

Kia Corporation 2023 Q1 Business Results

April 26, 2023



Movement that inspires

Note to Investors

This presentation has been prepared with unaudited results of Q1 FY2023 for investors' convenience. Therefore, some numbers are subject to change upon review of Kia's independent auditors.



Movement that inspires

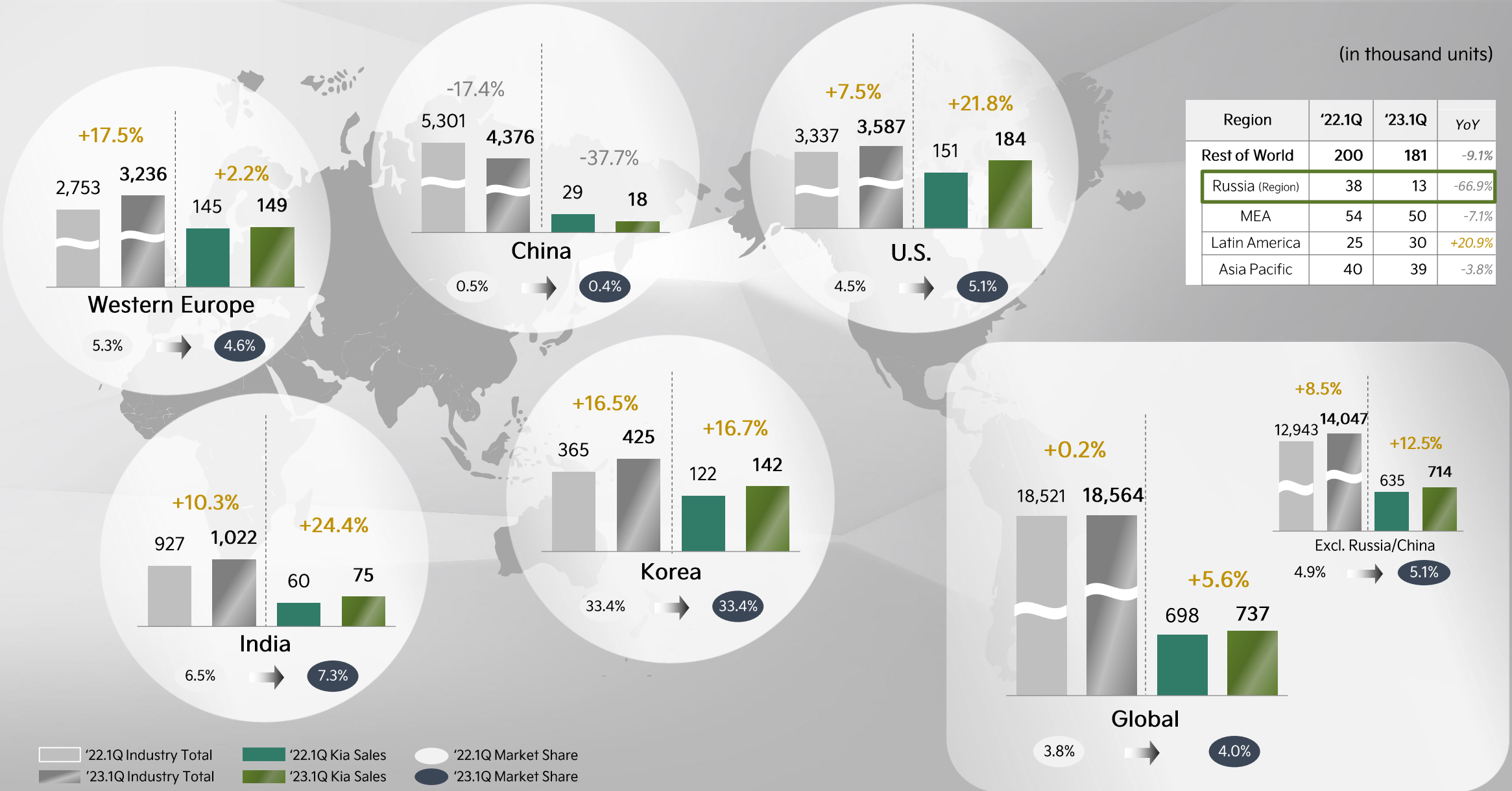
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Global Retail Sales

(in thousand units)

Region	'22.1Q	'23.1Q	YoY
Rest of World	200	181	-9.1%
Russia (Region)	38	13	-66.9%
MEA	54	50	-7.1%
Latin America	25	30	+20.9%
Asia Pacific	40	39	-3.8%



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

Wholesale by Region

(in thousand units)	'22.1Q	'23.1Q	YoY (%)
Wholesale	686	768	+12.0%
Korea	122	142	+16.7%
North America	187	246	+31.8%
U.S.	151	200	+32.3%
Europe	138	152	+10.0%
Western Europe	132	145	+9.4%
India	60	75	+24.4%
China	29	18	-37.7%
Russia & CIS	36	11	-70.0%
MEA	44	59	+34.2%
Latin America	30	29	-6.0%
Asia-Pacific	40	37	-7.0%

※ CKD / Special Vehicles Included

※ Special Vehicles : 1Q22 0.5k units(Korea 0.3k units, Export 0.2k units) → 1Q23 1k units(Korea 0.3k units, Export 0.7k units)

Consolidated Income Statement

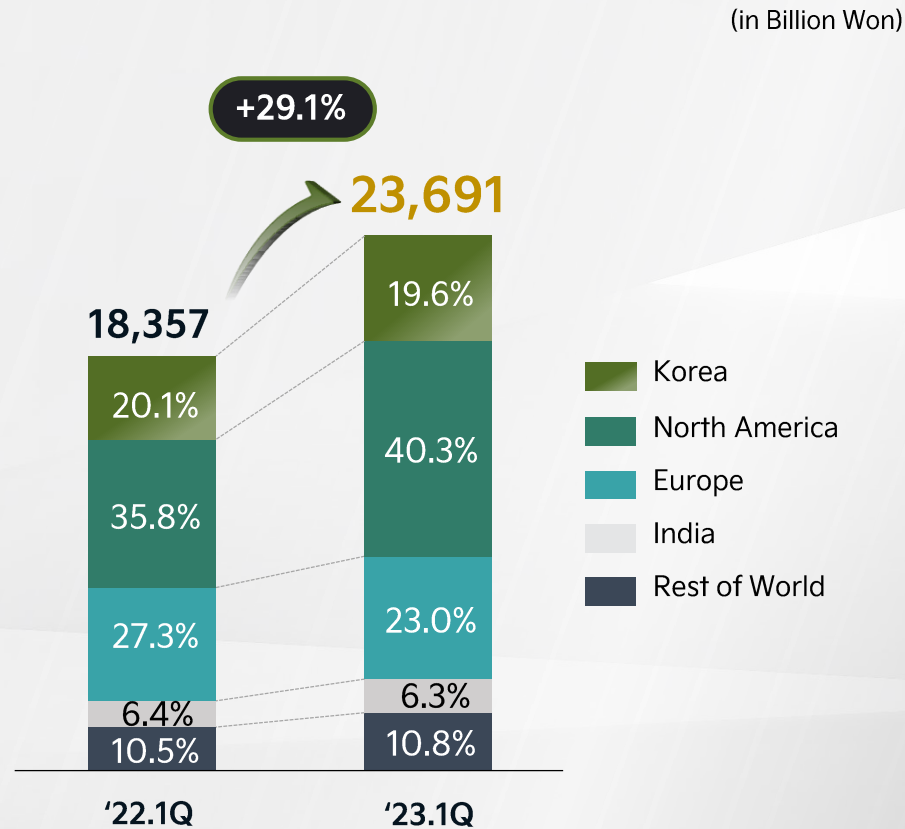
(in Billion Won)	'22.1Q	(% of sales)	'23.1Q	(% of sales)	YoY (%)
Sales Revenue	18,357	100%	23,691	100%	+29.1%
Cost of Sales	14,766	80.4%	18,317	77.3%	+24.0%
Gross Profit	3,591	19.6%	5,373	22.7%	+49.6%
SG&A	1,984	10.8%	2,499	10.6%	+25.9%
Operating Profit	1,606	8.8%	2,874	12.1%	+78.9%
Pre-tax Profit	1,518	8.3%	3,142	13.3%	+107.0%
Net Profit	1,033	5.6%	2,120	8.9%	+105.3%

