KIA CORPORATION
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
WITH THE INDEPENDENT AUDITOR'S REPORT

KIA CORPORATION

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Independent auditor's report

(English translation of a report originally issued in Korean)

The Shareholders and Board of Directors
Kia Corporation

Opinion

We have audited the consolidated financial statements of Kia Corporation and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as of December 31, 2025 and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS").

We have audited the Group's internal control over financial reporting ("ICFR") as of December 31, 2025 based on the *Conceptual Framework for Design and Operation of ICFR* established by the Operating Committee of ICFR in Korea, in accordance with Korean Standards on Auditing ("KSA"), and our report dated March 12, 2026 expressed an unqualified opinion thereon.

Basis for opinion

We conducted our audit in accordance with KSA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

A key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Completeness of recognition and accuracy of measurement of provisions for product warranties

As described in Note 19 to the consolidated financial statements, the Group recognizes provisions for product warranties in respect of its obligations to provide general product warranty services in connection with vehicle sales, as well as related obligations for recall campaigns and corrective actions arising from product defects, quality issues, or safety concerns. As of December 31, 2025, the consolidated financial statements include provisions for product warranties totaling KRW 8,551,238 million.

The Group recognizes the expenses related to general product warranty as provisions at the time of vehicles sales. The expenses associated with recall campaigns and corrective actions are recognized as provisions when they are probable and estimable.

Provisions for product warranties are measured using a complex estimation model based on historical data. Such estimates involve significant uncertainty arising from management's assumptions and judgments, and the amounts are material. Accordingly, auditing provisions for product warranties is an area that requires an auditor to obtain a thorough understanding of, and perform appropriate audit procedures to evaluate, complex estimation model and management's underlying assumptions and judgments. Consequently, this area requires application of a high degree of professional judgment and the exercise of professional skepticism and professional due care throughout the audit.

In consideration of these characteristics related to the recognition and measurement of provisions for product warranties, we have determined this matter to be a key audit matter.

The principal audit procedures we performed in response to this matter included the following:

- Evaluate design by obtaining an understanding and test operating effectiveness of the relevant internal controls of the processes related to the recognition and measurement of provisions for product warranties.
- Evaluate the effectiveness of relevant controls related to the generation and aggregation of the underlying historical data by obtaining an understanding and testing of the management's product warranty estimation process.
- Evaluate the completeness and accuracy of historical data for product warranties used by management in the estimation.
- Assess the reasonableness of key assumptions applied by management in calculating provisions for product warranties by comparative analysis of historical data.
- Perform sensitivity analyses to assess the impact of potential changes in key assumptions on the balance of provisions for product warranties.
- Compare management's estimates with the actual costs incurred and evaluate the reasonableness of the related estimates in relation to recall and corrective action programs.
  Assess the completeness of recall and corrective action programs by comparing the details at year end with the publicly available information and other relevant external sources.

Other matter

The consolidated financial statements of the Group for the year ended December 31, 2024 were audited by another auditor, whose report dated March 6, 2025 expressed an unqualified opinion thereon.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with KIFRS, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with KSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with KSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Hee-Yeong Kim.

Ernst & Young Han Young

March 12, 2026

This audit report is effective as of March 12, 2026, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying consolidated financial statements and may result in modifications to this report.

KIA CORPORATION
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR EACH OF THE TWO YEARS IN THE PERIOD ENDED DECEMBER 31, 2025

"The accompanying consolidated financial statements, including all footnotes and disclosures, were prepared by, and are the responsibility of, the Group."

Song, Ho Sung
Chief Executive Officer
KIA CORPORATION

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KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of financial position

as of December 31, 2025 and 2024

(In millions of Korean won)

	Note	December 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	6,7,35	₩ 13,998,106	₩ 13,566,568
Short-term financial instruments	7,35	7,661,873	5,285,078
Other financial assets	8,21,35	761,656	3,337,945
Accounts and notes receivable – trade	5,26.35	3,551,824	3,561,295
Accounts and notes receivable – others	5,35	3,225,424	3,157,669
Advanced payments	35	89,887	112,909
Inventories	9	14,666,201	12,419,084
Current tax assets		110,367	61,805
Other assets	6,7,35	360,591	295,104
Total current assets		44,425,929	41,797,457
Non-current assets			
Long-term financial instruments	7,35	345,981	1,057,374
Other financial assets	5,8,20,21,35	2,911,533	2,579,287
Long-term accounts and notes receivable – trade	5,26,35	5,104	64
Investments in joint ventures and associates	10	25,237,625	23,858,213
Property, plant and equipment and right-of-use assets	4,11,20,32	20,304,175	18,279,448
Investment properties	4,12	22,409	24,422
Intangible assets	4,13,14	4,805,707	4,093,926
Deferred tax assets	30	619,920	667,006
Other assets	18	300,672	398,677
Total non-current assets		54,553,126	50,958,417
Total assets		₩ 98,979,055	₩ 92,755,874

(Continued)

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of financial position

as of December 31, 2025 and 2024

(In millions of Korean won)

	Note	December 31, 2025	December 31, 2024
Liabilities			
Current liabilities			
Accounts and notes payable – trade	34,35	₩ 10,662,248	₩ 10,454,734
Short-term borrowings	15,20,34,35	211,292	220,859
Accounts and notes payable – others	34,35	5,220,215	4,341,039
Advances received	26	817,228	454,016
Accrued expenses	34,35	3,081,256	2,466,915
Current tax liabilities		793,947	1,795,408
Current portion of long-term liabilities	16,20,33,34,35	1,153,667	837,812
Provisions	19,20	5,590,562	5,587,364
Other liabilities	17,21,26,32,33, 34,35	847,917	819,229
Total current liabilities		28,378,332	26,977,376
Non-current liabilities			
Bonds	16,20,33,34,35	978,970	2,175,573
Long-term advances received	26	119,752	127,038
Net defined benefit liabilities	18	7,415	4,799
Provisions for long-term employee benefits		478,890	387,973
Provisions	19,20	3,467,552	3,221,180
Deferred tax liabilities	30	1,767,979	1,463,731
Other liabilities	17,21,26,32,33, 34,35	2,589,701	2,557,895
Total non-current liabilities		9,410,259	9,938,189
Total liabilities		37,788,591	36,915,565
Equity			
Owners of the Parent Company			
Capital stock	22	2,139,317	2,139,317
Share premium		1,560,650	1,560,650
Retained earnings	23	54,519,590	50,241,096
Accumulated other comprehensive income	8,22	2,931,060	2,038,913
Other components of equity	22	37,267	(148,811)
Owners of the Parent Company		61,187,884	55,831,165
Non-controlling interests		2,580	9,144
Total equity		61,190,464	55,840,309
Total liabilities and equity		₩ 98,979,055	₩ 92,755,874

The accompanying notes are an integral part of the consolidated financial statements.

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of profit or loss

for each of the two years in the period ended December 31, 2025

(In millions of Korean won, except earnings per share information)

	Note	2025	2024
Sales	4,26,36	₩ 114,140,919	₩ 107,448,752
Cost of sales	31,36	91,632,842	82,677,981
Gross profit		22,508,077	24,770,771
Selling expenses	27,31,36	7,604,739	7,043,758
General and administrative expenses	27,31,36	5,825,190	5,059,874
Operating profit		9,078,148	12,667,139
Gain on investments in associates and joint ventures, net	10	414,969	395,366
Finance income	28,35,36	1,299,983	1,351,206
Finance expenses	28,35,36	577,624	609,619
Other income	29,36	1,213,298	1,125,955
Other expenses	29,36	1,187,383	1,429,846
Profit before income taxes		10,241,391	13,500,201
Income tax expenses	30	2,687,217	3,725,196
Profit for the year		₩ 7,554,174	₩ 9,775,005
Profit attributable to:			
Owners of the Parent Company		₩ 7,560,983	₩ 9,772,957
Non-controlling interests		(6,809)	2,048
Earnings per share attributable to the owners of the Parent Company			
Basic earnings per share in Korean won	24	₩ 19,382	₩ 24,893

The accompanying notes are an integral part of the consolidated financial statements.

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of comprehensive income

for each of the two years in the period ended December 31, 2025

(In millions of Korean won)

		2025		2024
Profit for the year	₩	7,554,174	₩	9,775,005
Other comprehensive income for the year:				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans		(45,923)		(177,689)
Remeasurements of investments in associates, net		(24,762)		(47,437)
Gain on financial assets measured at fair value through other comprehensive income ("FVOCI"), net		118,750		1,108
Equity adjustments using the equity method		-		95,318
		48,065		(128,700)
Items that may be reclassified subsequently to profit or loss:				
Gain (0oss) on valuation of derivatives, net		11,111		(3,675)
Equity adjustments using the equity method		116,303		947,849
Gain on translation of foreign operations, net		661,666		1,220,549
		789,080		2,164,723
Total other comprehensive income for the year		837,145		2,036,023
Total comprehensive income	₩	8,391,319	₩	11,811,028
Comprehensive income attributable to:				
Owners of the Parent Company	₩	8,397,883	₩	11,807,735
Non-controlling interests		(6,564)		3,293

The accompanying notes are an integral part of the consolidated financial statements.

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of changes in equity

for each of the two years in the period ended December 31, 2025

(In millions of Korean won)

	Attributable to the owners of the Parent Company							
	Capital stock	Share premium	Retained earnings	Accumulated other comprehensive income	Other components of equity	Total	Non-controlling interests	Total
Balance as of January 1, 2024	₩ 2,139,317	₩ 1,560,650	₩ 43,270,759	₩ (220,991)	₩ (197,351)	₩46,552,384	₩ 5,851	₩ 46,558,235
Comprehensive income:								
Profit for the year	-	-	9,772,957	-	-	9,772,957	2,048	9,775,005
Gain on financial assets at FVOCI, net	-	-	-	1,108	-	1,108	-	1,108
Loss on valuation of derivatives, net	-	-	-	(3,675)	-	(3,675)	-	(3,675)
Equity adjustment using the equity method, net	-	-	-	1,043,167	-	1,043,167	-	1,043,167
Remeasurements of defined benefit plans	-	-	(177,689)	-	-	(177,689)	-	(177,689)
Remeasurements of investments in associates, net	-	-	(47,437)	-	-	(47,437)	-	(47,437)
Gain on translation of foreign operations, net	-	-	-	1,219,304	-	1,219,304	1,245	1,220,549
Subtotal	-	-	9,547,831	2,259,904	-	11,807,735	3,293	11,811,028
Transactions with the owners recognized directly in equity:								
Annual dividends	-	-	(2,194,277)	-	-	(2,194,277)	-	(2,194,277)
Acquisition of treasury stocks	-	-	-	-	(500,050)	(500,050)	-	(500,050)
Disposal of treasury stocks	-	-	-	-	165,373	165,373	-	165,373
Retirement of treasury stocks	-	-	(383,217)	-	383,217	-	-	-
Subtotal	-	-	(2,577,494)	-	48,540	(2,528,954)	-	(2,528,954)
Balance as of December 31, 2024	₩ 2,139,317	₩ 1,560,650	₩ 50,241,096	₩ 2,038,913	₩ (148,811)	₩55,831,165	₩ 9,144	₩ 55,840,309

(Continued)

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of changes in equity

for each of the two years in the period ended December 31, 2025

(In millions of Korean won)

	Attributable to owners of the Company							
	Capital stock	**Capital surplus**	**Retained earnings**	**Accumulated other comprehensive income(loss)**	**Other equity**	**Total**	**Non-controlling interests**	**Total**
Balance as of January 1, 2025	₩ 2,139,317	₩ 1,560,650	₩ 50,241,096	₩ 2,038,913	₩ (148,811)	₩ 55,831,165	₩ 9,144	₩ 55,840,309
Comprehensive income:								
Profit (loss) for the year	-	-	7,560,983	-	-	7,560,983	(6,809)	7,554,174
Gain on financial assets at FVOCI, net	-	-	15,438	103,312	-	118,750	-	118,750
Gain on valuation of derivatives, net	-	-	-	11,111	-	11,111	-	11,111
Equity adjustments using the equity method, net	-	-	-	116,303	-	116,303	-	116,303
Remeasurements of defined benefit plans	-	-	(45,923)	-	-	(45,923)	-	(45,923)
Remeasurements of investments in associates, net	-	-	(24,762)	-	-	(24,762)	-	(24,762)
Gain on translation of foreign operations, net	-	-	-	661,421	-	661,421	245	661,666
Subtotal	-	-	7,505,736	892,147	-	8,397,883	(6,564)	8,391,319
Transactions with the owners recognized directly in equity:								
Annual dividends	-	-	(2,559,045)	-	-	(2,559,045)	-	(2,559,045)
Acquisition of treasury stocks	-	-	-	-	(700,045)	(700,045)	-	(700,045)
Disposal of treasury stocks	-	-	-	-	217,766	217,766	-	217,766
Retirement of treasury stocks			(668,197)		668,197			
Others	-	-	-	-	160	160	-	160
Subtotal	-	-	(3,227,242)	-	186,078	(3,041,164)	-	(3,041,164)
Balance as of December 31, 2025	₩ 2,139,317	₩ 1,560,650	₩ 54,519,590	₩ 2,931,060	₩ 37,267	₩ 61,187,884	₩ 2,580	₩ 61,190,464

The accompanying notes are an integral part of the consolidated financial statements.

KIA CORPORATION AND ITS SUBSIDIARIES
Consolidated statements of changes in equity

for each of the two years in the period ended December 31, 2025

(In millions of Korean won)

	Note	2025	2024
Cash flows from operating activities			
Cash generated from operations	30	₩ 11,681,181	₩ 15,154,062
Interest received		852,013	936,662
Interest paid		(138,132)	(167,854)
Dividends received		197,802	184,766
Income tax paid		(3,538,724)	(3,543,268)
Net cash flows provided by operating activities		9,054,140	12,564,368
Cash flows from investing activities			
Increase(Decrease) in short-term financial instruments, net		1,160,769	(2,124,633)
Decrease in other current financial assets, net		2,814,526	747,678
Decrease in long-term financial instruments		47	13,026
Decrease in other non-current financial assets		52,064	27,373
Disposal of investments in associates and joint ventures		2,158	17,552
Disposal of property, plant and equipment		171,519	61,539
Disposal of intangible assets		2,443	5,070
Cash inflows from other investing activities		10,095	-
Increase in long-term financial instruments		(2,833,800)	(1,635,000)
Increase in other non-current financial assets		(277,557)	(1,059,211)
Acquisition of investments in joint ventures and associates		(1,067,091)	(1,523,616)
Acquisition of property, plant and equipment		(3,764,508)	(3,485,121)
Acquisition of intangible assets		(1,228,561)	(1,197,479)
Cash outflows from other investing activities		(1,996)	-
Net cash flows used in investing activities		(4,959,892)	(10,152,822)
Cash flows from financing activities			
Increase (decrease) in short-term borrowings		(10,402)	90,246
Cash inflows from other financing activities		352	117,839
Repayment of borrowings		(200,000)	(337,650)
Repayment of bonds		(630,200)	(675,110)
Payment of dividends		(2,559,045)	(2,194,277)
Acquisition of treasury stocks		(700,045)	(500,050)
Cash outflows from other financing activities		(76,118)	(70,985)
Net cash flows used in financing activities		(4,175,458)	(3,569,987)
Effect of exchange rate changes on cash and cash equivalents		512,748	371,867
Net increase (decrease) in cash and cash equivalents		431,538	(786,574)
Cash and cash equivalents as of January 1		13,566,568	14,353,142
Cash and cash equivalents as of December 31		₩ 13,998,106	₩ 13,566,568

The accompanying notes are an integral part of the consolidated financial statements.

1. General overview on the Company and its subsidiaries

(1) General overview on the Parent Company

Kia Corporation (the "Company") was established in December 1944 under the laws of the Republic of Korea to manufacture and sell a range of passenger cars, recreational vehicles and other commercial vehicles in domestic and international markets. The Company owns and operates three principal automobile production facilities in Korea, namely the Gwangmyeong autoland, Hwasung autoland and Kwangju autoland. On March 22, 2021, the Company changed its name from Kia Motors Corporation to Kia Corporation.

