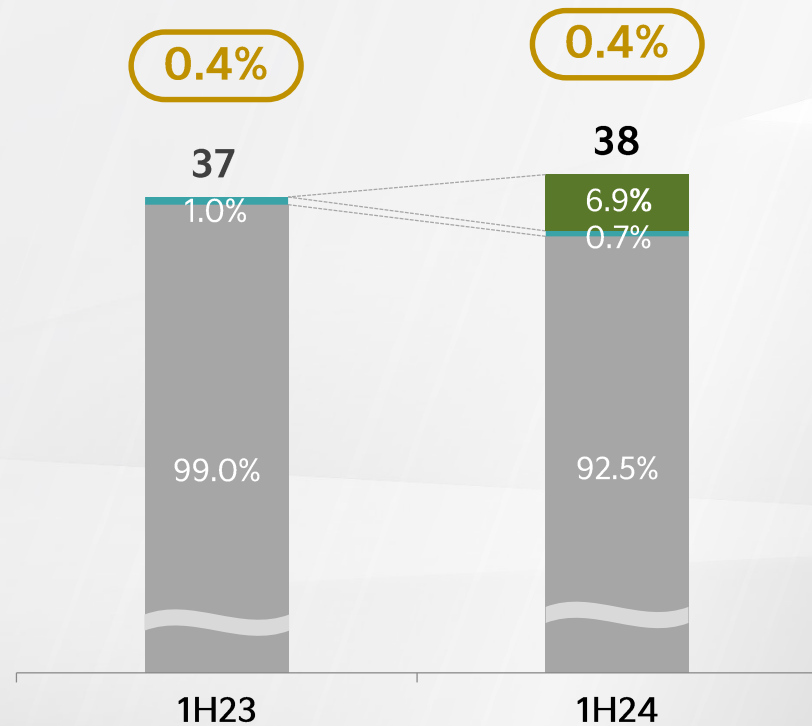
- Due to strong S.A.M sales, the monthly average sales of Sonet improved to 8k units and Carens to 5k units in 2Q24
 - Sonet (Retail) : [1Q24] 23k units → [2Q24] 24k units (+5.8% QoQ)
 - Carens (Retail) : [1Q24] 13k units → [2Q24] 15k units (+11.9% QoQ)
 - ▶ Virtuous cycle of sales and production by supply optimization based on customer demand
- Expanded market coverage with the opening of +75 new dealers in 1H24

2H Initiatives

- Regain sales momentum with improved features and product value
 - [3Q24] : Affordable GT-Line (Seltos, Sonet) → [4Q24] : Special Editions (all models)
- Expand dealer network and prepare launching plan for A-SUV volume model

Sales & Market Share

ICE HEV BEV M/S (Units : '000)



* M/S based on Wholesales

Sales Summary

Industry +1.0%

[YoY]

Kia +2.8%

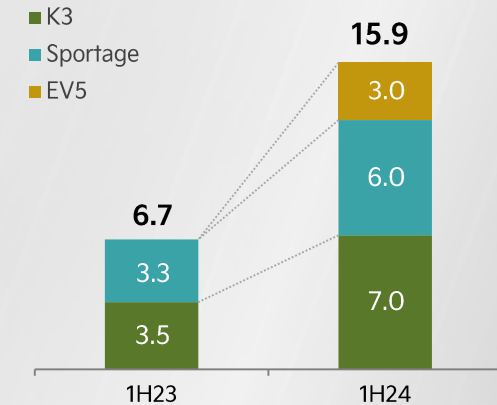
First Dedicated EV



Model	EV5
Strategy	First dedicated EV (c-suv) with LFP in China to drive EV volume
25MY Features	UX-specific features, Premium interior, etc.