※ Consolidated Sales Units : '22.1Q 633,401 units → '23.1Q 725,126 units (+91,725 units, +14.5%)

※ Average Currency Rate (USD/KRW) : '22.1Q KRW 1,205 → '23.1Q KRW 1,276 (+KRW 71 ↑, +5.9%)

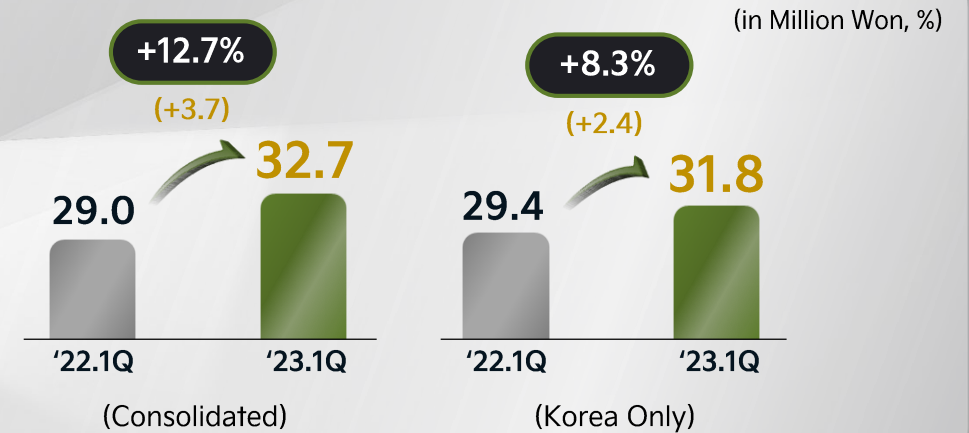
Revenue Analysis

Revenue Analysis

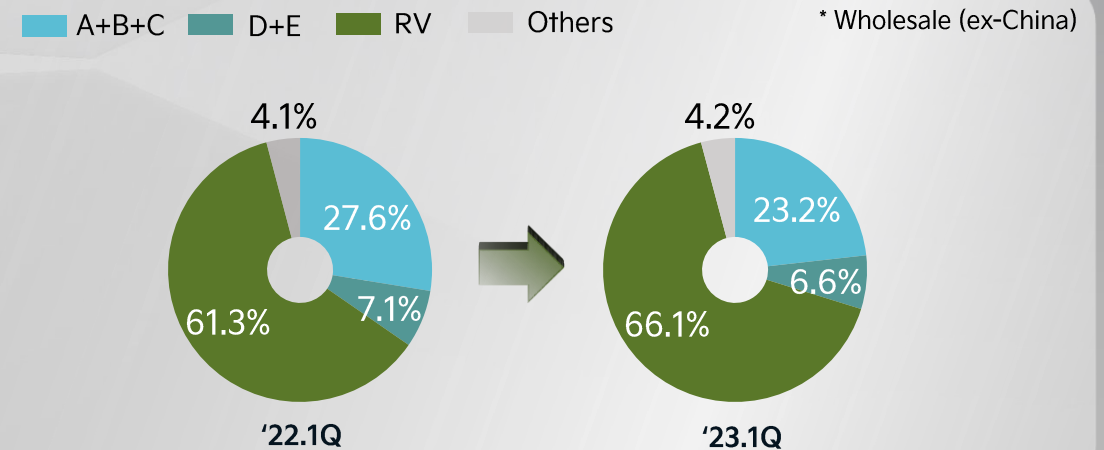


- * Korea : Kia HQ Korea domestic revenue
- * North America : US, Canada, Mexico wholesale revenue + export revenue
- * Europe : Europe, Russia wholesale revenue + export revenue
- * India : India wholesale + export revenue
- * Rest of World : Kia HQ direct export revenue, Asia-Pacific wholesale revenue