The shares of the Company have been listed on the Korea Exchange since 1973. As of December 31, 2025, the Company's largest shareholder is Hyundai Motor Company, which holds 34.53% of the Company's stock issued and outstanding.

The consolidated financial statements of the Company and its subsidiaries (the "Group") comprise the Group and its interests in associates and joint ventures.

(2) Group's subsidiaries

Details of the Group's subsidiaries as of December 31, 2025 are as follows:

Subsidiaries	Location	Main business	Year-end reporting date	Percentage of ownership
Kia America, Inc. (KUS)	U.S.A.	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Georgia, Inc. (KaGA)(*1)	U.S.A.	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Canada Inc. (KCA)(*2)	Canada	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Deutschland GmbH (KDE)	Germany	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Europe GmbH (Kia EU)	Germany	Holding company	December31	100.00%
Kia Polska Sp. z o.o. (KPL)(*3)	Poland	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Slovakia s.r.o. (KaSK)	Slovakia	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Sales Slovakia s.r.o. (KSK)(*4)	Slovakia	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Belgium N.V.(KBE)(*6)	Belgium	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Czech s.r.o.(KCZ)(*4)	Czech	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia UK Limited (KUK)(*4)	United Kingdom	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Austria GmbH (KAT)(*4)	Austria	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Hungary Kft. (KHU)(*5)	Hungary	Manufacturing and sales of motor vehicles and parts	December 31	100.00%

1. General overview on the Company and its subsidiaries, Continued

(2) Group's subsidiaries, Continued

Subsidiaries	Location	Main business	Year-end reporting date	Percentage of ownership
Kia Iberia S.L.(KES)(*4)	Spain	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Sweden AB (KSE)(*4)	Sweden	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia France (KFR)(*4)	France	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Nederland B.V. (KNL)(*4)	Netherlands	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Italia S.r.l. (KIT)(*4)	Italy	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Russia & CIS, LLC (Kia RUS&CIS)(*7)	Russia	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Australia Pty Ltd. (KAU)	Australia	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia New Zealand Limited (KNZ)(*8)	New Zealand	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Mexico, S.A. de C.V. (KMX)(*9)	Mexico	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia India Private Limited (KIN)	India	Manufacturing and sales of motor vehicles and parts	March 31	99.99%
Kia Malaysia Sdn Bhd (KMY)	Malaysia	Manufacturing and sales of motor vehicles and parts	December 31	66.67%
PT Kia Sales Indonesia (KID)(*10,11)	Indonesia	Manufacturing and sales of motor vehicles and parts	December 31	99.99%
Kia Sales Malaysia Sdn Bhd (KSM)(*11)	Malaysia	Manufacturing and sales of motor vehicles and parts	December 31	100.00%
Kia Mobility Solutions, LLC (KMS)(*1,11)	U.S.A.	Finance	December 31	100.00%

(*1) 100.00% owned by KUS
(*2) 17.47% owned by KUS
(*3) 100.00% owned by KDE
(*4) 100.00% owned by Kia EU
(*5) 100.00% owned by KAT
(*6) 99.99% owned by Kia EU and 0.01% owned by KDE
(*7) 80.00% owned by Kia EU and 20.00% owned by KDE
(*8) 100.00% owned by KAU
(*9) 0.01% owned by KUS
(*10) 0.01% owned by KAPAC
(*11) For the year ended December 31, 2025, KSM and KMS were established.

1. General overview on the Company and its subsidiaries, Continued

(3) Condensed financial information on major subsidiaries

The condensed financial information on major subsidiaries (before eliminating intra-group transaction) as of and for the years ended December 31, 2025 and 2024 is as follows:

(i) Condensed financial information as of and for the year ended December 31, 2025

(In millions of Korean won)

Subsidiaries	Total assets	Total liabilities	Sales	Net income
KUS	₩ 14,695,685	₩ 7,217,965	₩ 41,924,262	₩ 1,170,322
KaGA	5,924,444	5,637,526	16,070,072	303,070
KaSK	6,966,952	2,594,556	11,441,269	724,997
KMX	3,665,535	1,744,959	8,958,992	318,146
KIN	3,221,749	1,337,343	5,752,746	176,659

(ii) Condensed financial information as of and for the year ended December 31, 2024

(In millions of Korean won)

Subsidiaries	Total assets	Total liabilities	Sales	Net income
KUS	₩ 13,038,247	₩ 6,607,647	₩ 39,408,225	₩ 845,697
KaGA	5,901,156	5,595,874	15,082,175	1,017,549
KaSK	5,868,154	2,592,445	11,915,191	1,006,843
KMX	3,514,417	1,875,370	7,837,115	305,163
KIN	3,165,735	1,324,509	5,142,920	255,792

(4) The financial statements of all subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting periods as the Company's.

2. Basis of preparation

(1) Statement of compliance

The Group prepares statutory financial statements in Korean in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS"), enacted by the *Act on External Audit of Stock Companies*. The accompanying consolidated financial statements have been translated into English from Korean financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's report thereon, Korean version, which is used for regulatory reporting purposes, shall prevail.

(2) Basis of measurement

The consolidated financial statements are based on historical costs, except for the major items in the consolidated statements of financial position listed below.

① Financial assets measured at fair value through profit or loss ("FVPL")
② Financial assets measured at fair value through other comprehensive income ("FVOCI")
③ Net defined benefit liabilities are recognized at the net of the total present values of defined benefit obligations less the fair values of plan assets
④ Derivatives measured at fair value

2. Basis of preparation, Continued

(3) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the functional currency). For the purpose of the financial statements, the results and financial position of the Group are expressed in Korean won (presented herein as "Korean won", "KRW" or "₩"), which is the functional currency of the Group and the presentation currency for the financial statements.

(4) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with KIFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The information on assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following note:

① Note 18: Retirement benefit plan;
② Note 19: Provisions;
③ Note 20: Contingent liabilities and commitments;
④ Note 26: Revenue from contracts with customers;
⑤ Note 30: Income tax expenses; and
⑥ Note 32: Lease

(5) Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of KIFRS, including the level in the fair value hierarchy in which such valuations should be classified.

3. Material accounting policies

The material accounting policies applied by the Group in preparation of its consolidated financial statements are included below. The accounting policies have been consistently applied in preparing the accompanying consolidated financial statements for both periods presented.

(1) Basis of consolidation

① ***Elimination of intra-group transactions***

Intra-group balances and transactions, and any unrealized gains and losses resulting from intra-group transactions, are eliminated in preparing the consolidated financial statements.

② ***Non-controlling interests***

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

(2) Cash and cash equivalents

Cash and cash equivalents composed of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value.

(3) Inventories

The cost of inventories is determined based on the specific identification method for materials-in-transit and the moving-average method for all other inventories. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

(4) Non-derived financial assets

Accounts receivable and issued debt securities are initially recognized at the time of issuance. Other financial instruments and financial liabilities are recognized only when the Group becomes a party to the financial instrument arrangement.

The Group holds MMT and MMW for short-term funding management purposes and accounts for the underlying assets as if they were held directly. Among the underlying assets, assets that meet the definition of cash and cash equivalents are classified as cash and cash equivalents, while other underlying assets are classified as financial assets. Based on the evaluation of the business model and the evaluation of whether the cash flow is composed solely of principal and interest (SPPI), the Group classifies the assets as financial assets measured at fair value through profit or loss, or financial assets measured at amortization cost.

(5) Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities into financial liabilities at fair value through profit or loss or other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities. The Group recognizes financial liabilities in the consolidated statements of financial position when the Group becomes a party to the contractual provisions of the financial liability.

3. Material accounting policies, Continued

(6) Derivative financial instruments, including hedge accounting

The Group holds derivative contracts to manage foreign exchange and interest rate risk. The Group designated derivatives as hedging instruments to hedge the foreign currency risk of assets or liabilities and interest rate fluctuation risk (a cash flow hedge).

On initial designation of the hedge, the Group formally documents the relationship between the hedging instruments and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship, as well as on an ongoing basis, whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the cash flows of the respective hedged items during the period for which the hedge is designated.

(7) Impairment of financial assets

For trade receivables and contract assets, the Group does not track changes in credit risk but instead recognizes impairment loss at an amount equal to the lifetime ECLs at period end. The Group establishes the allowance rate matrix based on historical credit loss experience adjusted to reflect forward-looking information regarding specific counterparties and the economic environment.

(8) Property, plant and equipment

Property, plant and equipment, except for land, are depreciated on a straight-line basis over estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed. A component that is significant compared to the total cost of property, plant and equipment is depreciated over its consolidated useful life.

The estimated useful lives of the Group's property, plant and equipment are as follows:

	Estimated useful lives (years)
Buildings and structures	20 – 40
Machinery and equipment	4 - 15
Dies, molds and tools	5
Vehicles	5, 15

(9) Intangible assets

Intangible assets are measured initially at cost and, subsequently, are carried at cost, less accumulated amortization and accumulated impairment losses.

Amortization of intangible assets except for goodwill is calculated on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for intended use. The residual value of intangible assets except for goodwill is zero. However, as useful lives of intangible assets are not foreseeable to the periods over which memberships are expected to be available for use, this intangible asset is determined as having indefinite useful lives and not amortized.

The estimated useful lives of the Group's intangible assets are as follows:

	Estimated useful lives (years)
Development costs	(*)
Industrial property rights	5, 10
Software	5
Membership	Indefinite
Others	9–25

3. Material accounting policies, Continued

(9) Intangible assets, Continued

(*) Capitalized development costs are amortized over the useful life considering the life cycle of the developed products.

The Group's product development process consists of four stages which comprise prior research, development approval, product development and mass production. The product to be developed is decided based on discussions of product concepts and market research which take place in the prior research stage, and the product development is commenced upon management's approval. In general, the Group recognizes intangible assets when development activities take place upon management's approval which confirms product specifications, release schedules and sales plans. Prior expenditures are considered as research activities and are recognized as expense in the period in which they incurred.

(10) Investment properties

Investment properties are measured initially at cost. Transaction costs are included in the initial measurement. Subsequently, investment property is carried at depreciated cost, less any accumulated impairment losses. Investment properties are depreciated over 20-39 years with a straight-line basis.

(11) Government subsidies

Government grants that impose a basic condition that the grant be used to acquire or construct non-current assets are recognized as a deduction to the respective assets, and are recognized in profit or loss in a systematic and rational manner over the useful life of related assets.

Other government grants that are intended to compensate the Group for expenses incurred are deducted from related costs over the periods in which the Group recognizes the related costs as expenses. Government grants, which are intended to give immediate financial support to the Group with no future related costs, are recognized as government grant income in profit or loss.

(12) Employee benefits

Retirement benefits

The net defined benefit liabilities are disclosed with netting the present value of the defined benefit obligation and fair value of defined benefit plan. The calculation of defined benefit liabilities is performed annually by a qualified actuary using the projected unit credit method.

In addition, employees of KUS are eligible to participate, upon meeting certain service requirement, in the profit sharing retirement plan under the Internal Revenue Code 401(k) in the United States. KUS and employees of KUS paid each contribution during the period in which the employees render the related service.

(13) Provisions

A provision for warranties is recognized when the underlying products or services are sold. The Group estimates the provision using historical warranty data to reach the best estimate of expected present and future obligations. These estimates are based on warranties service experiences during the business operation.

(14) Revenue from contracts with customers

The Group is engaged in the production and sale of passenger cars, recreational vehicles and other commercial vehicles (hereinafter referred to as "vehicles") and their parts. The group is also engaged in the purchase and sale of used cars. In connection with a contract with a customer, the Group recognizes revenue when the control of the goods or services is transferred to the customer, at an amount that reflects the consideration expected to be paid for the goods or services.

3. Material accounting policies, Continued

(14) Revenue from contracts with customers

Since the Group controls the goods or services prior to the delivery of the contracted goods or services to the customers, it acts as a principle in such contracts.

In sales contracts, the Group may have commitments beyond the provision of vehicles and their parts with the customers. The Group assesses whether the obligations under these commitments are separate performance obligations that require the allocation of a certain portion of the transaction amount. Consequently, the Group separately identifies separate performance obligations in the sales contracts, including service type warranties, the provision of the additional service goods and services, and the provision of points for customer loyalty program, which are distinct from the provision of the vehicles and their parts.

The transaction price allocated to the performance obligation to deliver the vehicles and their parts is determined based on the individual selling price of the goods and factors in the estimated value of transaction discounts and variable consideration resulting from return or refund obligations. The Group includes in the transaction price an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty associated with the variable consideration is subsequently resolved.

(15) Finance income and finance costs

Finance income comprises interest income from the fair value measurement of financial assets at fair value through profit or loss and financial assets measured at amortized cost, income from disposal of financial assets at fair value through profit or loss and financial assets measured at amortized cost, changes in fair value of financial assets at fair value through profit or loss, gain on hedging instruments recognized in profit or loss, and dividend income from entities excluding joint ventures and associates. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Dividend income is recognized in profit on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, losses from the disposal of financial assets at fair value through profit or loss and financial assets measured at amortized cost, changes in fair value of financial assets, and loss on the hedging instrument recognized in profit or loss. Interest expense of borrowings is recognized as it accrues in profit or loss, using the effective interest method.

(16) Operating segments

The Group identifies segments based on internal reporting data reviewed periodically by top management in making decisions about resource allocation and performance assessment. As described in Note 4, the Group has one single reportable segment.

(17) Cash dividends

The Group recognizes dividends payable after approval of distribution to pay cash dividends. The distribution to shareholders requires approval by shareholders. Corresponding amounts are directly reflected in equity.

3. Material accounting policies, Continued

(18) Lease

1) Group as a lessee
At inception or effective date of change, the Group allocates the consideration in the contract to each lease on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Generally, the Group uses its incremental borrowing rate as the discount rate. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In the consolidated financial statements, the Group presents right-of-use assets that do not meet the definition of investment property as property, plant and equipment and right-of-use assets and the related lease liabilities as other liabilities.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2) Group as a lessor
When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease. To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. As one of these indicators, we consider whether the lease period accounts for a significant portion of the economic useful life of the underlying asset

(19) Income tax

Income tax expense comprises current and deferred tax.

1) Current tax
Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period and any adjustment to tax payable in respect of previous years. The taxable profit is different from the accounting profit for the period since the taxable profit is calculated excluding the temporary differences, which will be taxable or deductible in determining taxable profit (tax loss) of future periods, and non-taxable or non-deductible items from the accounting profit. Accrued income tax related to current tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2) Deferred tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent it is probable that there will be sufficient taxable profits against which benefits of the temporary differences can be utilized and they are expected to reverse in the foreseeable future.

(19) Corporate Income Tax, Continued

2) Deferred tax, Continued
Taxable temporary differences related to investments in associates may reverse through the disposal of investments, dividends received from associates, or the liquidation of associates. If the Group has no legal, contractual, or other enforceable rights to prevent associates from being liquidated even with no intention to dispose investments, the Group cannot control the timing of the reversal of the temporary differences and therefore recognizes deferred tax liabilities. Additionally, if associates choose to distribute excessive dividends at their discretion that could result in liquidation, temporary differences may reverse due to an impairment of investments. Because the Group can't control the dividend policy of associates, deferred tax liabilities are recognized for such taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or a part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

he Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3) Recognition of current and deferred tax
Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In addition, in certain jurisdictions in which the Group operates, Pillar Two legislation has been enacted or substantively enacted. Pillar Two legislation has been enacted in Korea and is effective for the Group's annual reporting periods beginning on or after January 1, 2024.

(20) New and amended standards and interpretations

Effective January 1, 2025, the Group applied for the first time the amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability* and the amendments to KIFRS 1117 *Insurance Contracts — Disclosure of Methods for Estimating Inputs Used to Measure Insurance Contract*. These amendments, as well as other standards that became effective on January 1, 2025, do not have a material impact on the Group's consolidated financial statements.

3. Material accounting policies, Continued

(21) Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group has not early adopted them in preparing these consolidated financial statements.