Sales Trend of Key Models (Retail)

(Units : '000)



1H Results

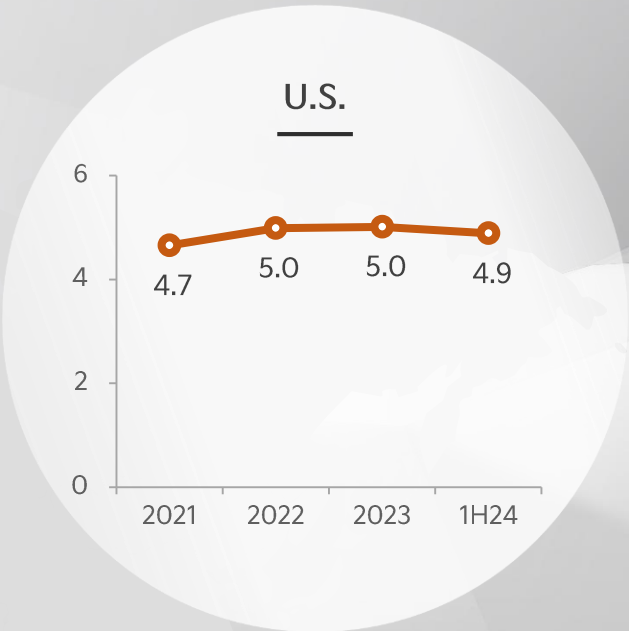
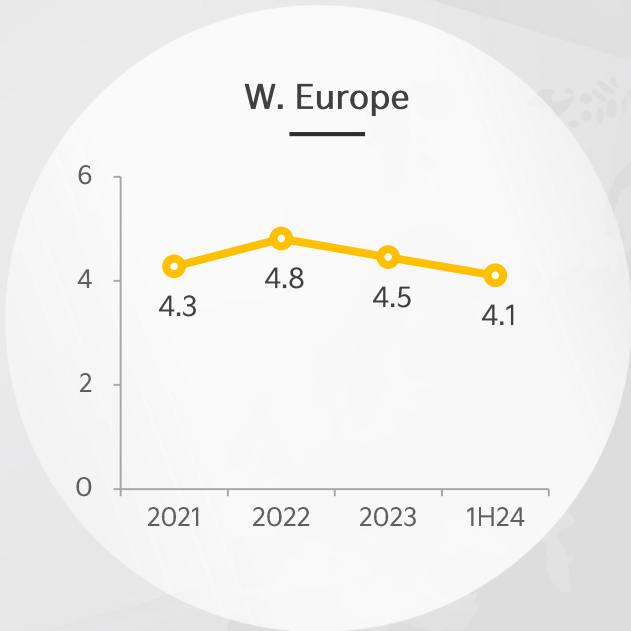
- Despite weakening ICE market condition, key models (K3, Sportage) sales increased
 - Amid intensified price competition, 3k units of the first dedicated EV5 sold
- Profitability improved with export expansion and plant utilization improvement
 - KCN exports : [1H23] : 26k units → [1H24] : 71k units (+173% YoY)