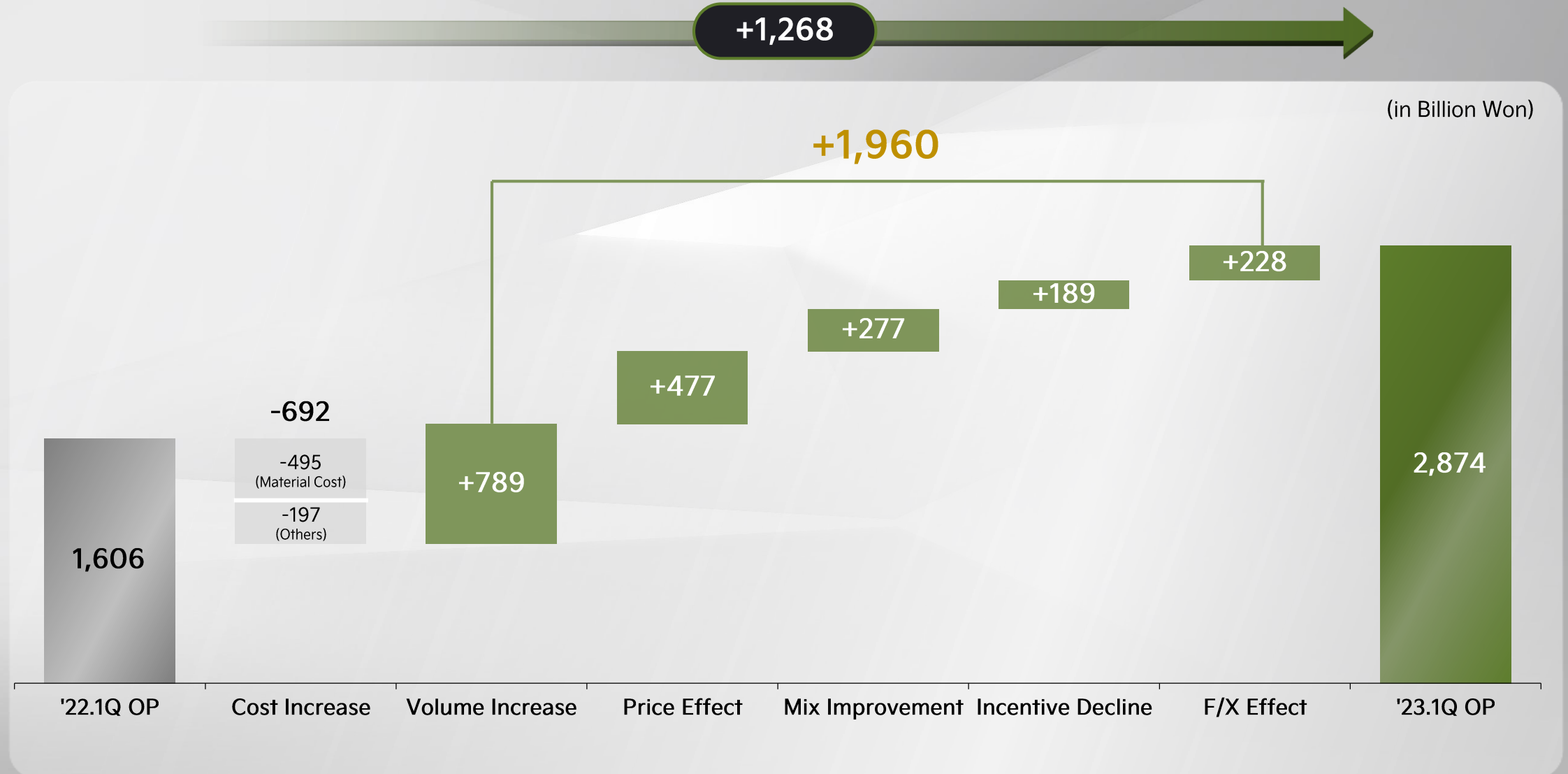
ASP



Sales by Segment



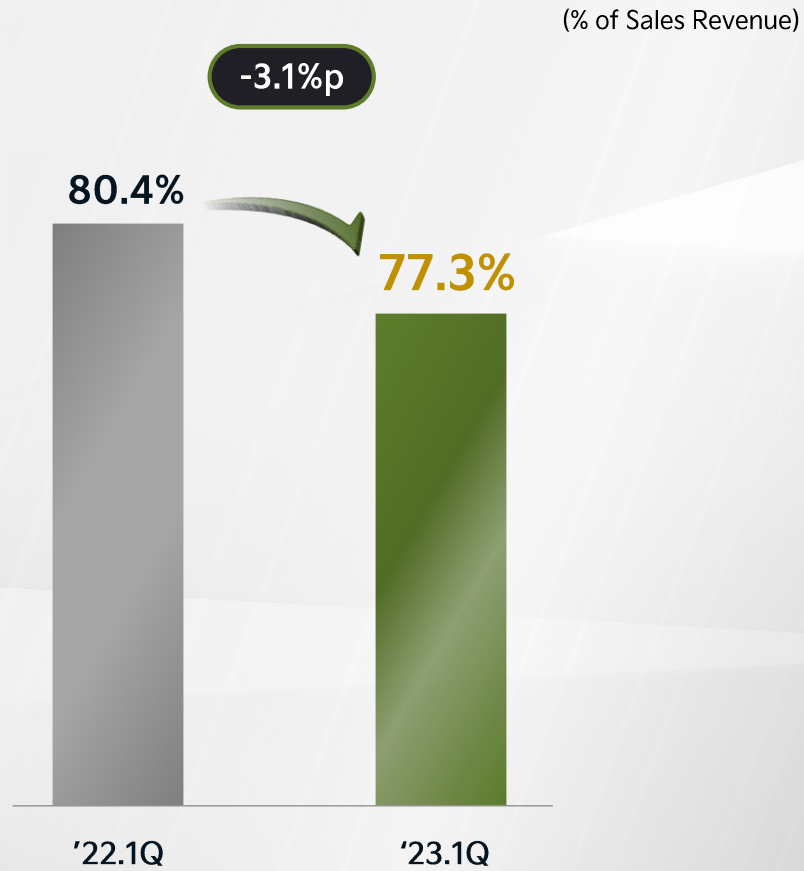
Operating Profit Analysis



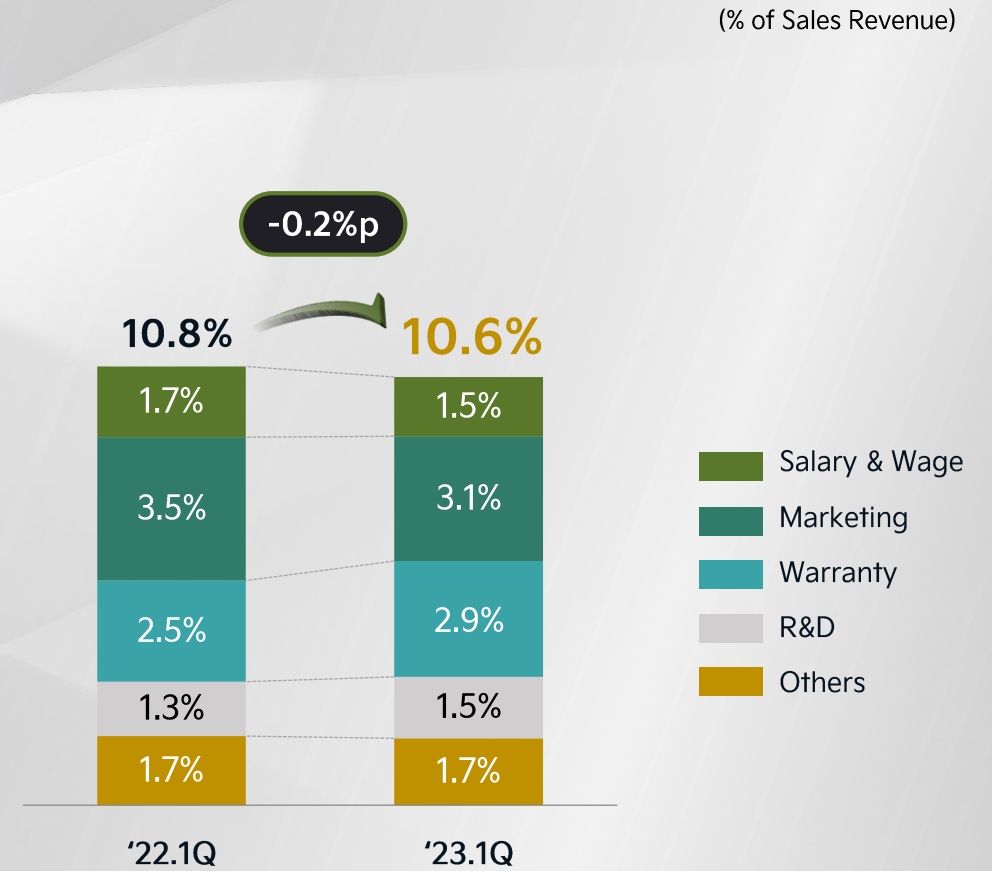
COS & SG&A



Cost of Sales



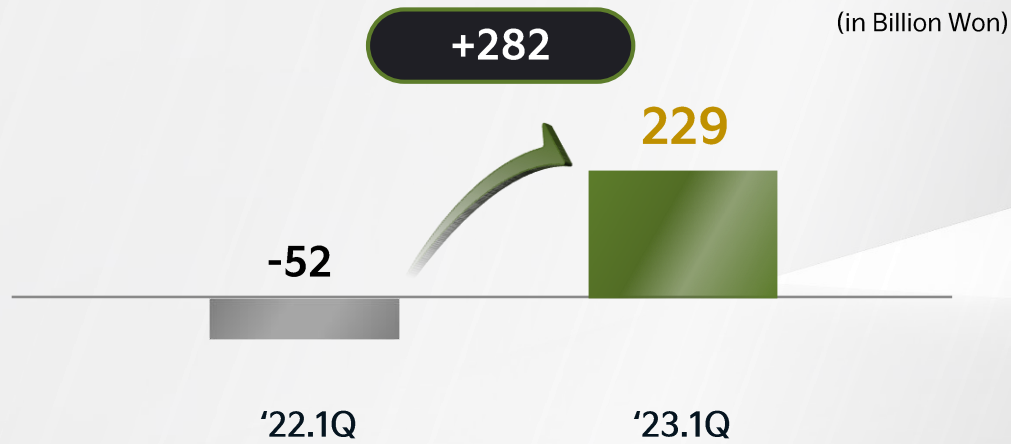
SG&A



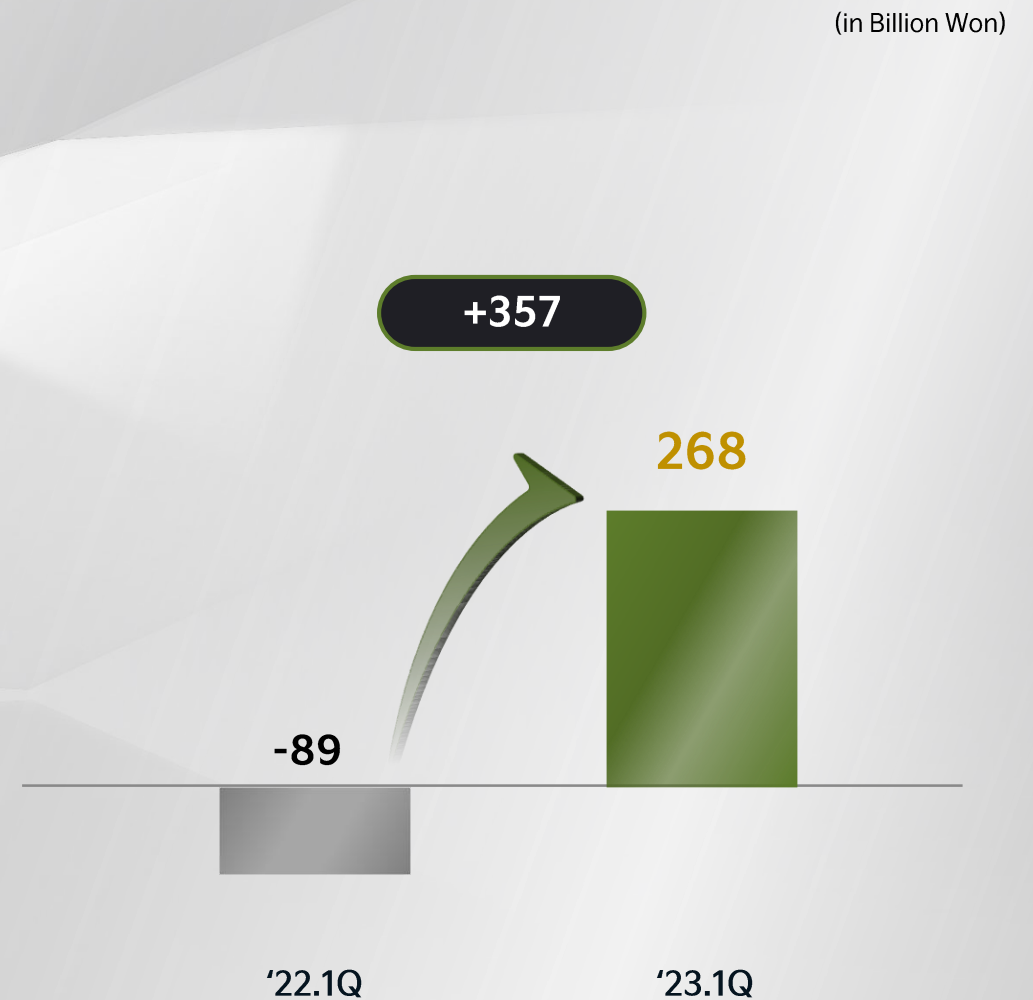
* Marketing Expenses :
Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Non-Operating Items

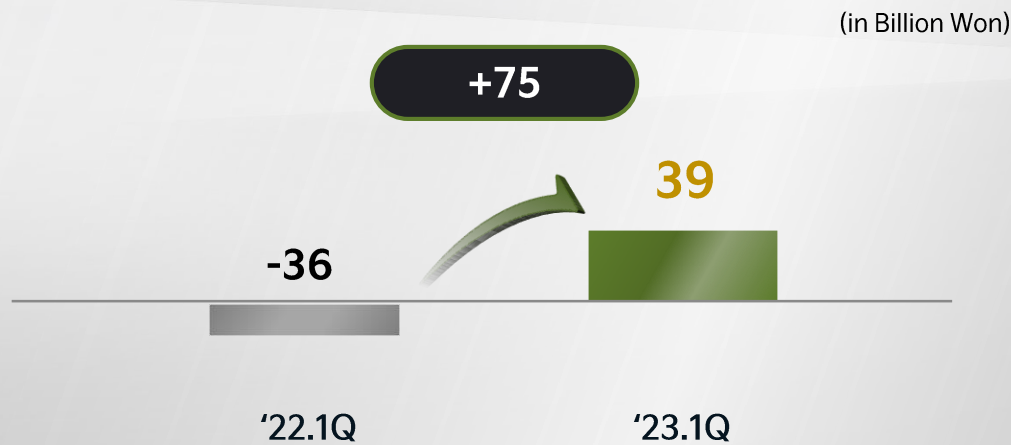
Equity Earnings (a)



Non-OP Income (a+b)



Financial & Other Income / Expense (b)



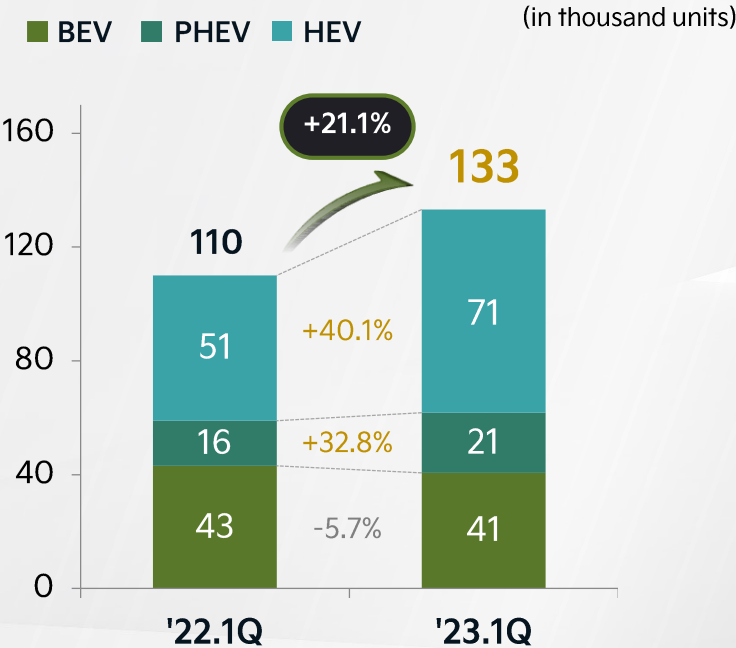