- *Amendments to KIFRS 1109 Financial Instruments and KIFRS 1107 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- *Amendments to KIFRS 1109 Financial Instruments and KIFRS 1107 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*
- *Amendments to KIFRS 1118 Presentation and Disclosure in Financial Statements*
- *Annual Improvements to KIFRS – Volume 11*

4. Operating segment

The Group is engaged in manufacturing and sales of motor vehicles and parts, leasing of vehicles and provision of vehicle maintenance services. The Group is composed of a single reporting segment as lease and maintenance are not significant out of the Group's total sales. out of the Group's total sales

(1) The following table provides the information on sales by geographic locations based on where the Group's entities are located for year ended December 31, 2025:

(In millions of Korean won)

		America					
	Domestic	KUS	Others	Europe	Others	Consolidation adjustment	Consolidation amount
Total sales	₩ 65,148,676	₩ 41,924,262	₩ 29,106,835	₩ 51,515,899	₩ 9,422,750	₩ (82,977,503)	₩ 114,140,919
Intercompany sales	(35,144,581)	(52)	(20,335,933)	(27,088,835)	(408,102)	82,977,503	-
Net sales	30,004,095	41,924,210	8,770,902	24,427,064	9,014,648	-	114,140,919

(2) The following table provides the information on sales by geographic locations based on where the Group's entities are located for the year ended December 31, 2024:

(In millions of Korean won)

		America					
	Domestic	KUS	Others	Europe	Others	Consolidation adjustment	Consolidation amount
Total sales	₩ 63,256,745	₩ 39,408,225	₩ 26,684,947	₩ 49,256,915	₩ 8,463,201	₩ (79,621,281)	₩ 107,448,752
Intercompany sales	(34,436,956)	(50)	(18,780,395)	(25,981,236)	(422,644)	79,621,281	-
Net sales	28,819,789	39,408,175	7,904,552	23,275,679	8,040,557	-	107,448,752

(3) There is no single external customer who represents 10% or more of the Group's sales for each of the two years in the period ended December 31, 2025.

4. Operating segment, Continued

(4) The following table provides the information on non-current assets by geographic locations based on where the Group's entities are located as of December 31, 2025:

(In millions of Korean won)

		America					
	Domestic	KUS	Others	Europe	Others	Consolidation adjustment	Consolidation amount
Non-current assets(*)	₩ 35,573,696	₩ 3,895,451	₩ 3,041,715	₩ 2,886,548	₩ 1,437,954	₩ 4,181,161	₩ 51,016,525

(*) Financial assets, deferred tax assets, retirement benefit assets, and rights arising from insurance contracts are excluded.

(5) The following table provides the information on non-current assets by geographic locations based on where the Group's entities are located as of December 31, 2024:

(In millions of Korean won)

		America					
	Domestic	KUS	Others	Europe	Others	Consolidation adjustment	Consolidation amount
Non-current assets(*)	₩ 32,248,607	₩ 3,993,504	₩ 2,729,335	₩ 2,361,957	₩ 1,444,488	₩ 4,148,393	₩ 46,926,284

(*) Financial assets, deferred tax assets, retirement benefit assets, and rights arising from insurance contracts are excluded.

5. Accounts and notes receivable – trade and others

(1) Details of accounts and notes receivable – trade and others as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025			December 31, 2024		
	Receivables	Allowance for doubtful accounts	Carrying amount	Receivables	Allowance for doubtful accounts	Carrying amount
Accounts and notes receivable – trade	₩ 3,568,552	₩ (16,728)	₩ 3,551,824	₩ 3,566,601	₩ (5,306)	₩ 3,561,295
Long-term accounts and notes receivable – trade	5,104	-	5,104	64	-	64
Accounts and notes receivable – others	3,230,595	(5,171)	3,225,424	3,162,165	(4,496)	3,157,669
Long-term accounts and notes receivable – others	345,937	-	345,937	271,601	-	271,601
Total	₩ 7,150,188	₩ (21,899)	₩ 7,128,289	₩ 7,000,431	₩ (9,802)	₩ 6,990,629

5. Accounts and notes receivable – trade and others, Continued

(2) Changes in allowances for doubtful accounts for accounts and notes receivable – trade and others for each of the two years in the period ended December 31, 2025 are as follows

(In millions of Korean won)	2025		2024	
	Accounts and notes receivable – trade	Accounts and notes receivable – others	Accounts and notes receivable – trade	Accounts and notes receivable – others
Beginning	₩ (5,306)	₩ (4,496)	₩ (9,222)	₩ (6,163)
Write-off	64	-	21	-
(Reversal of) allowances for doubtful accounts	(11,512)	(651)	4,242	1,799
Others	26	(24)	(347)	(132)
Ending	₩ (16,728)	₩ (5,171)	₩ (5,306)	₩ (4,496)

(3) The aging analysis on accounts and notes receivable – trade and others as of December 31, 2025 and 2024 is as follows:

(In millions of Korean won)	December 31, 2025		December 31, 2024	
	Accounts and notes receivable – trade	Accounts and notes receivable – others	Accounts and notes receivable – trade	Accounts and notes receivable – others
Not past due	₩ 3,226,338	₩ 3,124,067	₩ 2,959,589	₩ 2,881,826
Past due up to 3 months	255,446	193,876	397,674	262,291
Past due up to 4-6 months	35,719	94,719	177,446	71,127
Past due up to 7-12 months	29,269	75,219	26,782	108,641
Past due more than 12 months	26,884	88,651	5,174	109,881
Total	₩ 3,573,656	₩ 3,576,532	₩ 3,566,665	₩ 3,433,766

(4) The amounts of accounts and notes receivable - trade transferred as of December 31, 2025 and 2024 are as follows:

(In millions of won)	December 31, 2025	December 31, 2024
Secured loans for accounts and notes receivable – trade	₩ 166,496	₩ 146,778

(*) The Group is continuously recognizing the carrying amount of the outstanding receivables, which it provided a credit guarantee of, among the receivables sold to financial institutes, and cash received for transfer is recognized as collateral. (Refer to Note 15)

6. Cash and cash equivalents

Details of cash and cash equivalents as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Deposits with financial institutions	₩ 13,998,106	₩ 13,566,568

7. Restricted financial instruments

Details of financial instruments which are restricted in use as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024	Description
Cash and cash equivalents	₩ 9	₩ 8	Escrow account
Short-term and long-term financial instruments	343,465	255,987	Win-Win Loan Fund, Win-Win Cooperation Deposits, Win-Win Mold Facility Fund, Public Contribution Fund
Total	₩ 343,474	₩ 255,995	

8. Other financial assets

(1) Details of other current financial assets as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Accrued income	₩ 185,415	₩ 122,928
Current derivatives assets	122,378	5,179
Guarantee deposits	130,435	85,808
Debt securities	182,168	3,044,030
Short term loan	1,096	-
Beneficial certificates	140,164	80,000
Total	₩ 761,656	₩ 3,337,945

(2) Details of other non-current financial assets as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Long-term accounts and notes receivable - others	₩ 345,937	₩ 271,601
Long-term loans	1,206,066	973,855
Non-current derivatives assets	-	120,425
Guarantee deposits	555,809	556,269
Equity securities	724,939	582,981
Debt securities	78,782	74,156
Total	₩2,911,533	₩ 2,579,287

8. Other financial assets, continued

(3) Details of equity securities as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025			December 31, 2024		
	Percentage of ownership(%)	Acquisition cost	Carrying amount	Percentage of ownership(%)	Acquisition cost	Carrying amount
Fair value through other comprehensive income ("FVOCI"):						
Hyundai WIA Corporation	13.44	₩ 237,510	₩ 276,608	13.44	₩ 237,510	₩ 138,121
Hyundai Motor Securities Co., Ltd.	3.95	34,988	19,361	4.54	29,574	10,702
Grab Holdings INC	0.41	85,134	113,564	0.41	85,134	110,046
Solid Energy Systems	1.91	52,308	15,574	1.91	52,308	19,412
Dae-shin Core Growth	19.61	40,000	79,065	19.61	40,000	48,322
ANI Technologies Pvt. Ltd.	0.85	69,736	70,571	0.85	69,736	70,571
Others		187,485	149,925		189,512	185,536
Fair value through profit or loss ("FVPL"):						
Cell-Captive	50.00	271	271	50.00	271	271
Total		₩ 707,432	₩ 724,939		₩ 704,045	₩ 582,981

(4) Details of debt securities as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
	Acquisition cost	Carrying amount	Acquisition cost	Carrying amount
Debt securities (at amortized cost):				
National Housing Bond and others	₩ 15,952	₩ 15,952	₩ 18,565	₩ 18,565
Debt securities (at FVPL):				
Rimac Group d.o.o.	21,176	21,176	21,176	21,176
MMT, MMW	191,594	182,168	3,056,460	3,044,030
Others	41,654	41,654	34,415	34,415
Total	₩ 270,376	₩ 260,950	₩ 3,130,616	₩ 3,118,186

(5) Changes in accumulated valuation gains (losses) recognized in other comprehensive income from equity securities for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Beginning	₩ (191,636)	₩ (193,069)
Valuation	160,810	1,433
Transfer	(20,771)	-
Ending	(51,597)	(191,636)
Income tax effects charged to equity	9,817	46,544
Ending after income tax effects	₩ (41,780)	₩ (145,092)

9. Inventories

Details of inventories as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			December 31, 2024		
	Acquisition cost	Valuation allowance	Carrying amount	Acquisition cost	Valuation allowance	Carrying amount
Finished goods	₩ 10,891,206	₩ (103,899)	₩ 10,787,307	₩ 9,038,057	₩ (156,358)	₩ 8,881,699
Merchandise	66,575	(37)	66,538	53,198	(41)	53,157
Semi-finished goods	463,092	(1,167)	461,925	378,536	(1,081)	377,455
Work-in-process	335,346	-	335,346	423,004	-	423,004
Raw materials	1,777,592	(1,157)	1,776,435	1,571,101	(921)	1,570,180
Supplies	297,551	-	297,551	285,845	-	285,845
Materials-in-transit	941,099	-	941,099	827,744	-	827,744
Total	₩ 14,772,461	₩ (106,260)	₩ 14,666,201	₩ 12,577,485	₩ (158,401)	₩ 12,419,084

(2) Losses on valuation of inventories, which was added to cost of sales, and reversal of valuation allowance for inventories, which was deducted from cost of sales, for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Loss on valuation of inventories	₩ -	₩ 77,916
Reversal of valuation allowance for inventories	52,141	-

10. Investments in associates and joint ventures

(1) Details of investments in joint ventures and associates as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

		December 31, 2025		December 31, 2024	
Joint ventures and associates	Location	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount
Hyundai Mobis Co., Ltd.(*1)	Korea	18.10	₩ 8,538,205	17.66	₩ 7,934,961
Hyundai Steel Co., Ltd.(*1)	Korea	17.27	3,192,781	17.27	3,113,595
Hyundai Engineering & Construction Co., Ltd.(*1)	Korea	5.24	792,048	5.24	780,509
Hyundai Card Co., Ltd.(*1)	Korea	6.48	259,685	6.48	245,890
Hyundai Capital Services, Inc.	Korea	40.13	2,864,524	40.13	2,572,694
Hyundai Transys Inc.	Korea	40.43	1,200,745	40.43	1,186,198
EUKOR Car Carriers, Inc.(*1)	Korea	8.00	232,481	8.00	231,378
Hyundai Engineering Co., Ltd.(*1)	Korea	9.35	285,087	9.35	253,264
Hyundai Autoever Systems Co., Ltd. (*1)	Korea	16.24	284,602	16.24	261,672
Haevichi Hotel&Resorts Co., Ltd.	Korea	23.24	21,776	23.24	26,767
42dot Inc. (*3)	Korea	39.11	405,270	39.10	354,283
Beijing Transys Transmission Co., Ltd.	China	24.08	65,334	24.08	60,987
China Millennium Corporations	China	30.30	68,986	30.30	65,067
Hyundai Motor Group China, Ltd.	China	40.00	116,858	30.00	65,479
Hyundai Transys (Shandong) Co., Ltd.	China	25.00	94,159	25.00	85,475
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)(*2,4)	China	50.00	-	50.00	-
Hyundai WIA Automotive Engine (Shandong) Company (WAE)	China	25.70	162,247	25.70	150,092
Hyundai Capital America, Inc.	U.S.A	20.00	2,077,220	20.00	1,951,969
Hyundai Capital Services UK Ltd. (*1)	United Kingdom	10.00	81,035	10.00	70,473
Hyundai Capital Canada, Inc. (*3)	Canada	30.00	330,457	30.00	262,879
Motional AD LLC (*3)	U.S.A	24.25	760,644	23.48	737,771
Supernal LLC (*3)	U.S.A	22.22	118,914	22.22	123,057
Boston Dynamics AI Institute, LLC	U.S.A	28.50	61,131	28.50	124,897
HMG Global LLC (*3)	U.S.A	30.50	1,691,581	30.50	1,555,630
Hyundai Motor Group Metaplant America, LLC(HMGMA)(*3)	U.S.A	40.00	834,247	40.00	1,107,752
Hyundai Motor Group Innovation Center in Singapore PTE. LTD.(*3)	Singapore	30.00	97,489	30.00	108,536
IONITY GmbH(*1)	Germany	4.37	61,719	-	-
Kia Qazaqstan LLP	Kazakhstan	50.00	224,242	-	-
Ohters(*1,3,4,5)		-	314,158	-	426,938
Total			₩ 25,237,625		₩ 23,858,213

(*1) Although the total Group's ownership percentage is less than 20%, those investments are classified as the investee as an associate since the Group has significant influence on the investee's financial and operational policy decisions.

10. Investments in associates and joint venture, Continued

(*2) The Group has classified JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN) as a joint venture since it holds the rights to net assets of the joint venture, as stipulated by the joint venture agreement. In addition, in accordance with the agreement, the Group has responsibility for providing technical assistance, research and development to the joint venture.

(*3) Investments in associates increased by ₩1,064,933 million for the year ended December 31, 2025.

(*4) Since the losses from the joint venture exceeded the amount of investments held by the Group, the application of equity method was suspended, resulting in the investment loss under the equity method amounting to ₩382.771 million as of December 31, 2025

(*5) The Group has control over equity securities from Kia Tigers Co., Ltd. and seven other companies and classified them as investments in associates.