2H Initiatives

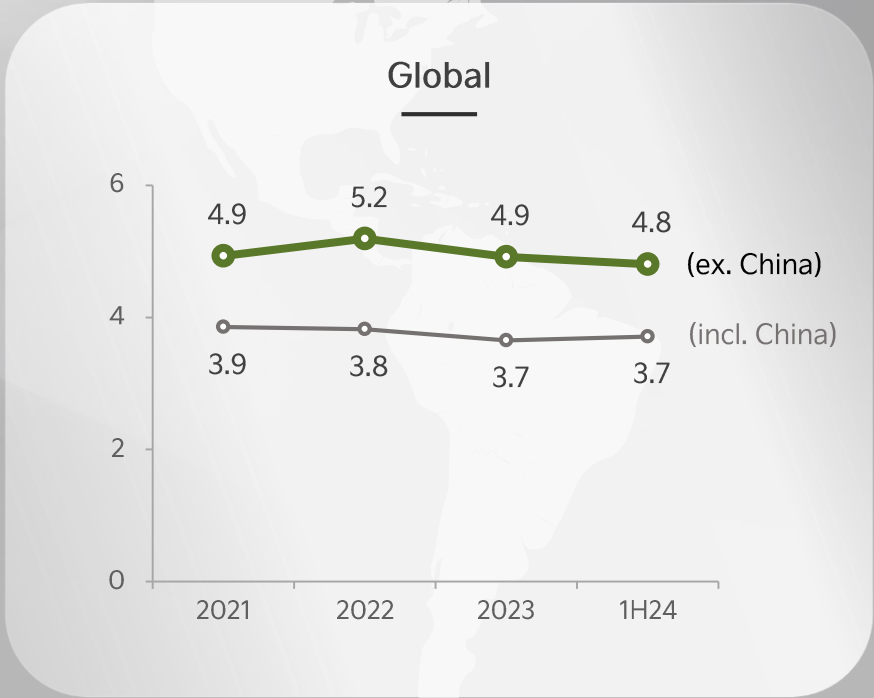
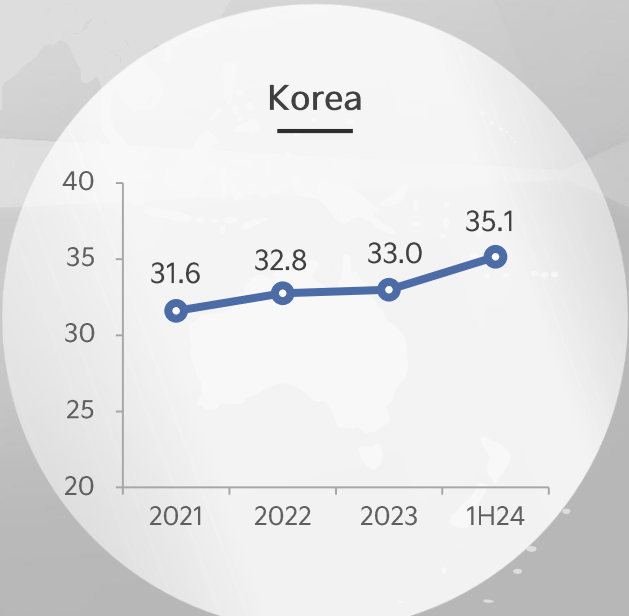
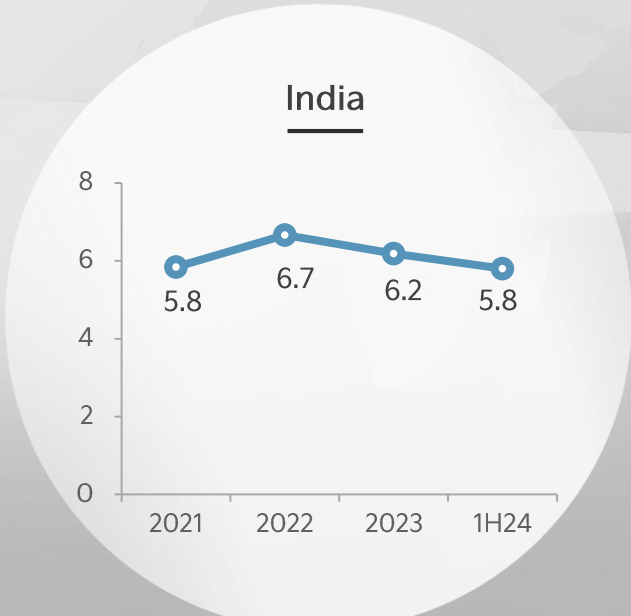
- Penetrate the economic RV market with locally produced Sonet model
 - Continuing to improve KCN utilization by expanding export models and diversifying regions
- Drive sales momentum with EV5 & EV6 marketing promotions and sales channels diversification

Global Market Share Trend

(Unit : %)



Rest of World	2021	2022	2023	1H24
Russia (Region)	11.4	8.7	3.7	3.0
MEA	6.5	6.2	6.3	6.9
Latin America	3.0	3.3	3.4	3.6
Asia Pacific	3.5	3.5	3.2	3.3



Thank you.



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