Consolidated Balance Sheet

(in Billion Won)	2022 Year-end	'23.1Q-end	Change
Asset	73,711	77,613	+3,902
Current Asset	34,147	37,357	+3,210
*Cash (a)	19,398	20,355	+957
Liability (b)	34,368	37,581	+3,213
Current Liability	25,378	28,363	+2,986
Debt (c)	7,473	7,305	-168
*Net Cash (a) - (c)	11,925	13,050	+1,125
Equity (d)	39,343	40,032	+688
Liability to Equity Ratio (b)/(d)	87.4%	93.9%	+6.5%p

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

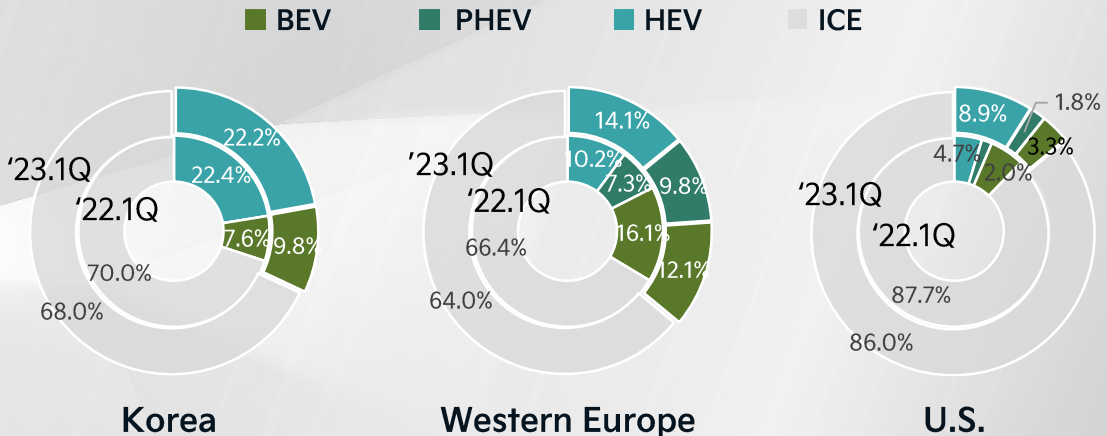
Green Car Sales Summary

Global Sales (Retail)