(2) The fair values of marketable securities of associates as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

Company	December 31, 2025	December 31, 2024
Hyundai Mobis Co., Ltd.	₩ 6,127,299	₩ 3,885,003
Hyundai Steel Co., Ltd.	715,676	485,185
Hyundai Engineering & Construction Co., Ltd.	408,813	148,129
Hyundai Autoever Systems Co., Ltd.	1,478,704	561,640

10. Investments in associates and joint ventures, Continued

(3) Changes in investments in associates and joint ventures for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

Company	Beginning balance	Acquisition (disposal)	Investment gain (loss) under the equity method	Other change in equity	Dividends received	Others	Ending balance
Hyundai Mobis Co., Ltd.	₩ 7,934,961	₩ -	₩ 650,040	₩ 87,929	₩ (106,776)	₩ (27,949)	₩ 8,538,205
Hyundai Steel Co., Ltd.	3,113,595	-	(1,298)	96,186	(17,287)	1,585	3,192,781
Hyundai Engineering & Construction Co., Ltd.	780,509	-	19,631	(1,442)	(3,499)	(3,151)	792,048
Hyundai Card Co., Ltd.	245,890	-	22,393	2,596	(10,004)	(1,190)	259,685
Hyundai Capital Services, Inc.	2,572,694	-	206,117	85,713	-	-	2,864,524
Hyundai Transys Inc.	1,186,198	-	16,117	(2,846)	-	1,276	1,200,745
EUKOR Car Carriers, Inc.	231,378	-	46,022	(1,767)	(43,152)	-	232,481
Hyundai Engineering Co., Ltd.	253,264	-	26,780	5,147	-	(104)	285,087
Hyundai Autoever Corporation	261,672	-	29,522	691	(7,928)	645	284,602
Haevichi Hotel&Resorts Co., Ltd.	26,767	-	(4,928)	(63)	-	-	21,776
42dot Inc.	354,283	195,952	(143,368)	(1,597)	-	-	405,270
Beijing Transys Transmission Co., Ltd.	60,987	-	3,185	1,162	-	-	65,334
China Millennium Corporations	65,067	-	2,684	1,263	-	(28)	68,986
Hyundai Motor Group China, Ltd.	65,479	46,904	1,760	5,633	-	(2,918)	116,858
Hyundai Transys (Shandong) Co., Ltd.	85,475	-	6,781	1,903	-	-	94,159
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	-	-	-	-	-	-	-
Hyundai Wia Automotive Engine (Shandong) Co., Ltd. (WAE)	150,092	-	8,782	3,373	-	-	162,247
Hyundai Capital America	1,951,969	-	170,340	-	-	(45,089)	2,077,220
Hyundai Capital Services UK Ltd.	70,473	-	6,962	-	-	3,600	81,035
Hyundai Capital Canada Inc.	262,879	30,334	27,702	9,542	-	-	330,457
Motional AD LLC	737,771	170,188	(131,766)	(15,344)	-	(205)	760,644
Supernal LLC	123,057	97,039	(100,090)	(1,092)	-	-	118,914
Robotics and AI Institute LLC	124,897	-	(60,689)	(3,518)	-	441	61,131
HMG Global LLC	1,555,630	372,276	(100,566)	(135,759)	-	-	1,691,581
Hyundai Motor Group Metaplant America, LLC(HMGMA)	1,107,752	-	(244,872)	-	-	(28,633)	834,247
Hyundai Motor Group Innovation Center in Singapore PTE. LTD	108,536	-	(14,294)	3,247	-	-	97,489
IONITY GmbH	62,204	-	(5,209)	4,724	-	-	61,719
Kia Qazaqstan LLP	123,426	62,251	(8,519)	-	-	47,084	224,242
Others	241,308	89,989	(14,250)	999	(4,423)	535	314,158
Total	₩ 23,858,213	₩ 1,064,933	₩ 414,969	₩ 146,680	₩ (193,069)	₩ (54,101)	₩ 25,237,625

10. Investments in associates and joint ventures, Continued

(4) Changes in investments in associates and joint ventures for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

Company	Beginning balance	Acquisition (disposal)	Investment gain (loss) under the equity method	Other change in equity	Dividends received	Others	Ending balance
Hyundai Mobis Co., Ltd.	₩ 6,967,123	₩ -	₩ 652,119	₩ 423,619	₩ (73,922)	₩ (33,978)	₩ 7,934,961
Hyundai Steel Co., Ltd.	3,133,818	-	1,373	11,846	(23,049)	(10,393)	3,113,595
Hyundai Engineering & Construction Co., Ltd.	785,438	-	(7,802)	9,061	(3,499)	(2,689)	780,509
Hyundai Card Co., Ltd.	237,890	-	20,504	(2,651)	(8,589)	(1,264)	245,890
Hyundai Capital Services, Inc.	2,376,198	-	168,179	28,317	-	-	2,572,694
Hyundai Transys Inc.	1,152,968	-	(12,444)	52,927	-	(7,253)	1,186,198
EUKOR Car Carriers, Inc.	214,032	-	43,907	28,419	(54,744)	(236)	231,378
Hyundai Engineering Co., Ltd.	362,257	-	(94,768)	(6,554)	(4,260)	(3,411)	253,264
Hyundai Autoever Corporation	241,279	-	27,752	2,253	(6,369)	(3,243)	261,672
Haevichi Hotel&Resorts Co., Ltd.	32,708	-	(5,624)	(40)	-	(277)	26,767
42dot Inc.	319,861	104,699	(68,687)	(1,590)	-	-	354,283
Beijing Transys Transmission Co., Ltd.	43,030	-	12,216	5,647	-	94	60,987
China Millennium Corporations	55,570	-	3,056	6,471	-	(30)	65,067
Hyundai Motor Group China, Ltd.	66,408	-	(597)	1,075	-	(1,407)	65,479
Hyundai Transys (Shandong) Co., Ltd.	75,061	-	5,368	5,046	-	-	85,475
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	-	-	-	-	-	-	-
Hyundai Wia Automotive Engine (Shandong) Co., Ltd. (WAE)	182,446	-	3,972	17,466	-	(53,792)	150,092
Hyundai Capital America	1,601,223	-	117,350	-	-	233,396	1,951,969
Hyundai Capital Services UK Ltd.	53,418	-	9,912	-	-	7,143	70,473
Hyundai Capital Canada Inc.	177,096	58,850	21,321	5,612	-	-	262,879
Motional AD LLC	384,025	355,783	(94,517)	92,480	-	-	737,771
Supernal LLC	94,189	158,503	(145,741)	16,094	-	12	123,057
Robotics and AI Institute LLC	147,921	-	(40,436)	17,554	-	(142)	124,897
HMG Global LLC	847,575	506,914	(77,453)	278,594	-	-	1,555,630
Hyundai Motor Group Metaplant America, LLC(HMGMA)	882,745	160,404	(66,350)	-	-	130,953	1,107,752
Hyundai Motor Group Innovation Center in Singapore PTE. LTD	86,847	24,925	(13,305)	10,069	-	-	108,536
IONITY GmbH	47,180	16,053	(4,003)	2,974	-	-	62,204
Kia Qazaqstan LLP	44,074	90,991	1,229	-	-	(12,868)	123,426
Others	150,060	81,494	(7,373)	6,375	(6,553)	17,305	241,308
Total	₩ 20,762,440	₩ 1,558,616	₩ 449,158	₩ 1,011,064	₩ (180,985)	₩ 257,920	₩ 23,858,213

10. Investments in associates and joint ventures, Continued

(5) The condensed financial information on associates and joint ventures as of and for the year ended December 31, 2025 is as follows:

(In millions of Korean won)

Company	Total assets	Total liabilities	Sales	Operating profit (loss)	Net income (loss)	Total comprehensive income (loss)
Hyundai Mobis Co., Ltd.	70,400,532	21,187,737	61,118,127	3,357,456	3,664,736	4,028,448
Hyundai Steel Co., Ltd.	34,442,305	14,602,129	22,733,237	219,235	1,389	587,502
Hyundai Engineering & Construction Co., Ltd.	27,791,708	17,678,843	31,062,912	653,006	559,068	512,306
Hyundai Card Co., Ltd.	26,999,017	22,678,236	4,320,781	4,007,795	350,299	390,286
Hyundai Capital Services, Inc.	42,518,642	35,251,451	5,384,964	466,128	511,421	724,167
Hyundai Transys Inc.	10,350,500	6,824,427	14,839,047	336,042	115,284	114,022
EUKOR Car Carriers, Inc.	5,365,400	2,460,036	3,685,723	695,395	608,009	552,700
Hyundai Engineering Co., Ltd.	9,882,601	6,791,292	13,896,504	277,859	295,052	328,364
Hyundai Autoever Corporation	3,605,191	1,730,472	4,252,067	255,302	186,789	193,946
Haevichi Hotel & Resorts Co., Ltd.	471,390	380,047	178,515	(16,384)	(22,537)	(22,678)
42dot Inc.	766,665	270,834	27,707	(349,790)	(363,899)	(366,378)
Beijing Transys Transmission Co., Ltd.	422,405	151,083	570,183	9,658	15,789	15,789
China Millennium Corporations	243,753	13,775	56,030	8,519	9,079	9,079
Hyundai Motor Group China, Ltd.	742,440	458,395	657,988	37,880	68	69
Hyundai Transys (Shandong) Co., Ltd.	641,330	222,624	1,082,893	32,890	27,123	27,123
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	2,749,300	3,502,254	4,606,154	187,271	173,240	173,240
Hyundai Wia Automotive Engine (Shandong) Co., Ltd. (WAE)	832,859	104,759	524,218	45,583	32,865	32,865
Hyundai Capital America	127,532,422	117,189,192	2,049,316	1,125,827	851,699	831,611
Hyundai Capital Services UK Ltd.	9,458,897	8,594,939	242,496	183,847	92,888	69,619
Hyundai Capital Canada Inc.	14,716,699	13,615,176	95,826	(89,953)	92,339	97,304
Motional AD LLC	3,756,660	369,523	2,137	(518,598)	(502,252)	(502,100)
Superrnal LLC	631,367	151,186	-	(456,019)	(450,403)	(450,403)
Robotics and AI Institute LLC	270,218	99,866	-	(209,679)	(211,917)	(211,917)
HMG Global LLC	6,311,142	590,561	151,067	(571,124)	(515,839)	(867,289)
Hyundai Motor Group Metaplant America, LLC(HMGMA)	5,553,199	3,473,880	3,990,008	(506,149)	(612,179)	(612,179)
Hyundai Motor Group Innovation Center in Singapore PTE. LTD	746,879	424,807	165,952	(37,901)	(47,645)	(47,645)
IONITY GmbH	1,580,194	482,120	349,493	(109,062)	(119,183)	(119,183)
Kia Qazaqstan LLP	633,052	272,997	145	12,224	16,417	16,417

10. Investments in associates and joint ventures, Continued

(6) The condensed financial information on associates and joint ventures as of and for the year ended December 31, 2024 is as follows:

(In millions of Korean won)

Company	Total assets	Total liabilities	Sales	Operating profit (loss)	Net income (loss)	Total comprehensive income (loss)
Hyundai Mobis Co., Ltd.	₩ 66,596,905	₩ 20,478,673	₩ 57,236,995	₩ 3,073,456	₩ 4,060,161	₩ 5,917,934
Hyundai Steel Co., Ltd.	34,743,788	15,410,223	23,226,141	159,492	8,814	(30,886)
Hyundai Engineering & Construction Co., Ltd.	27,013,489	17,361,544	32,670,268	(1,263,420)	(766,221)	(707,269)
Hyundai Card Co., Ltd.	27,387,324	23,293,758	3,947,373	406,078	316,402	272,729
Hyundai Capital Services, Inc.	40,408,069	33,859,996	5,882,110	455,971	421,333	421,333
Hyundai Transys Inc.	9,768,633	6,371,751	12,746,390	54,229	9,243	162,340
EUKOR Car Carriers, Inc.	5,075,553	2,183,330	3,221,591	615,113	583,210	895,136
Hyundai Engineering Co., Ltd.	9,439,275	6,693,798	14,760,411	(1,240,068)	(990,640)	(1,091,015)
Hyundai Autoever Corporation	3,349,517	1,618,991	3,713,617	224,434	175,182	172,371
Haevichi Hotel & Resorts Co., Ltd.	492,269	378,055	167,057	(22,707)	(23,112)	(24,477)
42dot Inc.	483,346	119,630	24,859	(176,195)	(175,393)	(174,426)
Beijing Transys Transmission Co., Ltd.	500,505	247,236	587,959	38,257	50,730	50,730
China Millennium Corporations	231,244	14,332	23,557	7,994	10,188	10,188
Hyundai Motor Group China, Ltd.	775,699	543,966	518,680	22,692	(3,123)	(5,408)
Hyundai Transys (Shandong) Co., Ltd.	761,749	377,781	1,053,636	27,902	21,474	21,474
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	2,820,564	3,736,985	4,527,089	50,587	45,821	45,821
Hyundai Wia Automotive Engine (Shandong) Co., Ltd. (WAE)	770,010	92,446	469,896	25,606	24,503	24,503
Hyundai Capital America	112,538,912	102,802,220	1,596,749	755,791	586,748	599,471
Hyundai Capital Services UK Ltd.	8,603,611	7,840,860	189,482	146,946	132,571	99,118
Hyundai Capital Canada Inc.	12,056,734	11,180,469	44,477	(70,795)	71,069	49,856
Motional AD LLC	3,560,530	155,883	2,264	(374,502)	(376,043)	(375,545)
Superrnal LLC	693,781	194,959	-	(651,559)	(651,781)	(651,781)
Robotics and AI Institute LLC	501,111	63,151	-	(149,976)	(140,392)	(140,892)
HMG Global LLC	5,838,935	637,370	116,109	(476,547)	(467,674)	(163,029)
Hyundai Motor Group Metaplant America, LLC(HMGMA)	4,641,553	1,878,624	59,101	(168,812)	(165,874)	(165,874)
Hyundai Motor Group Innovation Center in Singapore PTE. LTD	796,223	437,326	162,612	(28,034)	(44,351)	(44,351)
IONITY GmbH	1,511,725	288,665	253,296	(91,393)	(99,801)	(99,801)
Kia Qazaqstan LLP	287,840	33,739	-	4,520	2,400	2,400

10. Investments in associates and joint ventures, Continued

(7) The financial information on significant joint ventures and associates reconciled from the proportionate share in investees' net assets to the balance in the Group's consolidated financial statements as of and for the year ended December 31, 2025 is summarized as follows:

(In millions of Korean won)

Company	Group's share of net assets	Goodwill	Intra-group transactions and others	Carrying amount
Hyundai Mobis Co., Ltd.	₩ 8,571,586	₩ 29,519	₩ (62,900)	₩ 8,538,205
Hyundai Steel Co., Ltd.	3,394,095	8,277	(209,591)	3,192,781
Hyundai Engineering & Construction Co., Ltd.	432,835	284,338	74,875	792,048
Hyundai Capital Services, Inc.	2,916,295	-	(51,771)	2,864,524
Hyundai Transys Inc.	1,206,822	-	(6,077)	1,200,745
JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	(376,477)	-	(999)	-
Motional AD LLC	837,905	282,856	(360,117)	760,644

(8) Gains (losses) on investments in associates and joint ventures for each of the two years in the period ended December 31,2025 are as follows:

(In millions of Korean won)

Description	2025	2024
Investment income under the equity method, net	₩ 414,969	₩ 449,158
Impairment loss	-	(53,792)
Total	414,969	395,366

11. Property, plant and equipment

(1) Details of property, plant and equipment as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025			December 31, 2024		
	Acquisition cost	Accumulated depreciation & impairment loss	Carrying amount	Acquisition cost	Accumulated depreciation & impairment loss	Carrying amount
Land	₩ 5,115,356	₩ -	₩ 5,115,356	₩ 5,124,251	₩ -	₩ 5,124,251
Buildings	5,525,596	(2,290,531)	3,235,065	4,704,880	(2,155,152)	2,549,728
Structures	1,006,717	(585,648)	421,069	945,087	(555,218)	389,869
Machinery& equipment	11,569,485	(7,647,764)	3,921,721	10,428,632	(7,133,272)	3,295,360
Dies, molds & tools	12,272,218	(8,912,232)	3,359,986	10,319,640	(8,171,792)	2,147,848
Vehicles	957,035	(351,225)	605,810	784,966	(286,686)	498,280
Other equipment	1,191,166	(833,697)	357,469	1,145,518	(813,024)	332,494
Construction in progress	2,917,942	-	2,917,942	3,590,407	-	3,590,407
	₩ 40,555,515	₩ (20,621,097)	₩ 19,934,418	₩ 37,043,381	₩ (19,115,144)	₩ 17,928,237

11. Property, plant and equipment, Continued

(2) Changes in property, plant and equipment for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning balance	Acquisition (capital expenditure included)	Disposal/ retirement	Depreciation	Impairment loss	Transfer (*)	Others	Ending balance
Land	₩ 5,124,251	₩ -	₩ (48,312)	₩ -	₩ -	₩ 39,323	₩ 94	₩ 5,115,356
Buildings	2,549,728	2,232	(23,781)	(148,596)	363	864,499	(9,380)	3,235,065
Structures	389,869	1,027	(857)	(33,844)	-	67,468	(2,594)	421,069
Machinery & equipment	3,295,360	44,714	(30,381)	(609,694)	-	1,247,571	(25,849)	3,921,721
Dies, molds & tools	2,147,848	281,517	(11,984)	(921,406)	(1,343)	1,885,270	(19,916)	3,359,986
Vehicles	498,280	18,175	(12,120)	(156,390)	(121)	257,191	795	605,810
Other equipment	332,494	38,225	(6,274)	(109,583)	(16)	100,844	1,779	357,469
Construction in progress	3,590,407	3,617,877	(7,979)	-	-	(4,267,868)	(14,495)	2,917,942
Total	₩ 17,928,237	₩ 4,003,767	₩ (141,688)	₩ (1,979,513)	₩ (1,117)	₩ 194,298	₩ (69,566)	₩ 19,934,418

(*) It includes the amount transferred from inventories and transferred to intangible assets and inventories.