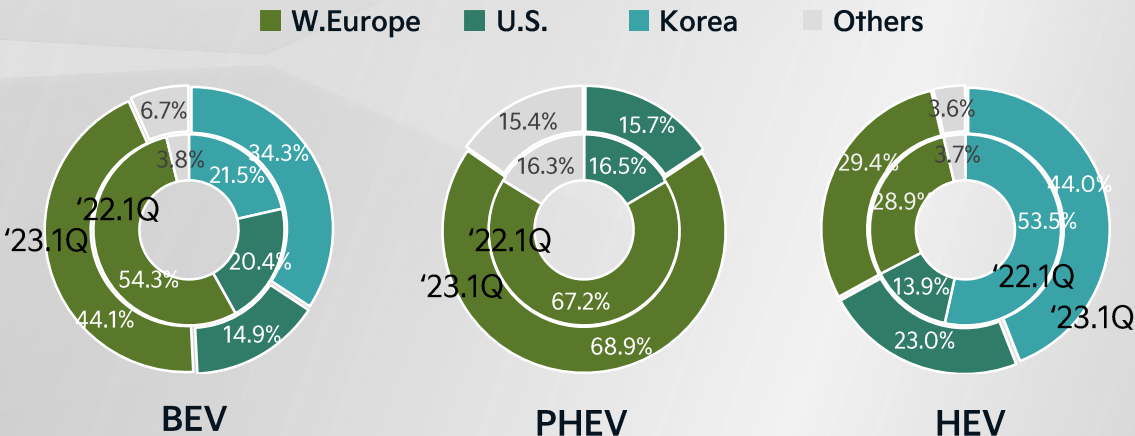


% of Sales	'22.1Q	'23.1Q
HEV	7.3%	9.7%
PHEV	2.3%	2.9%
BEV	6.2%	5.5%
ICE	84.2%	81.9%
Total Sales	698k units	737k units

Green Car Sales Contribution in Major Markets



Market Division of Green Car Sales by Type

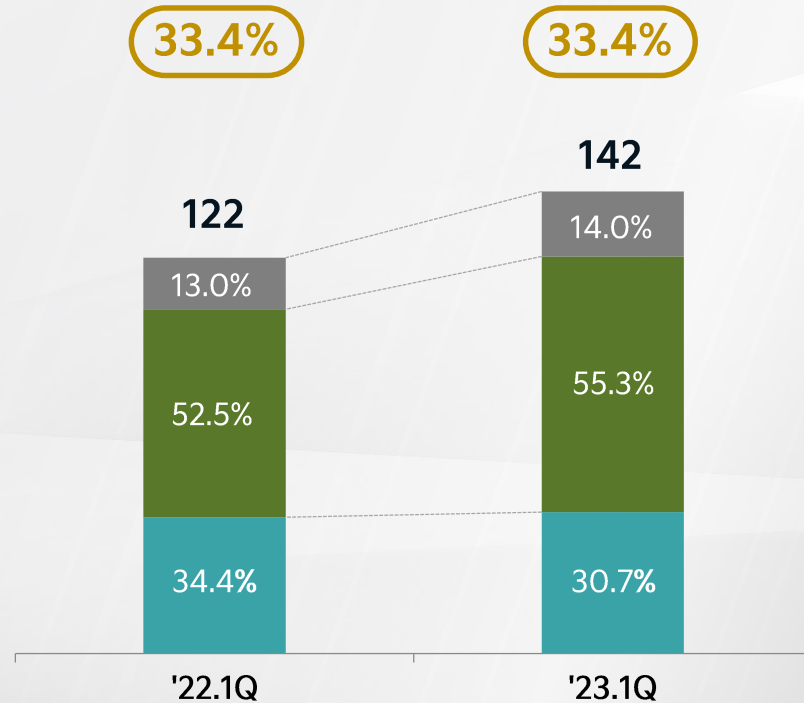


Appendix

- Sales Performance by Market (Korea, U.S., Western Europe, India, China)
 - Global Market Share Trend
 - Cash Flow Highlights
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Sales & Market Share

■ CV ■ RV ■ PC ○ M/S (in thousand units)



※ Including imported brands

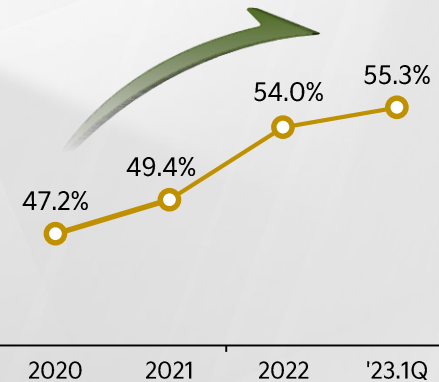
Sales Summary

Industry +16.5%

[YoY]

Kia +16.7%

RV Contribution Trend



EV9



Launch

June 2023

Dimension
(L/W/H/WB)

5,010 / 1,980 /
1,750 / 3,100

Sales Plan
(2023)

27k units / year
(16k units)

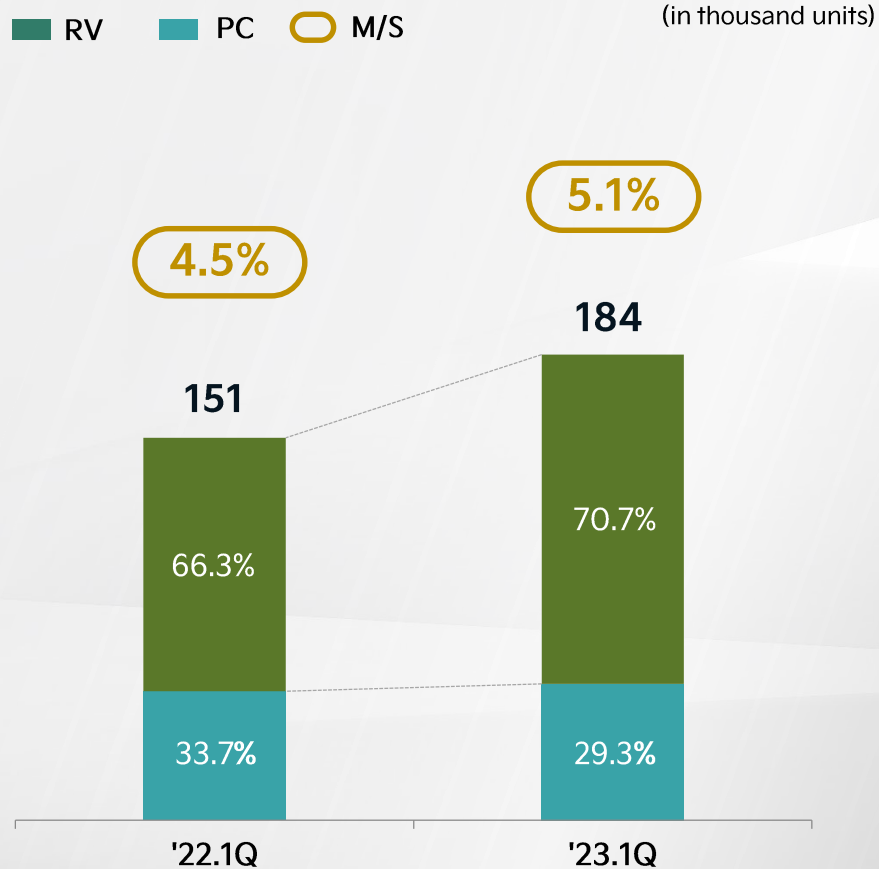
Q1 Results

- RV / high tech features sales growth thanks to increased chip supply and weekend overtime
- Mix improvement led to KRW 32mn(YoY +8.33%) ASP in Korea
- RV mix continued to improve, reaching a record high of 55.3%
- [2021] 49.4% → [2022] 54.0% → [1Q23] 55.3%

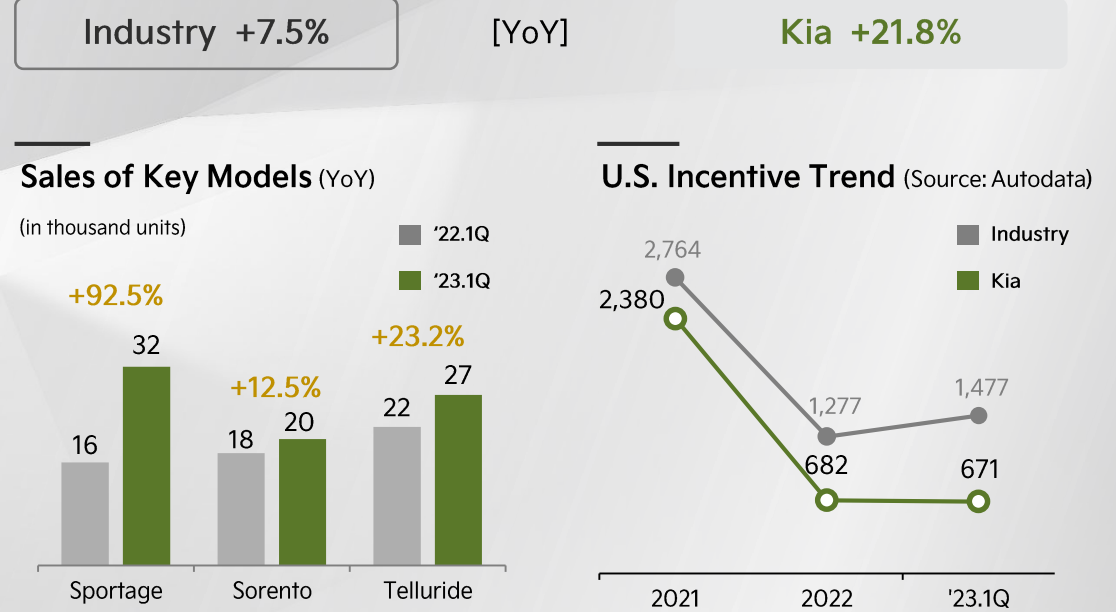
Initiatives

- Highest Q2 sales, driven by normalized production and backorders
→ Continue profitability expansion backed by strong high-spec RV demand
- Successfully launch EV9 to enhance brand equity and expand customer spectrum
- Maintain momentum with PE of volume models (Sorento, K5) in 2H

Sales & Market Share



Sales Summary



Q1 Results

- Outperformed industry growth with continued strong RV sales performance and growth
- M/S greatly improved YoY : '22.1Q 4.5% → '23.1Q 5.1%(+0.6%p)

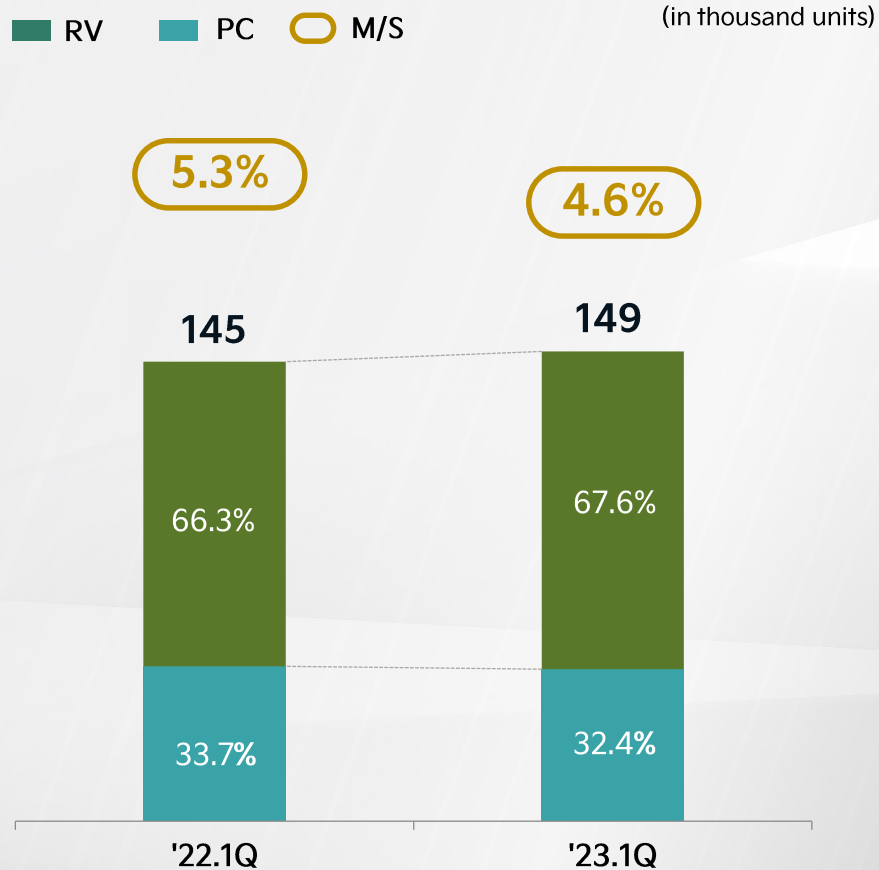
Initiatives

- Maintained industry's lowest level of incentive spending on the back of strong underlying demand
- Supply increase of lucrative RVs expected to enhance profitability
- Sportage production increase : Dual production from Korea + U.S. Plants
- Telluride annual capacity increase : ~2020 80k → 2020~100k → 2022~120k
- Various sales strategies being pursued to respond to IRA and to expand momentum of EV sales

Western Europe



Sales & Market Share



Sales Summary

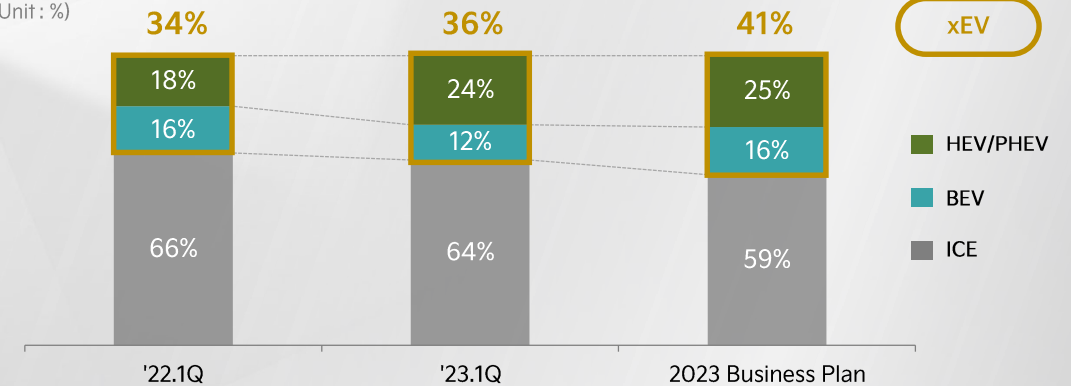
Industry +17.5%

[YoY]

Kia +2.2%

Green Car Sales Contribution

(Unit : %)