(3) Changes in property, plant and equipment for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Beginning balance	Acquisition (capital expenditure included)	Disposal/ retirement	Depreciation	Impairment loss	Transfer (*)	Others	Ending balance
Land	₩ 5,073,956	₩ -	₩ (4,192)	₩ -	₩ -	₩ 25,817	₩ 28,670	₩ 5,124,251
Buildings	2,442,475	2,626	(57,080)	(136,079)	3,463	182,755	111,568	2,549,728
Structures	347,499	993	(3,590)	(31,258)	-	53,634	22,591	389,869
Machinery & equipment	3,310,685	20,412	(95,537)	(631,949)	6,056	578,991	106,702	3,295,360
Dies, molds & tools	1,924,961	21,497	(32,622)	(900,993)	(3,587)	1,024,980	113,612	2,147,848
Vehicles	390,469	20,049	(8,739)	(123,561)	-	216,974	3,088	498,280
Other equipment	300,402	35,704	(18,871)	(101,703)	(110)	97,423	19,649	332,494
Construction in progress	2,016,292	3,524,037	-	-	-	(2,014,633)	64,711	3,590,407
Total	₩ 15,806,739	₩ 3,625,318	₩ (220,631)	₩ (1,925,543)	₩ 5,822	₩ 165,941	₩ 470,591	₩ 17,928,237

(*) It includes the amount transferred from inventories and transferred to intangible assets or inventories.

(4) The capitalized borrowing costs and capitalization interest rate for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Capitalized borrowing costs(*)	₩ 70,959	₩ 81,497
Capitalization interest rates (%)	2.31	3.30

(*) It is includes borrowing costs that were capitalized in respect of development costs of ₩19,182 million and ₩28,502 million for the years ended December 31, 2025 and 2024, respectively.

12. Investment properties

(1) Details of investment properties as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025			December 31, 2024		
	Acquisition cost	Accumulated Depreciation/ impairment loss	Carrying amount	Acquisition cost	Accumulated Depreciation/ impairment loss	Carrying amount
Buildings	₩ 46,823	₩ (24,414)	₩ 22,409	₩ 47,968	₩ (23,546)	₩ 24,422

(2) Changes in investment properties for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning	Depreciation	Others	Ending
Buildings	₩ 24,422	₩ (1,417)	₩ (596)	₩ 22,409

(3) Changes in investment properties for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Beginning	Depreciation	Others	Ending
Buildings	₩ 22,706	₩ (1,359)	₩ 3,075	₩ 24,422

(4) The amounts recognized in profit or loss from investment properties for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Rental income	₩ 6,212	₩ 5,963
Operating & maintenance expenses	3,394	2,318

(5) The fair values and carrying amounts of investment properties as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
	Fair value	Carrying amount	Fair value	Carrying amount
Buildings	₩ 49,658	₩ 22,409	₩ 48,684	₩ 24,422

13. Goodwill

(1) Changes in goodwill for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Beginning	₩ 37,903	₩ 37,546
Other changes	551	357
Ending	₩ 38,454	₩ 37,903

(2) Impairment test of goodwill

Goodwill is allocated to each CGU (Cash Generating Unit) that is expected to benefit from each operating unit. The Group estimated the recoverable amount of CGU its value in use. Value in use was calculated by discounting the future cash flows to be generated in the next five years based on business plan approved by management. A terminal growth rate is used to determine the expected cashflows after that. Discount rates applied as of December 31, 2025 and 2024 are 8.98 ~ 19.15% and 13.20 ~ 22.10%, respectively. Cash flows expected to be generated after five years were estimated to the extent not exceeding the long-term average growth rate of the industry. No impairment loss was recognized as result of the impairment tests for each of the two years in the period ended December 31, 2025.

14. Intangible assets

(1) Details of intangible assets, excluding goodwill, as of December 31, 2025 and 2024, are as follows:

(In millions of Korean won)

	December 31, 2025				December 31, 2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Development costs	₩ 9,199,116	₩ (4,493,178)	₩ (542,161)	₩ 4,163,777	₩ 8,030,800	₩ (3,996,193)	₩ (506,586)	₩ 3,528,021
Industrial property rights	202,200	(86,862)	-	115,338	185,273	(77,335)	-	107,938
Software	907,959	(679,828)	(172)	227,959	897,334	(700,777)	(150)	196,407
Membership	120,681	(92)	(13,053)	107,536	118,338	(68)	(12,583)	105,687
Others	217,499	(64,856)	-	152,643	136,659	(18,689)	-	117,970
Total	₩ 10,647,455	₩ (5,324,816)	₩ (555,386)	₩ 4,767,253	₩ 9,368,404	₩ (4,793,062)	₩ (519,319)	₩ 4,056,023

(2) Changes in intangible assets for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning balance	Acquisition	Disposal	Amortization	Impairment loss	Transfer (*)	Others	Ending balance
Development costs	₩ 3,528,021	₩ 1,202,026	-	₩ (523,300)	₩ (35,575)	-	₩ (7,395)	₩ 4,163,777
Industrial property rights	107,938	-	(593)	(19,312)	-	27,305	-	115,338
Software	196,407	11,128	(114)	(80,782)	-	99,881	1,439	227,959
Membership	105,687	-	-	-	(470)	2,322	(3)	107,536
Others	117,970	20,579	(2,441)	(20,676)	-	30,432	6,779	152,643
Total	₩ 4,056,023	₩ 1,233,733	₩ (3,148)	₩ (644,070)	₩ (36,045)	₩ 159,940	₩ 820	₩ 4,767,253

(*) It includes the amount transferred from construction in progress.

14. Intangible assets, Continued

(3) Changes in intangible assets for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Beginning balance	Acquisition	Disposal	Amortization	Impairment loss	Transfer (*)	Others	Ending balance
Development costs	₩ 2,842,837	₩ 1,192,842	₩ (168)	₩ (441,658)	₩ (67,726)	₩ -	₩ 1,894	₩ 3,528,021
Industrial property rights	93,109	-	-	(16,397)	-	31,226	-	107,938
Software	182,051	14,556	(44)	(78,658)	-	72,273	6,229	196,407
Membership	104,405	-	(2,637)	-	(1,035)	4,941	13	105,687
Others	50,178	85,204	(3,569)	(2,805)	-	(19,132)	8,094	117,970
Total	₩ 3,272,580	₩ 1,292,602	₩ (6,418)	₩ (539,518)	₩ (68,761)	₩ 89,308	₩ 16,230	₩ 4,056,023

(*) It includes the amount transferred from construction in progress.

(4) Details of research and development expenditures for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Development costs	₩ 1,202,026	₩ 1,192,842
Test expenses (manufacturing costs)	368,473	336,180
Test expenses (selling and administrative expenses)	2,141,884	1,718,283
Total	₩ 3,712,383	₩ 3,247,305

(5) Details of impairment losses recognized for development costs for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Development costs	Impairment loss		Valuation method
		2025	Accumulated loss	
Sedans	₩ 719,258	₩ (2,595)	₩ (252,361)	
RVs	2,755,042	(31,044)	(274,217)	Value-in-use
Power- train	247,076	(1,936)	(15,583)	
Total	₩ 3,721,376	₩ (35,575)	₩ (542,161)	

(6) The discount rates applied in the impairment assessment of development costs for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	December 31, 2025
Discount rate	10.70~12.84%

14. Intangible assets, Continued

(7) Details of development costs as of December 31, 2025 are as follows:

(In millions of Korean won)

	December 31, 2025	Residual amortization period
Sedans (K5, K8, Ray, Morning and others)	₩ 719,258	1~8 years
RVs (Sorento, EV6, EV9, Carnival, Sportage and others)	2,755,042	1~10 years
Power-train (Engines and transmissions)	247,076	1~9 years
Others	442,401	1~10 years
Total	₩ 4,163,777	

15. Borrowings

(1) Details of borrowings as of December 31, 2025 and 2024 are as follows:

(i) Short-term borrowings

(In millions of Korean won)

		Interest rate (%)	Amount	
	Lender	December 31, 2025	December 31, 2025	December 31, 2024
Usance	Hana Bank and others	1.12~2.72	₩ 44,796	₩ 74,081
Trade financing (*)	Hana Bank and others	2.13~3.97	166,496	146,778
	Total		₩ 211,292	₩ 220,859

(*) The Group continues to recognize the carrying amounts of outstanding receivables that were sold to financial institutes and for which it provided a credit guarantee. The Group accounts for cash received as collateralized borrowings.

(ii) Long-term borrowings

(In millions of Korean won)

		Interest rate (%)	Amount	
	Lender	December 31, 2025	December 31, 2025	December 31, 2024
Facility loans	Shinhan Bank	-	₩ -	₩ 200,000
Less: current portion			-	(200,000)
	Total		₩ -	₩ -

16. Bonds

Details of bonds as of December 31, 2205 and 2024 are as follows:

(In millions of Korean won)

		Annual interest rate (%)	Amount	
	Maturity date	December 31, 2025	December 31, 2025	December 31, 2024
Unsecured public bonds	Apr. 22, 2027	2.19	₩ 70,000	₩ 120,000
	Mar. 3, 2026-Mar. 3, 2028	1.71-1.96	200,000	200,000
Foreign public bonds	Apr. 21, 2026	3.25	430,470	441,000
	Oct. 25, 2027	3.50	430,470	441,000
	Oct. 16, 2026	1.75	573,960	588,000
	Feb. 14, 2027	2.75	430,470	1,029,000
Less: discounts on bonds			(2,733)	(5,615)
Subtotal			2,132,637	2,813,385
Less: current portion			(1,153,667)	(637,812)
Total			₩ 978,970	₩ 2,175,573

17. Other liabilities

(1) Details of other current liabilities as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Unearned income	₩ 10,229	₩ 11,647
Guarantee deposits received	18,125	12,255
Current portion of derivatives liabilities	-	7,815
Current portion of lease liabilities	70,905	82,655
Others	224,078	206,210
Total	₩ 2,589,701	₩ 2,557,895

(2) Details of other non-current liabilities as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Deposits received	₩ 10,229	₩ 11,647
Long-term unearned income	1,462,989	1,500,042
Long-term accounts and notes payable – others	80,249	191,300
Derivatives liabilities	23,012	34,904
Lease liabilities	314,134	279,592
Long-term accrued expenses	699,088	540,410
Total	₩ 2,589,701	₩ 2,557,895

18. Retirement benefits plan

(1) Details of net defined benefit liabilities (assets) as of December 31 , 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Present values of defined benefit obligations	₩ 3,647,617	₩ 3,524,741
Fair values of plan assets	(3,785,356)	(3,586,212)
Net defined benefit liabilities	7,415	4,799
Net defined benefit assets(*)	(145,154)	(66,270)

(*) Net defined benefit assets are included in other non-current assets.

(2) The components of plan assets as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Time deposits and others	₩ 3,785,356	₩ 3,586,212

(3) The components of retirement benefits for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Current service costs	₩ 284,334	₩ 266,969
Past service costs	54,698	-
Interest income	(10,748)	(24,356)
Total	₩ 328,284	₩ 242,613

(4) The principal actuarial assumptions as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Discount rate (%)(*)	4.22～ 9.75	3.88 ～ 10.75
Expected salary increase rate (%)	3.82 ～ 9.50	3.82 ～ 9.50

(*) To discount defined benefit obligations, the market rate of return on high-quality corporate bonds (Public offering without guarantee; AA+) was referred to, but the matching bond rate was applied in consideration of the weighted average expiration, and the same discount rate was applied as the expected rate of return when calculating the interest income of plan assets. As of December 31, 2025, the weighted average expiration of defined benefit obligations is 6.562 years.

18. Retirement benefits plan, Continued

(5) Changes in defined benefit obligations for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Beginning	₩ 3,524,741	₩ 3,127,323
Current service costs	284,334	266,969
Past service costs	54,698	-
Interest expenses	121,291	132,521
Remeasurements (*)	(39,850)	231,351
Transfers in and out, net	(1,628)	(1,143)
Retirement benefits paid	(295,547)	(232,280)
Effect of foreign exchange differences and others	(422)	-
Ending	₩ 3,647,617	₩ 3,524,741

(*) Details of remeasurements for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Actuarial gain arising from changes in demographic assumptions	₩ -	₩ 1,393
Actuarial gain (loss) arising from changes in financial assumptions	(76,727)	180,255
Others	36,877	49,703
Total	₩ (39,850)	₩ 231,351

(6) Changes in plan assets for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Beginning	₩ 3,586,212	₩ 3,524,541
Interest income	132,039	156,877
Remeasurements	9,205	(10,090)
Contribution by the employer	342,800	126,000
Transfers in and out, net	71	(1,312)
Retirement benefits paid	(284,971)	(209,804)
Ending	₩ 3,785,356	₩ 3,586,212

(7) The sensitivity analysis on defined benefit obligations from changes in assumptions as of December 31, 2025 and 2024 is as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
	1% Up	1% Down	1% Up	1% Down
Discount rate	₩ (210,219)	₩ 237,941	₩ (216,160)	₩ 245,137
Expected salary increase	240,972	(216,532)	247,393	(221,959)

19. Provisions

The Group, according to the assurance type warranty that it offers to the ultimate consumer for each product sold, categorizes sales warranty provisions at the point of sale to compensate any expense which may occur due to the usual repair of parts, unusual replacement of parts, or accident caused by defective products. In addition, the Group estimates probable expenses related to pending lawsuits etc. and recognizes such amounts as other provisions.

(1) Details of provisions as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
	Current	Non-current	Current	Non-current
Provisions for product warranties	₩ 5,310,751	₩ 3,240,487	₩ 5,346,217	₩ 2,917,328
Other provisions	279,811	227,065	241,147	303,852
	₩ 5,590,562	₩ 3,467,552	₩ 5,587,364	₩ 3,221,180

(2) Changes in provisions for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025			2024		
	Provisions for product warranties	Other provisions(*)	Total	Provisions for product warranties	Other provisions	Total
Beginning	₩ 8,263,545	₩ 544,999	₩ 8,808,544	₩ 6,973,375	₩ 439,366	₩ 7,412,741
Provisions charged	3,847,323	130,203	3,977,526	3,493,687	140,795	3,634,482
Provisions utilized	(3,799,749)	(82,252)	(3,882,001)	(2,684,235)	(79,528)	(2,763,763)
Other changes	240,119	(86,074)	154,045	480,718	44,366	525,084
Ending	₩ 8,551,238	₩ 506,876	₩ 9,058,114	₩ 8,263,545	₩ 544,999	₩ 8,808,544

(*) As of December 31, 2025, the Group has recorded other provisions amounting to ₩69,182 million in relation to the litigation on ordinary wages and ₩437,694 million in relation to the other litigations in the consolidated financial statements.

20. Commitments and contingencies

(1) Collateral provided to the third party
As of December 31, 2025, the Group provides 2,517 units of capital investments in Korea Defense Guarantee Cooperative (KDGC) with the carrying amount of ₩596 million as collateral to KDGC as a performance guarantee on the contract. In addition, some property, plant and equipment are pledged as collateral for guarantee deposits received with the collateral amount of ₩3,968 million.

(2) Collateral provided to the employees

(In millions of Korean won)

Recipient	Nature of the collateral	Credit provider	Amount
ESOP member	Right of pledge(*)	Korea Securities Finance Corporation	14,198

(*) The Group has pledged deposits as collateral in connection with the Employee Stock Ownership Plan (ESOP) member's borrowings for the acquisition of the Company's shares. Pursuant to this agreement, the Group is obligated to provide additional deposits as collateral if the collateral ratio does not meet the deferred collateral ratio.