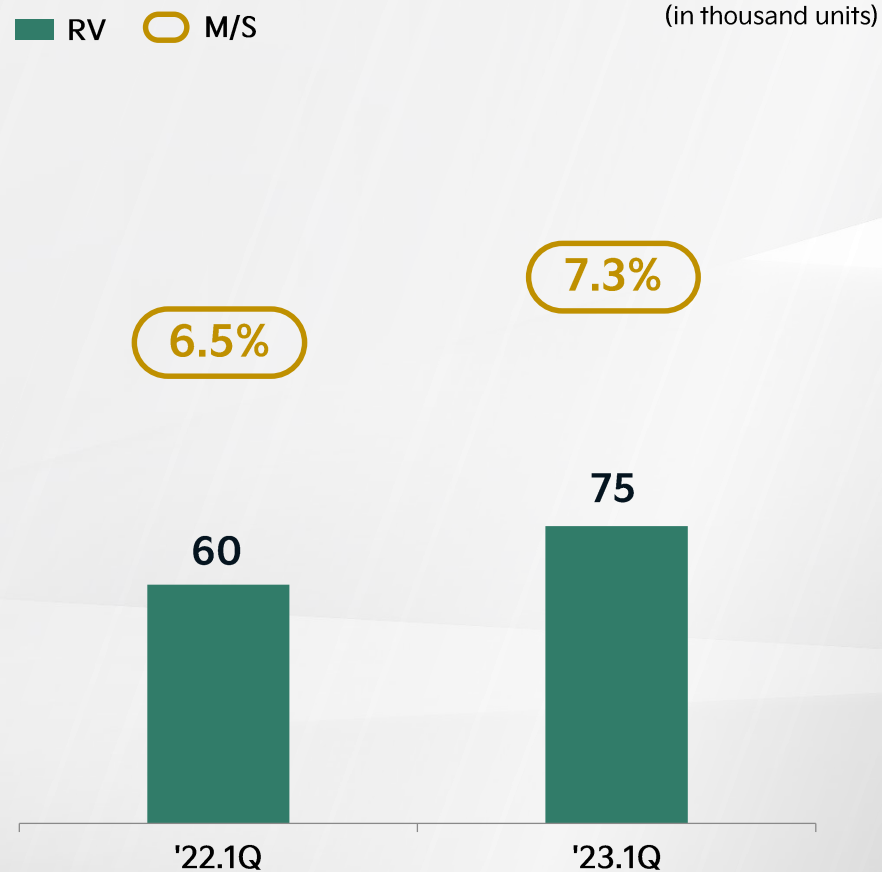
Q1 Results

- Despite high base, strong sales of Sportage(1Q Retail +27% YoY) and RVs led to sales growth
- RV mix improvement continued, growing by +1.3%p YoY
- ['22.1Q] 66.3% → ['23.1Q] 67.6%

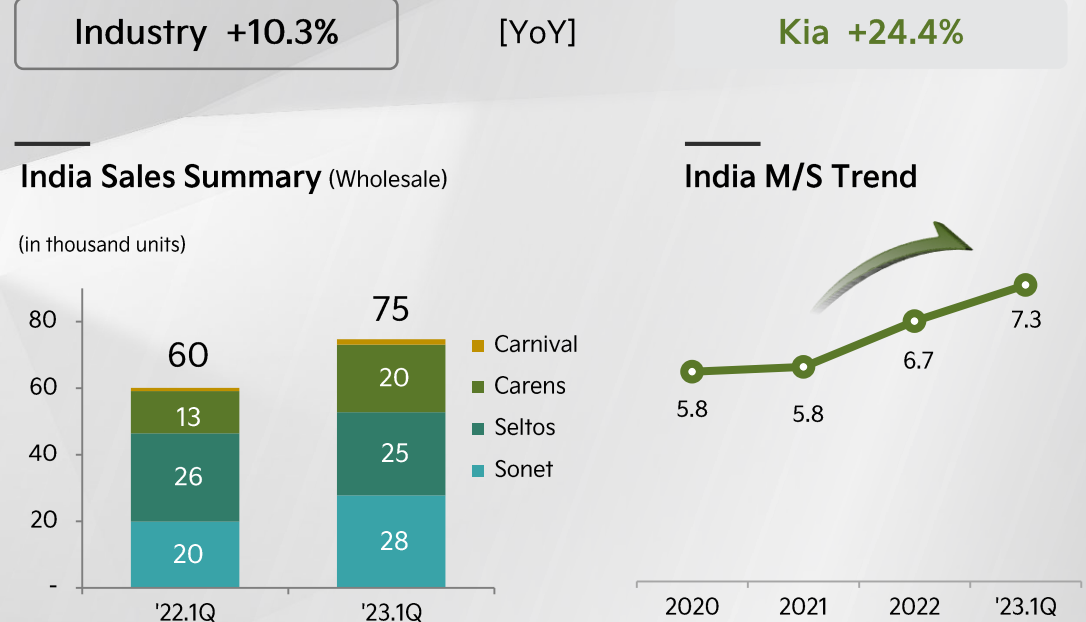
Initiatives

- Strengthen EV line-up with new models in 2H(EV6 GT, EV9) to improve EV market presence and meet CO₂ regulations
- Green car sales contribution to improve with strong sales of BEVs & Sportage HEV/PHEV
- ['22.1Q] 34% → ['23.1Q] 36% → [2023 Business Plan] 41%

Sales & Market Share (Wholesale)



Sales Summary



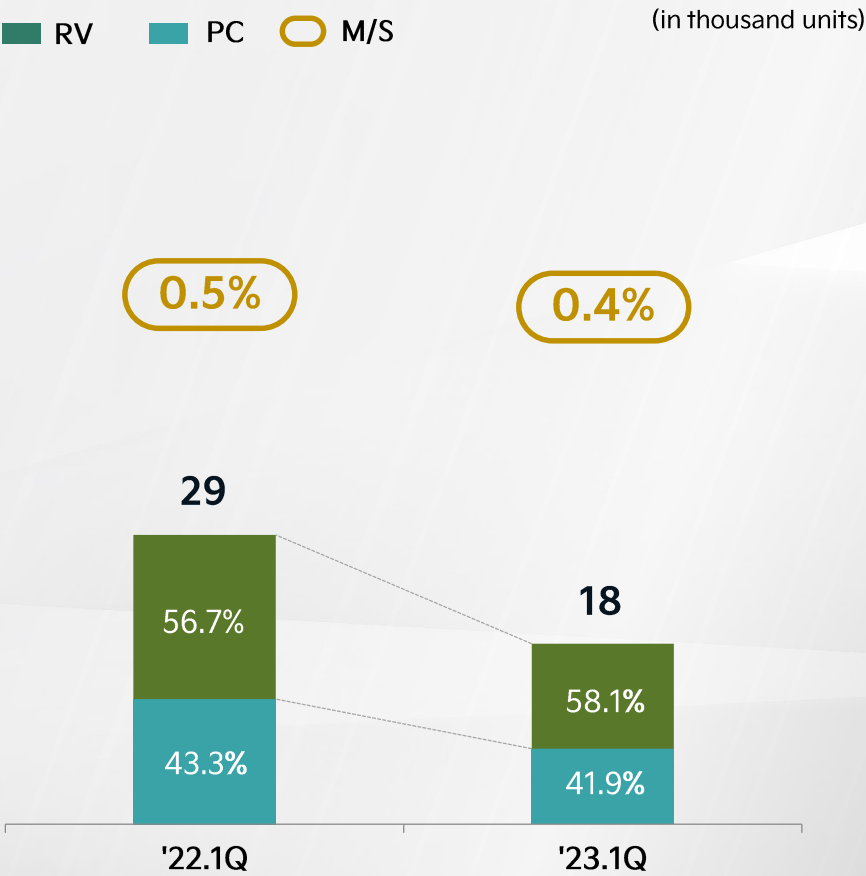
Q1 Results

- Strong sales of new model Carens and production increase with 3 shifts led to sales growth
- India Plant Annual Capacity : 2021 329k units → 2022 373k units(+13%)
- M/S grew on the back of strong demand and improved capacity

Initiatives

- Efforts to strengthen EV6(Imported from Korea) marketing activities to enhance EV leading brand image
- Launch product enhanced models in 2H (Seltos, Sonet) to expand sales momentum

Sales & Market Share (Wholesale)



Sales Summary

Industry -17.4%	[YoY]	Kia -37.7%
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2023 EV Sales Strategy

		
Model	EV6	EV5 (C-SUV EV)
Launch	June 2023	November 2023
Dimension (L/W/H/WB)	4,680 / 1,880 / 1,550 / 2,900	4,600 / 1,865 / 1,680 / 2,750
Strategy	Halo effect with launch of high performance GT model	Launch C-SUV EV (volume segment) to drive EV volume

Q1 Results

- Sales in Q1 sluggish due to impact of last year’s pent-up demand as purchase tax reduction(10% → 5%) ended in December 2022
- Lack of EV line-up in an EV centric market led to limited sales