20. Commitments and contingencies, Continued

(3) Litigation

As of December 31, 2025, the Group is involved in domestic and foreign lawsuits as a defendant, such as claims for alleged damages and product liabilities. Management of the Group believes that the outcome of such litigations cannot be reasonably determined, the amount and timing of the outflow of resources are uncertain, and the impact on the consolidated financial statements would not be material. Additionally, the Group is under investigations from domestic and overseas authorities related to the recall of the theta 2 engines and tariffs and other related issues and the outcome and effect of these investigations cannot be reliably estimated as of December 31, 2025. Also, the Group is involved in litigation regarding ordinary wages, and as of December 31, 2025, the amount of anticipated loss from such the lawsuits was recognized in the consolidated financial statements as other provisions.

(4) Commitments

① As of December 31, 2025, KaGA has an agreement with the West Point Development Authority and Troup Country Development Authority to issue up to USD 1,850,000 thousand of taxable revenue bonds to fund the purchase of building, machinery, and equipment.

② As of December 31, 2025, in regard to the factory expansion, KaSK entered into a purchase agreement with suppliers to acquire property, plant and equipment and the balance as of December 31, 2025 is EUR 3,803 thousand.

③ As of December 31, 2025, in relation to the factory expansion and others, KIN entered into a purchase agreement with suppliers to acquire property, plant and equipment and the balance as of December 31, 2025 is INR 3,730 million.

④ The Group has agreed to invest ₩512,080 million in connection with the construction of Global Business Center (GBC). In addition, the Group has recognized ₩180,978 million of related liabilities as of December 31, 2025 in accordance with the agreement with the Seoul Metropolitan Government to implement public contributions under the new construction project in December 2019.

⑤ As of December 31, 2025, the Group has a shareholder agreement with investors of third parties regarding shares of Hyundai Card Co., Ltd. This includes the call options that allow the Group to buy shares from the investors and the put options that allow the investors to dispose of the shares to the Company.

⑥ As of December 31, 2025, the Group holds the right to a call option to repurchase shares of Hyundai Motor Manufacturing Rus LLC. The call option can be terminated under an uncontrollable situation but can be maintained through efforts by both parties to address such situation.

⑦ The Group jointly conducts research and development activities with Hyundai Motor Company under a joint research and development agreement.

(5) Credit limitation

As of December 31, 2025, the Group has overdrafts, general loans, and trade-financing agreements with numerous financial institutions including Hana Bank, with a combined limit of up to USD 7,039 million, EUR 659 million, and ₩509,860 million.

21. Derivative financial instruments and hedge accounting

(1) Details of derivative financial instruments as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024		
	Assets	Liabilities	Assets	Liabilities	Note
Total return swap	₩ -	23,012	-	34,904	
Range forward	-	-	-	7,815	
Interest rate swap	-	-	1,492	-	(*)
Currency swap	122,378	-	124,112	-	(*)

(*) Derivative financial instruments designated as cash flow hedges

(2) Risk management strategies and applied approach for risk management

The Group is exposed to certain risks related to its ongoing business operations. The primary risks managed through derivative financial instruments are interest rate risk and foreign exchange risk. Approaches of the group to risk management strategies and methods applied to risk management are described in Note 34.

As of December 31, 2025, the Group entered into derivative financial instruments contracts, including interest swap contracts with nominal amount of ₩1,498 million, currency swap contracts with nominal amount of ₩130,505 million. These derivative financial instruments are used to hedge the Group's exposures to fluctuations in cash flows of debt, bonds.

Since the terms of the aforementioned derivatives are aligned with terms of long-term debt (borrowings and bonds) denominated in dollars, there is an economic relationship between the hedged item and the hedging instrument. Additionally, since the underlying risk of derivative financial instruments is same as the hedged risk components, the Group has established a 1:1 hedge ratio for the hedging relationship. To evaluate the hedge effectiveness, the Group uses the Critical Terms Match Method, which involves comparing the changes in the fair value of the hedging instrument to the fluctuations in the cash flow of the hedged item due to the hedged risk.

Hedge ineffectiveness can occur in the following cases:
- different interest rate curves applied to discount hedged item and hedging instrument;
- difference in the timing of the cash flow of the hedged item and the hedging instrument; and
- the counterparty's credit risk having a different effect on the fair value movement of the hedging instrument and the hedged item.

(3) Information on the future cash flows of derivatives designated as net cash flow hedges as of December 31, 2025 is as follows:

(In millions of Korean won, except for average contract rate and average purchase price)

Type	Within 1 year	1-5 years	More than 5 years	Total
Currency swap:				
Nominal cash flow	₩ 130,505	₩ -	₩ -	₩ 130,505
Average contract rate	1,117.60	-	-	

21. Derivative financial instruments and hedge accounting, Continued

(4) The effects on the consolidated financial statements of derivatives designated as cash flow hedges as of December 31, 2025 are as follows:

(In millions of Korean won)

	Contractual nominal amount	Derivatives assets	Derivatives liabilities	Accounts of the hedging` instrument	Changes in the fair value used to calculate the ineffective portion of the hedge
Cash flow hedge:					
Currency swap	₩ 130,505	₩ 122,378	-	Other financial assets	₩ (1,734)

(5) The effects on the consolidated financial statements of financial instruments eligible for the cash flow hedges as of December 31, 2025 are as follows:

(In millions of Korean won)

	Carrying amount of the hedged item		Accounts of the hedged items	Changes in the fair value used to calculate the ineffective portion of the hedge	Cash flow hedge reserve
	Assets	Liabilities			
Cash flow hedge:					
Bonds	₩ -	₩ 573,960	Bonds	₩ (1,734)	₩ -

(6) The effects of the Group's risk management activities on the consolidated statements of profit or loss and other comprehensive income as of December 31, 2025 are as follows:

Hedged items	Effective portion of hedge accounting recognized in other comprehensive income (*)	Ineffective portion of hedge accounting recognized in profit or loss	Reclassification from cash flow hedge reserve to profit or loss	Accounts that affect profit or loss by reclassification
Borrowings	₩ -	₩ -	₩ 906	Interest expenses & Gain(Loss) on foreign currency translation
Bonds	14,151	-	2,134	

(*) It is considered tax effect.

22. Equity

(1) The Company's authorized number of shares for issuance, the number of shares issued and the par value per share are 820,000,000 shares, 390,412,998 shares and ₩5,000 as of December 31, 2025, respectively. The Company retired 37,450,349 shares of treasury stock at various times since 2003. Due to these stock retirements, the aggregate par value of issued shares differs from the common stock amount recognized.

(2) Details of accumulated other comprehensive income as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Loss on valuation of financial assets at FVOCI	₩ (41,780)	₩ (145,092)
Loss on valuation of derivatives	-	(11,111)
Equity adjustments using the equity method	1,154,624	1,038,321
Gain on translation of foreign operations, net	1,818,216	1,156,795
Total	₩ 2,931,060	₩ 2,038,913

22. Equity, Continued

(3) Details other components of equity as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Gain on capital reduction	₩ 119,859	₩ 119,859
Other capital surplus	90,450	79,640
Treasury stock(*)	(173,202)	(348,310)
Others	160	-
Total	₩ 37,267	₩ (148,811)

(*) Changes in treasury stocks for the year ended December 31, 2025 are as follows:

(In millions of Korean won, except number of shares)

	Number of shares	Amount
Beginning	₩ 3,973,369	₩ (348,310)
Acquisition of treasury stocks	7,259,634	(700,045)
Disposal of treasury stocks	(2,163,096)	206,956
Retirement of treasury stocks	(7,259,634)	668,197
Ending	₩ 1,810,273	₩ (173,202)

The Group granted 2,163,096 treasury shares of common stocks to its executives and employees as performance bonuses for the year ended December 31, 2025 as part of its share-based payments.

23. Retained earnings

(1) Details of retained earnings as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Legal reserve (*)	₩ 1,171,900	₩ 916,000
Voluntary reserve	29,463,787	26,131,689
Unappropriated retained earnings	23,883,903	23,193,407
Total	₩ 54,519,590	₩ 50,241,096

(*) The *Commercial Act* of the Republic of Korea requires the Company to appropriate as a legal reserve, a minimum of 10% of annual cash dividends declared, until such reserve equals 50% of its capital stock issued. The reserve is not available for the payment of cash dividends, but may be transferred to capital stock or used to reduce accumulated deficit, if any.

24. Earnings per share

(1) Basic earnings per share for each of the two years in the period ended December 31, 2025 are calculated as follows:

(In Korean won, except number of shares)

		2025		2024
Profit attributable to the owners of the Parent Company	₩	7,560,982,890,470	₩	9,772,956,611,239
Weighted-average number of common shares outstanding (*)(in shares)		390,109,901		392,604,770
Basic earnings per share	₩	19,382	₩	24,893

(*) The weighted-average number of ordinary shares for each of the two years in the period ended December 31, 2025 is calculated from shares outstanding which are weighted averaged by distribution period. Treasury shares, held from acquisition date until disposal date, are excluded from ordinary shares.

(2) The Group has potential diluted earnings per common share for each of the two years in the period ended December 31, 2025, but the dilutive effect is not material as well as the difference between basic earnings per share and diluted earnings per share.

25. Dividends

(1) Dividends for each of the two years in the period ended December 31, 2025 are calculated as follows:

(In millions of Korean won, except for shares, par value and ratio)

		2025		2024
Number of shares issued		390,412,998		397,672,632
Number of treasury shares		(1,810,273)		(3,973,369)
Number of shares eligible for dividends		388,602,725		393,699,263
Par value per share	₩	5,000	₩	5,000
Dividend rate		136%		130%
Dividend amount(*)	₩	2,642,499	₩	2,559,044

(*) The dividend amount for the year ended December 31, 2025 is the expected amount calculated by taking into account the dividend per share determined by the Board of Directors on January 28, 2026 and the number of shares eligible for dividends as of December 31, 2025.

25. Dividends, Continued

(2) The dividend payout ratio for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won, except for ratio)

	2025		2024	
Dividends	₩	2,642,499	₩	2,559,044
Profit attributable to the owners of the Parent Company		7,560,983		9,772,957
Dividend payout ratio		34.95%		26.18%

(3) The dividend yield ratio for each of the two years in the period ended December 31, 2025 are as follows:

(In Korean won, except for ratio)

	2025		2024	
Dividend per share	₩	6,800	₩	6,500
Market price as of year-end		121,800		100,700
Dividend yield ratio		5.58%		6.45%

26. Revenue from contracts with customers

(1) The classification of revenues from contracts with customers by type of goods and services for each of the two years in the period ended December 31, 2025 is as follows:

(In millions of Korean won)

	2025		2024	
Types of goods or services				
Sales of goods	₩	108,982,553	₩	102,882,801
Rendering of services		5,052,493		4,368,946
Royalties		105,873		197,005
	₩	114,140,919	₩	107,448,752

The classification by geography is disclosed in Note 4.

(2) Details of receivables and contract assets liabilities from contracts with customers as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
Contract liabilities(*)	₩	4,913,463	₩	4,064,199

(*) Contract liabilities include advances received, unearned income and accrued expenses.

(3) The Group has recognized the following assets for costs incurred when entering into and satisfying contracts with customers as of December 31, 2025 and 2024:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
Costs spent in provision of additional services and others (*)	₩	233,923	₩	373,680

(*) The costs from unsatisfied performance obligation will be recognized as expenses in the period when such supplementary services are provided.

27. Selling, general and administrative expenses

(1) Details of selling expenses for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Advertisement	₩ 1,904,329	₩ 1,756,007
Sales promotion	1,085,088	1,045,971
Product warranties	4,073,142	3,733,277
Freight	145,877	149,917
Overseas marketing and export	396,303	358,586
Total	₩ 7,604,739	₩ 7,043,758

(2) Details of general and administrative expenses for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Salaries	₩ 1,128,460	₩ 1,066,372
Bonus	481,866	500,898
Retirement benefits	97,352	67,883
Other long-term employee benefits	10,221	25,994
Employee welfare	307,373	300,388
Travel	50,447	49,433
Communications	23,623	20,106
Utilities	27,581	26,363
Taxes and dues	66,374	64,866
Rents	53,324	44,118
Depreciation	183,801	169,629
Amortization	58,162	51,260
(Reversal of) bad debt expenses	11,512	(4,114)
Repairs and maintenance	41,940	43,931
Insurance premium	45,796	37,060
Entertainment	6,888	15,593
Vehicle maintenance	50,984	47,653
Supplies and stationery	15,034	14,009
IT	5,861	5,014
Education and training	39,375	41,132
Commissions and fees	928,298	724,670
Tests	2,141,884	1,718,283
Others	49,034	29,333
Total	₩ 5,825,190	₩ 5,059,874

28. Finance income and expenses

(1) Details of finance income for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Interest income	₩ 948,751	₩ 1,019,949
Gain on foreign exchange transactions	197,909	229,336
Gain on foreign currency translation	91,719	65,056
Dividend income	4,734	3,781
Gain on valuation and trading of derivatives	42,946	32,617
Gain on valuation of financial assets measured at FVPL	13,924	467
Total	₩ 1,299,983	₩ 1,351,206

(2) Details of finance expenses for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Interest expenses	₩ 75,155	₩ 101,489
Loss on foreign exchange transactions	204,083	111,213
Loss on foreign currency translation	285,690	341,500
Loss on valuation and trading of derivatives	12,295	42,987
Loss on disposal of investment assets	401	-
Loss on valuation of financial assets at FVPL	-	12,430
Total	₩ 577,624	₩ 609,619

29. Other income and expenses

(1) Details of other income for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Rent income	₩ 11,670	₩ 12,182
Gain on foreign exchange transactions	761,968	674,452
Gain on foreign currency translation	108,614	202,012
Gain on disposal of property, plant and equipment	141,064	12,389
Gain on disposal of intangible assets	3	286
Reversal of impairment loss on property, plant and equipment	1,500	11,551
Reversal of impairment loss on intangible assets	250	-
Miscellaneous gain	188,229	213,083
Total	₩ 1,213,298	₩ 1,125,955

29. Other income and expenses, Continued

(2) Details of other expenses for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Loss on foreign exchange transactions	₩ 660,954	₩ 575,067
Loss on foreign currency translation	107,131	111,167
Loss on disposal of accounts and notes receivable – trade	3,403	3,026
Donations	83,052	81,755
Loss on disposal of property, plant and equipment	75,204	190,515
Loss on disposal of intangible assets	708	1,635
Impairment loss on property, plant and equipment	2,617	5,729
Impairment loss on intangible assets	36,295	68,761
Miscellaneous loss	218,019	392,191
Total	₩ 1,187,383	₩ 1,429,846

30. Income tax expenses

(1) Details of income tax expenses for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Current tax payable	₩ 2,479,100	₩ 3,690,557
Changes in deferred taxes due to temporary differences	351,334	170,134
Income taxes directly charged to equity	(143,217)	(135,495)
Income tax expenses	₩ 2,687,217	₩ 3,725,196

(2) Details of income tax directly charged to equity for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Gain on disposal of treasury stocks	₩ (28,178)	₩ (16,289)
Remeasurements of defined benefit plans	17,475	64,023
Loss in financial assets at FVOCI	(36,727)	(324)
Gain (loss) on valuation of derivatives	(3,932)	1,399
Equity adjustments using the equity method	(24,776)	(99,690)
Loss on translation of foreign operations	(67,079)	(84,614)
Total	₩ (143,217)	₩ (135,495)

30. Income tax expenses, Continued

(3) A reconciliation of income before income taxes at the statutory tax rate to of the Republic of Korea income tax expenses at the effective income tax rate of the Group for each of the two years in the period ended December 31, 2025 is as follows:

(In millions of Korean won, except for ratio)

	2025	2024
Profit before income taxes	₩ 10,241,390	₩ 13,500,201
Income tax calculated at the statutory tax rates (*)	2,645,011	3,504,054
Adjustments:		
Non-taxable income	(93,399)	(167,767)
Non-deductible expenses	29,111	172,310
Tax credits	(247,068)	(157,526)
Tax effect on investments in subsidiaries, joint ventures and associates	428,173	435,092
Others	(74,611)	(60,967)
Income tax expenses	₩ 2,687,217	₩ 3,725,196
Average effective tax rate	26.24%	27.59%