Initiatives

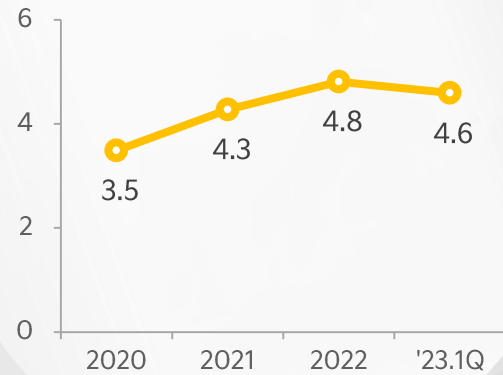
- Strengthen EV line-up (EV6, EV5) to transition to electrification
- Build EV dedicated sales channel by reconstructing dealer network with large dealers (Tier 1~2 cities) and dealer collaboration city stores
- Expand exports with idle capacity of China Plant and increase number of export models(2 → 4)

Global Market Share Trend

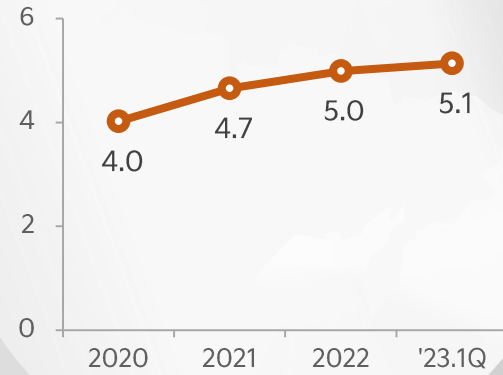
(Unit : %)

Rest of World	2020	2021	2022	'23.1Q
Russia (Region)	11.6	11.4	8.7	5.7
MEA	6.2	6.5	6.2	6.2
Latin America	2.5	3.0	3.3	3.6
Asia Pacific	3.0	3.5	3.5	3.2

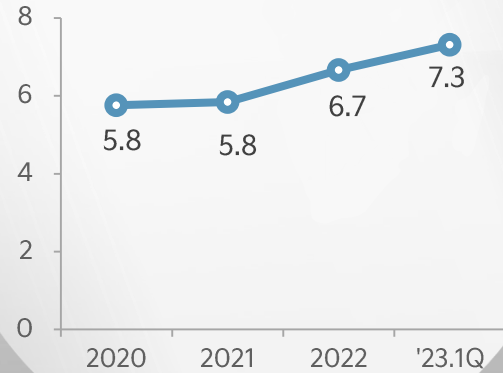
Western Europe



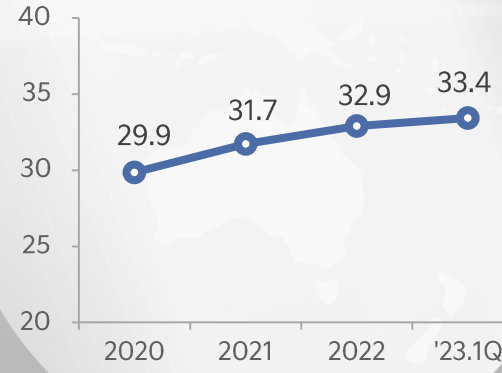
U.S.



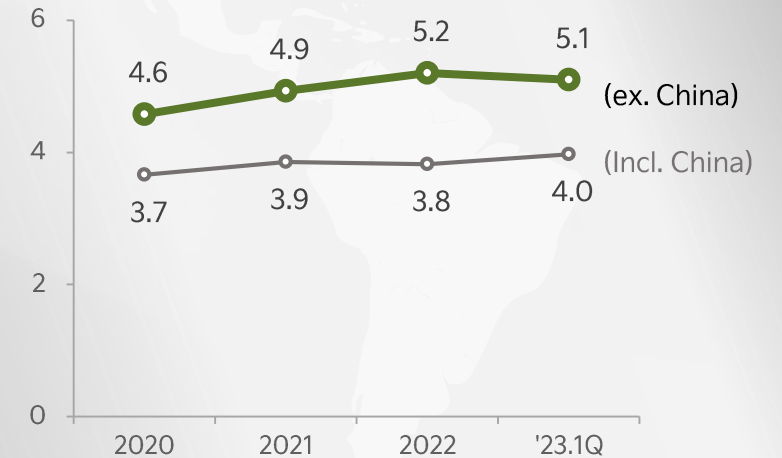
India



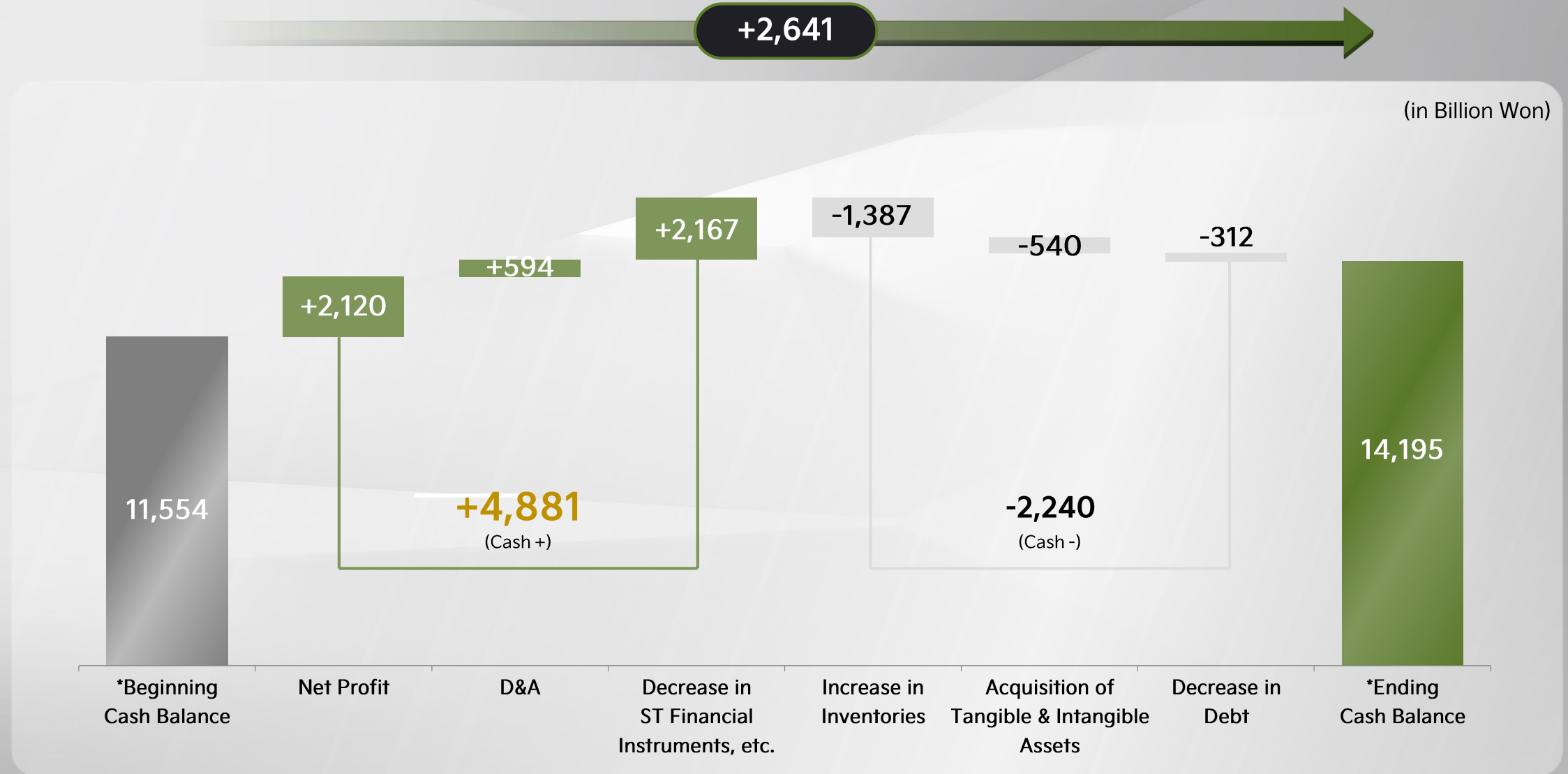
Korea



Global



Cash Flow Highlights



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



Movement that inspires