(4) Changes in deferred tax assets and liabilities for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning	Profit or loss	Other comprehensive income	Ending
Bad debt expenses	₩ 9,152	₩ 381	₩ -	₩ 9,533
Accrued expenses	531,720	58,330	-	590,050
Provisions for product warranties	1,913,719	(10,565)	-	1,903,154
Provisions for long-term employee benefits	98,754	26,208	-	124,962
Annual leaves	28,757	3,162	-	31,919
Revaluation of land	(381,441)	(10,372)	-	(391,813)
Depreciation	(70,497)	(66,174)	-	(136,671)
Investments in subsidiaries, joint ventures and associates	(3,552,692)	(406,783)	(91,855)	(4,051,330)
Gain (loss) on valuation of derivatives	15,210	(5,203)	(3,932)	6,075
Investment income (loss) under the equity method	46,478	3,921	(36,727)	13,672
Carryforward of tax losses and tax credits	19,774	13,119	-	32,893
Others	544,341	157,681	17,475	719,497
Total	₩ (796,725)	₩ (236,295)	₩ (115,039)	₩(1,148,059)

30. Income tax expenses, Continued

(5) Changes in deferred tax assets and liabilities for the year ended December 31, 2024, are as follows:

(In millions of Korean won)

	Beginning	Profit or loss	Other comprehensive income	Ending
Bad debt expenses	₩ 9,355	₩ (203)	₩ -	₩ 9,152
Accrued expenses	469,914	61,806	-	531,720
Provisions for product warranties	1,587,207	326,512	-	1,913,719
Provisions for long-term employee benefits	79,393	19,361	-	98,754
Annual leaves	27,226	1,531	-	28,757
Revaluation of land	(381,584)	143	-	(381,441)
Depreciation	(66,490)	(4,007)	-	(70,497)
Investments in subsidiaries, joint ventures and associates	(2,959,395)	(408,993)	(184,304)	(3,552,692)
Gain on valuation of derivatives	6,897	6,914	1,399	15,210
Investment gain (loss) under the equity method	47,144	(342)	(324)	46,478
Carryforward of tax losses and tax credits	33,846	(14,072)	-	19,774
Others	519,896	(39,578)	64,023	544,341
Total	₩ (626,591)	₩ (50,928)	₩ (119,206)	₩ (796,725)

(6) Details of temporary differences that are not recognized as deferred tax assets as of December 31, 2025 and 2024 are as follows.

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Investments in subsidiaries	₩ 2,632,466	₩ 1,912,448

(7) Global minimum tax

In accordance with the temporary exception to deferred tax accounting under KIFRS 1012, the Group does not recognize deferred tax assets and liabilities related to the global minimum tax legislation and does not disclose related deferred tax information. Based on the analysis performed, there is no current income tax effect that the Group is required to recognize for the year ended December 31, 2025 with respect to the global minimum tax.

31. Classification of expenses by nature

The classification of expenses by nature for each of the two years in the period ended December 31, 2025 is as follows:

(In millions of Korean won)

	2025	2024
Change in inventories	₩ (1,902,420)	₩ (1,024,077)
Raw materials and merchandise used	80,109,706	73,271,312
Employee benefits	7,708,378	7,491,073
Depreciation	2,069,854	2,009,751
Amortization	644,070	539,518
Others	16,433,183	12,494,036
Total(*)	₩ 105,062,771	₩ 94,781,613

(*) Sum of cost of sales, selling and administrative expenses in the consolidated statements of profit or loss and other comprehensive income.

32. Leases

(1) Description of leases

The Group uses and provides leases in connection with its operations, and the main leases consist of real estate leases, etc. The effect of future cash outflows that are potentially exposed to the use of leases but are not reflected in the measurement of lease liabilities has no significant impact on consolidated financial statements of the Group.

(2) Details of right-of-use assets as of December 31, 2025 and 2024 are as follows:

(In millions of Korean won)

	December 31, 2025			December 31, 2024		
	Acquisition cost	Accumulated depreciation & impairment loss	Carrying amount	Acquisition cost	Accumulated depreciation & impairment loss	Carrying amount
Land	₩ 3,825	₩ (3,094)	₩ 731	₩ 3,423	₩ (2,370)	₩ 1,053
Buildings	756,451	(387,529)	368,922	691,775	(341,728)	350,047
Tools	1,019	(915)	104	1,193	(1,082)	111
Total	₩ 761,295	₩ (391,538)	₩ 369,757	₩ 696,391	₩ (345,180)	₩ 351,211

(3) Changes in right-of-use assets for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning	Acquisition (capital expenditure included)	Disposal(*1)	Depreciation	Impairment loss	Transfer (*2)	Other	Ending
Land	₩ 1,053	465	-	(787)	-	-	-	731
Buildings	350,047	100,662	(8,384)	(87,933)	-	-	14,530	368,922
Tools	111	197	-	(204)	-	-	-	104
Total	₩ 351,211	101,324	(8,384)	(88,924)	-	-	14,530	369,757

32. Leases, Continued

(4) Changes in right-of-use assets for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

		Beginning	Acquisition (capital expenditure included)	Disposal(*1)	Depreciation	Impairment loss	Transfer (*2)	Other	Ending
Land	₩	867	818	-	(632)	-	-	-	1,053
Buildings		296,083	89,054	(6,605)	(81,841)	-	-	53,356	350,047
Tools		485	2	-	(376)	-	-	-	111
Total	₩	297,435	89,874	(6,605)	(82,849)	-	-	53,356	351,211

(5) Changes in lease liabilities for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Beginning	₩ 362,247	₩ 327,792
Increase (*)	83,569	79,415
Payments	(87,342)	(82,533)
Interest expenses	12,591	11,915
Others (exchange difference)	13,974	25,658
Ending	₩ 385,039	₩ 362,247

(*) The effect of early termination of the lease agreement is included.

(6) Details of income and expenses recognized in lease contracts for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Income recognized in lease contracts:		
Interest income	₩ 6,968	₩ 6,738
Others (*)	32	15
	₩ 7,000	₩ 6,753
Expenses recognized in lease contracts:		
Depreciation of right-of-use assets	₩ 88,924	₩ 82,849
Lease expenses for short term leases	2,497	951
Lease expenses for variable leases	82	75
Lease expenses for low-value leases	19	14
Interest expenses	12,591	11,915
Others (*)	559	215
	₩ 104,672	₩ 96,019

(*) Gains (losses) from disposal of right-of-use assets due to changes in the lease agreements and termination of the lease contracts are included.

32. Leases, Continued

(7) Fixed lease payments and variable lease payments recognized in lease contracts for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Fixed	Variable	Total
Fixed payments	₩ 107,551	₩ -	₩ 107,551
Variable lease payments with minimum payments	574	82	656
	₩ 108,125	₩ 82	₩ 108,207

(8) Fixed lease payments and variable lease payments recognized in lease contracts for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Fixed	Variable	Total
Fixed payments	₩ 81,990	₩ -	₩ 81,990
Variable lease payments with minimum payments	543	75	618
	₩ 82,533	₩ 75	₩ 82,608

(9) Exercise of termination and renewal option has no significant impact on the Group's consolidated financial statements.

(10) Future minimum lease receivables to arise from leases provided by the Group as of December 31, 2025 are as follows:

(In millions of Korean won)

	Within 1 year	1-5 years	More than 5 years	Total
Lease receivables	₩ 3,244	₩ 5,970	₩ 1,906	₩ 11,120

33. Statement of cash flows

(1) Details of cash generated from operations for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Profit for the year	₩ 7,554,174	₩ 9,775,005
Adjustments:		
Salaries	246,105	181,663
Retirement benefits	328,284	242,613
Depreciation	2,069,854	2,009,751
Amortization	644,070	539,518
Product warranties	3,434,297	3,340,985
Income tax expenses	2,687,217	3,725,196
Impairment loss on investments in joint ventures and associates, net	-	53,792
Gain on investments in joint ventures and associates, net	(414,969)	(449,158)
Gain (loss) on valuation of financial assets at FVPL	(13,924)	11,963
Interest income and expenses, net	(873,596)	(918,460)
Dividend income	(4,734)	(3,781)
Loss on foreign currency translation, net	192,488	185,599
Gain (loss) on disposal of property, plant and equipment	(65,860)	178,126
(Reversal of) impairment loss on property, plant and equipment	1,117	(5,822)
Impairment loss on intangible assets	36,045	68,761
Others	188,327	504,859
Subtotal	8,454,721	9,665,605
Changes in operating assets and liabilities:		
Increase in accounts and notes receivable – trade	(24,536)	(996,617)
Decrease (increase) in accounts and notes receivable – others	419,556	(76,779)
Increase in inventories	(2,642,712)	(1,496,593)
Increase in accounts and notes payable - trade	216,547	56,802
Increase in advances received	391,956	77,957
Increase in accounts and notes payable - others	662,433	732,812
Increase in accrued expenses	779,113	55,482
Payment of retirement benefits	(295,547)	(232,280)
Changes in net defined benefit liabilities (assets)	(59,528)	83,973
Changes in provisions for product warranties	(3,799,749)	(2,684,235)
Payment of other provisions	(82,252)	(79,527)
Others	107,005	272,457
Subtotal	(4,327,714)	(4,286,548)
Cash generated from operations	₩ 11,681,181	₩ 15,154,062

33. Statement of cash flows, Continued

(2) Details of major transactions not involving cash inflows and outflows from investing and financing activities for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Change in accounts and notes payable - others in connection with acquisition of property, plant and equipment	₩ 187,482	₩ 127,226
Change in accounts and notes payable - others in connection with acquisition of intangible assets	(14,010)	66,621
Decrease in inventories in connection with acquisition of property, plant and equipment	437,014	318,058
Transfer of short-term and long-term financial instruments to current portion	3,545,000	835,000
Transfer of bonds to current portion	1,178,424	565,929

(3) Changes in liabilities arising from financing activities for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Borrowings	Bonds	Deposits received	Lease liabilities	Total
Beginning	₩ 420,859	2,813,385	11,648	362,247	3,608,139
Cash flows	(210,402)	(630,200)	(1,015)	(74,751)	(916,368)
Exchange rate changes	835	(53,430)	50	13,974	(38,571)
Others (*1)	-	2,882	(454)	83,569	85,997
Ending e	₩ 211,292	2,132,637	10,229	385,039	2,739,197

(*1) It includes acquisition of new lease, amortization of present value discounts and others.
(*2) It includes the current portion of long-term bonds transferred.

(4) Changes in liabilities arising from financing activities for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Borrowings	Bonds	Deposits received	Lease liabilities	Total
Beginning	₩ 651,115	3,148,724	11,710	327,792	4,139,341
Cash flows	(247,404)	(675,110)	166	(70,618)	(992,966)
Exchange rate changes	17,148	335,310	(86)	25,658	378,030
Others (*1)	-	4,461	(142)	79,415	83,734
Ending	₩ 420,859	2,813,385	11,648	362,247	3,608,139

(*1) It includes acquisition of new lease, amortization of present value discounts and others.
(*2) It includes the current portion of bonds transferred.

34. Finance risk management

The Group's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (composed of foreign exchange risk and interest rate risk). The treasury department monitors and manages the financial risk arising from the Group's underlying operations in accordance with the risk management policies and procedures authorized by the board of directors.

(1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group transacts with customers after evaluating their credit rating as graded by the independent credit rating agencies. Additionally, the Group also consider obtaining collateral from the customers in order to mitigate the risk of default. If the credit ratings are not available, the Group evaluates the creditworthiness of customers based on their other transaction information. The Group also conducts regular monitoring of customers' credit ratings.

① Exposure to credit risk

The carrying amounts of financial assets recorded in the consolidated financial statements represent the Group's maximum exposure to credit risk after deduction of impairment losses, excluding payment guarantees.

The maximum exposure to credit risk of payment guarantees provided by the Group as of December 31, 2025 and 2024 is as follows:

(In millions of Korean won)

	December 31, 2025	December 31, 2024
Financial guarantees	₩ 607,845	₩ 705,332

(2) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages liquidity risk by reviewing and forecasting regular cash flows. The Group has a certain level of current account to prepare unexpected payment of short-term financial liabilities and others.

① The Group's repayment schedules on financial liabilities, including the estimated interests, categorized by maturity as of December 31, 2025, is as follows:

(In millions of Korean won)

	Within 1 year	1-5 years	More than 5 years	Total
Accounts and notes payable - others and other liabilities	₩ 18,624,199	₩ 812,577	₩ -	₩ 19,436,776
Bonds (including current portions)	1,196,490	996,317	-	2,192,807
Borrowings (including current portions)	224,199	-	-	224,199
Finance lease liabilities	70,478	225,052	152,376	447,906
Financial guarantees:	284,163	233,426	90,256	607,845
Total	₩ 20,399,529	₩ 2,267,372	₩ 242,632	₩ 22,909,533

34. Finance risk management, Continued

(2) Liquidity risk, Continued

② The Group's repayment schedule on financial liabilities, including the estimated interests, categorized by maturity as of December 31, 2024 is as follows:

(In millions of Korean won)

	Within 1 year	1-5 years	More than 5 years	Total
Accounts and notes payable - others and other liabilities	₩ 16,818,707	₩ 778,261	₩ -	₩ 17,596,968
Bonds (including current portions)	697,317	2,239,731	-	2,937,048
Borrowings (including current portions)	439,483	-	-	439,483
Finance lease liabilities	84,202	202,821	138,768	425,791
Financial guarantees:	355,150	257,719	92,463	705,332
Total	₩ 18,394,859	₩ 3,478,532	₩ 231,231	₩ 22,104,622

The maturity analysis is based on the undiscounted cash flows of the financial liabilities and is based on the earliest due date the Group should pay back.

The Group has entered into supplier financial agreements with certain key suppliers. Participation in these agreements is at the discretion of the suppliers. Suppliers participating in the program may receive early payment of their receivables from the finance provider, and when a supplier opts for early payment, any related fees are paid by the supplier to the finance provider, not to the Group.

To facilitate the finance provider's payment to the suppliers, the Group must receive and verify the goods or services and approve the relevant invoices. The finance provider may remit payment to the suppliers before the original due date.

In all cases, the Group settles the obligation by paying the finance provider on the original due date of the invoice, as described below. The payment terms between the Group and its suppliers are not renegotiated due to the Supplier Financial Agreements, and the Group does not provide any collateral to the finance provider.

All financial liabilities arising from the supplier financial agreements are included in trade payables and short-term borrowings in the consolidated statements of financial position.

As of December 31, 2025, the carrying amounts of financial liabilities related to the supplier financial agreements and the line items in which they are presented in the statements of financial position are as follows:

(In millions of Korean won)

	December 31, 2025
The total carrying amounts of financial liabilities under supplier financial agreements	
Accounts and notes payable – trade	₩ 2,902,046
Short-term borrowings	44,796
The total carrying amounts of financial liabilities under supplier financial agreements, where the supplier has already been paid	
Accounts and notes payable – trade	₩ 160,279
Short-term borrowings	44,796

34. Finance risk management, Continued

(2) Liquidity risk, Continued

The payment term ranges of accounts and notes payable - trade that are comparable to, and not part of, the Group's supplier financial agreements are as follows:

	Payment term ranges
Financial liabilities under supplier financial agreements	30 days ~ 185 days
Comparable financial liabilities not subject to supplier financial agreements	5 days ~ 90 days

(3) Market risk

Market risk is the risk of fluctuations in fair values of financial instruments and future cash flows arising from changes in market price. The purpose of managing market price is to optimize profits, while managing and controlling exposure to market risk within acceptable limits.

① Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various foreign currencies including the US dollar and Euro, which relates primarily to the Group's global operating activities. The Group periodically measures and assesses the exposure to primary currencies to minimize the fluctuation of business performance and financial risk on fluctuations in foreign exchange and establishes its own guidelines and manages foreign exchange risk based thereon

[Risk]
- Foreign exchange risk in future foreign sales amounts denominated in Korean won due to changes in foreign exchange rate
- Foreign exchange risk in foreign assets and liabilities denominated in Korean won due to changes in foreign exchange rate
- Foreign exchange risk through the time of collecting accounts and notes receivable and payment of accounts and notes payable

[Strategy]
- The Group adheres to the principle of minimizing its currency exposure by matching the inflows and outflows of foreign currencies in terms of size and maturity.
- The Group manages risk associated with accounts and notes receivable and payable from operating activities by utilizing trade financing instruments such as L/C negotiating, which helps to reduce the exposure period of foreign currencies.
- The Group hedges its foreign currency risk arising from future cash flows that are expected to occur within a maximum 12-month period by using derivative financial instruments such as currency forwards, currency options, etc.
- To hedge against foreign exchange risk associated with bonds in foreign currencies that exceed 12 months, the Group uses derivative financial instruments such as currency swaps, etc.
- The Group enters into derivative financial instrument contracts following its internal guideline and procedures for foreign exchange risk. The Group strictly limits speculative transactions.

34. Finance risk management, Continued

(3) Market risk, Continued

① Foreign exchange risk, Continued

The Group's equity and profit or loss would have been increased or decreased if the foreign exchange rates against USD and EUR were fluctuant. The Group assumes that interest rate fluctuates 10% as of December 31, 2025 and 2024. Also, the Group assumes that other variables, such as interest rate, are not changed by sensitivity analysis. The Group analyzed by the same method that was used for the last period, and details for the effect on profit before income taxes are summarized as follows:

(In millions of Korean won)

	December 31, 2025				December 31, 2024			
	10% up		10% down		10% up		10% down	
USD	₩	(174,948)	₩	174,948	₩	(132,843)	₩	132,843
EUR		34,878		(34,878)		32,558		(32,558)

② Interest rate risk

The Group is exposed to the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. To minimize uncertainty and net interest expense due to interest rate fluctuations, the Group monitors the market movements of interest rate and forecasts and thus maintains appropriate financial instruments.

[Risk]
- The risk of volatility in net interest expenses on financial instruments such as deposits due to changes in market interest rate
- The risk of future cash flows volatility of borrowings with floating rate due to changes in market interest rate
- The risk of changes in interest rates on accounts and notes receivable due to changes in market interest rate

[Strategy]
- The Group mitigates interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Group uses derivative financial instruments such as interest rate swaps and currency swaps to hedge against the risk of cash flow fluctuations due to changes in interest rates.
- The Group holds the principle that the derivative financial instruments contracts should be limited to hedging instruments for long-term borrowings and bonds, and matches the key terms of the hedged items such as the maturity, size and interest payment date, etc. and holds them until maturity.

Assuming all other variables remain constant as of December 31, 2025 and 2024, the effects on annual interest income and interest expenses arising from financial instruments and variable-rate borrowings exposed to interest rate risk, in the event of a 100-bp change in interest rates, are as follows:

(In millions of Korean won)

	December 31, 2025				December 31, 2024			
	100 bp up		100 bp down		100 bp up		100 bp down	
Interest income	₩	53,143	₩	(53,143)	₩	75,928	₩	(75,928)
Interest expenses		-		-		2,000		(2,000)

34. Finance risk management, Continued

(4) Management of capital risk

The fundamental goal of capital management is to maintain on financial structure. As for this to be maintained, the Group uses debt ratio as indicator of capital management. The debt ratio is calculated as the total liability divided by the total equity.

As of December 31, 2025 and 2024, the debt ratio of the Group is as follows:

(In millions of Korean won)

	December 31, 2025		December 31, 2024	
Total liability	₩	37,788,591	₩	36,915,565
Total equity		61,190,464		55,840,309
Debt ratio		61.76%		66.1%

35. Risk management of financial instruments

(1) Fair value

① Fair value and carrying amount

The classification of financial assets by category as of December 31, 2025 is as follows. Their fair values and carrying amounts are equal.

(In millions of Korean won)

		Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Financial assets designated as cash flow hedges	Carrying amount
Cash and cash equivalents	₩	-	-	13,998,106	-	13,998,106
Long-term and short-term financial instruments		-	-	8,007,854	-	8,007,854
Accounts and notes receivable – trade		-	-	3,556,928	-	3,556,928
Accounts and notes receivable – others		-	-	3,225,424	-	3,225,424
Other financial assets		385,433	724,669	2,440,709	122,378	3,673,189
Total financial assets	₩	385,433	724,669	31,229,021	122,378	32,461,501

35. Risk management of financial instruments, Continued

(1) Fair value, Continued

① Fair value and carrying amount, Continued

The classification of financial assets by category as of December 31, 2024 is as follows. Their fair values and carrying amounts are equal.

(In millions of Korean won)

	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Financial assets designated as cash flow hedges	Carrying amount
Cash and cash equivalents	₩ -	-	13,566,568	-	13,566,568
Long-term and short-term financial instruments	-	-	6,342,452	-	6,342,452
Accounts and notes receivable – trade	-	-	3,561,359	-	3,561,359
Accounts and notes receivable – others	-	-	3,157,669	-	3,157,669
Other financial assets	3,179,892	582,710	2,029,026	125,604	5,917,232
Total financial assets	₩ 3,179,892	582,710	28,657,074	125,604	32,545,280

The classification of the fair values and carrying amounts of financial liabilities by category as of December 31, 2025 is as follows:

(In millions of Korean won)

	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Carrying amount	Fair value
Accounts and notes payable – trade	₩ -	10,662,248	10,662,248	10,662,248
Accounts and notes payable – others	-	4,867,519	4,867,519	4,867,519
Bonds	-	2,132,637	2,132,637	2,148,099
Borrowings	-	211,292	211,292	211,292
Other financial liabilities	23,012	4,271,248	4,294,260	4,294,260
Total financial liabilities	₩ 23,012	22,144,944	22,167,956	22,183,418

35. Risk management of financial instruments, Continued

(1) Fair value, Continued

① Fair value and carrying amount, Continued

The classification of the fair values and carrying amounts of financial liabilities by category as of December 31, 2024 is as follows:

(In millions of Korean won)

	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Carrying amount	Fair value
Accounts and notes payable – trade	₩ -	10,454,734	10,454,734	10,454,734
Accounts and notes payable – others	-	3,901,822	3,901,822	3,901,822
Bonds	-	2,813,385	2,813,385	2,824,060
Borrowings	-	420,859	420,859	420,859
Other financial liabilities	42,719	3,563,157	3,605,876	3,605,876
Total financial liabilities	₩ 42,719	21,153,957	21,196,676	21,207,351

The Group measured the fair value of financial instruments as follows:
- the fair value of financial assets traded within the market is measured at the closing bid price quoted at the end of the reporting period; and
- the fair value of the derivatives is measured at the present value of the difference between contractual forward price and future forward price at the end of the reporting period discounted for the remaining period of the contract.

Other than the financial assets and liabilities above, the carrying amounts of receivables and others classified as current assets are considered as the reasonable approximation of the fair values. Otherwise, the fair value of other financial instruments determined as the present value of estimated future cash flows discounted at the current market interest rate. There have been no significant business climate and economic environment changes affecting the fair value of financial assets and liabilities for the twelve-month period ended December 31, 2025.

② Fair value hierarchy

Fair value measurements classified by the fair value hierarchy as of December 31, 2025 are as follows:

(In millions of Korean won)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets	₩ -	₩ 322,332	₩ 62,830	₩ 385,162
Equity securities	538,762	-	186,178	724,940
Derivatives assets	-	122,378	-	122,378
	₩ 538,762	₩ 444,710	₩ 249,008	₩ 1,232,480
Financial liabilities				
Derivatives liabilities	₩ -	₩ 23,012	₩ -	₩ 23,012

There were no significant transfers between levels 1, 2 and 3.
Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques. The hierarchy levels are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs that are observable for the asset or liability, either directly or indirectly; and
Level 3: Inputs for the asset or liability that are not based on observable market data.

35. risk management of financial instruments, Continued

(1) Fair value, Continued

② Fair value hierarchy, Continued

Changes in financial instruments included at level 3 for the year ended December 31, 2025 are as follows:

(In millions of Korean won)

	Beginning	Acquisition	Disposal	Valuation	Others	Ending
Financial assets at FVOCI	₩ 177,955	₩ 2,256	₩ (4,555)	₩ 10,172	₩ 80	₩ 185,908
Financial assets at FVTPL	55,862	7,238	-	-	-	63,100

Changes in financial instruments included at level 3 for the year ended December 31, 2024 are as follows:

(In millions of Korean won)

	Beginning	Acquisition	Disposal	Valuation	Others	Ending
Financial assets at FVOCI	₩ 180,311	₩ 563	₩ (99)	₩ 37,377	₩(40,197)	₩ 177,955
Financial assets at FVTPL	76,801	6,431	-	467	(27,837)	55,862

The valuation methods and the inputs used in measuring Level 2 fair values as of December 31, 2025 are as follows:

(In millions of Korean won)

	Fair value	Valuation methods	Inputs
Financial assets at FVPL	322,332	DCF model and others	Discount rate, exchange rate, swap point and others
Financial liabilities at FVPL	23,012		
Derivative assets designated as cash flow hedges	122,378		

③ Financial instruments not measured at fair value and for which fair values are disclosed

Financial instruments measured at amortized cost, but for which fair values are disclosed as of December 31, 2025, are as follows:

(In millions of Korean won)

	Level 1	Level 2	Level 3	Total
Bonds and borrowings	₩ -	₩ -	₩ 2,359,391	₩ 2,359,391

The Group has not disclosed the fair value hierarchy for financial instruments when their carrying amounts are a reasonable approximation of the fair values.

35. Risk management of financial instruments, Continued

(1) Fair value, Continued

③ Financial instruments not measured at fair value and for which fair values are disclosed, Continued

The valuation techniques and the significant but not unobservable input variables used in measuring the fair value of financial instruments classified as Level 3, which are measured at amortized cost but also have their fair value disclosed, are as follows:

(In millions of Korean won)

	Fair value	Valuation methods	Significant unobservable input
Bonds and borrowings	₩ 2,359,391	DCF model	Discount rate considering credit risk

(2) Income and expenses by financial instruments category

The classification of income and expenses on financial instruments by category for the year ended December 31, 2025 is as follows:

(In millions of Korean won)

	2025		
	Finance income	Finance expenses	Other comprehensive income
Financial assets at FVPL	₩ 45,601	₩ -	₩ -
Financial assets at FVOCI	4,734	401	118,750
Financial assets at amortized cost	1,198,902	204,083	-
Financial liabilities at amortized cost	7,800	360,845	-
Derivative financial instruments	42,946	12,295	11,111
Total	₩ 1,299,983	₩ 577,624	₩ 129,861

The classification of income and expenses on financial instruments by category for the year ended December 31, 2024 is as follows:

(In millions of Korean won)

	2025		
	Finance income	Finance expenses	Other comprehensive income
Financial assets at FVPL	₩ 96,769	₩ 12,430	₩ -
Financial assets at FVOCI	3,781	-	1,108
Financial assets at amortized cost	1,218,039	115,998	-
Financial liabilities at amortized cost	-	438,204	-
Derivative financial instruments	32,617	42,987	(3,675)
Total	₩ 1,351,206	₩ 609,619	₩ (2,567)

35. Risk management of financial instruments, Continued, Continued

(3) Offsetting financial assets and financial liabilities

① Details of financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as of December 31, 2025 are as follows:

(In millions of Korean won)

	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial liabilities off set	Net amounts of financial assets/liabilities	Related amounts not set off	Net amount
Financial assets:					
Accounts and notes receivable - trade and others	₩ 1,701,187	₩ (1,245,599)	₩ 455,588	₩ (163,254)	₩ 292,334
Financial liabilities:					
Short-term borrowings	₩ 166,496	₩ -	₩ 166,496	₩ (166,496)	₩ -
Accounts and notes payables- trade and others	4,815,054	(1,245,559)	3,569,455	(163,254)	3,406,201
Total	₩ 4,981,550	₩ (1,245,559)	₩ 3,735,951	₩ (329,750)	₩ 3,406,201

② Details of financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as of December 31, 2024 are as follows:

(In millions of Korean won)

	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial liabilities off set	Net amounts of financial assets/liabilities	Related amounts not set off	Net amount
Financial assets:					
Accounts and notes receivable - trade and others	₩ 1,547,930	₩ (1,321,998)	₩ 225,932	₩ (17,912)	₩ 208,020
Financial liabilities:					
Short-term borrowings	₩ 146,778	₩ -	₩ 146,778	₩ (146,778)	₩ -
Accounts and notes payables- trade and others	4,866,501	(1,321,998)	3,544,503	(17,912)	3,526,591
Total	₩ 5,013,279	₩ (1,321,998)	₩ 3,691,281	₩ (164,690)	₩ 3,526,591

36. Related parties

(1) Significant transactions

① Details of significant transactions arising from operations between the Group and its related parties or affiliates pursuant to the *Monopoly Regulation and Fair Trade Act* of the Republic of Korea (the "Act") for the year ended December 31, 2025 areas follows:

(In millions of Korean won)

		Revenue		Expenses	
Relation	**Company**	**Sales**	**Others**	**Purchases**	**Others**
Entity with significant influence over the Company and its subsidiaries	Hyundai Motor Company	₩ 559,775	₩ 47,920	₩ 653,348	₩ 1,393,122
	Hyundai Motor America	191,408	7	10,896	135,014
	Hyundai Motor Manufacturing Czech, s.r.o.	831,098	13,136	36	2,406
	Hyundai Motor Manufacturing Alabama, LLC	-	165,982	1,267,900	17,231
	Hyundai Auto Canada Corp.	478,527	-	586	45,084
	Hyundai Kefico Corporation	-	691	477,621	283
	Others	526,643	7,766	451,238	437,841
Joint ventures and associates	Hyundai Mobis Co., Ltd.	₩ 465,688	₩ 7,285	₩ 8,842,979	₩ 100,945
	Hyundai Transys Inc.	68,456	-	1,387,780	75,459
	Hyundai Engineering Co., Ltd.	23	134,478	-	599,807
	Hyundai Steel Co., Ltd.	-	25	96,225	-
	Hyundai Capital Services, Inc.	807,735	1,969	23,540	122,022
	EUKOR Car Carriers, Inc.	-	599	-	669,978
	Donghee Auto Co., Ltd.	47	-	255,263	139
	Hyundai Motor Group China, Ltd.	-	-	-	79,426
	JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	224,536	634	3,323,107	7,604
	Mobis Alabama, LLC	-	73,220	4,052,143	94,078
	Mobis Slovakia s.r.o.	149,605	6,294	2,582,496	85,267
	Hyundai Transys Georgia Powertrain, Inc.	-	13,998	665,009	1,795
	Mobis Parts America, LLC	-	3,613	1,520,496	-
	Hyundai Capital Amercia	-	13,735	-	1,694,965
	Others	728,989	40,773	8,681,108	1,501,724
Other related parties		₩ 10,244	₩ 40,536	₩ 698	₩ 11,577
Affiliates		74,649	66,743	10,761,806	1,861,311

36. Related parties, Continued

(1) Significant transactions, Continued

② Details of significant transactions arising from operations between the Group and related parties or affiliates pursuant to the *Monopoly Regulation and Fair Trade Act* of the Republic of Korea (the "Act") for the year ended December 31, 2024, are as follows:

(In millions of Korean won)

		Revenue		Expenses	
Relation	**Company**	**Sales**	**Others**	**Purchases**	**Others**
Entity with significant influence over the Company and its subsidiaries	Hyundai Motor Company	₩ 664,913	₩ 66,481	₩ 783,955	₩ 1,275,165
	Hyundai Motor America	551,431	7	7,070	197,383
	Hyundai Motor Manufacturing Czech, s.r.o.	817,508	211	15,367	3,450
	Hyundai Motor Manufacturing Alabama, LLC	-	193,545	1,072,131	1,240
	Hyundai Auto Canada Corp.	-	-	720	67,633
	Hyundai Kefico Corporation	-	623	453,995	6
	Others	509,835	6,273	489,741	360,585
Joint ventures and associates	Hyundai Mobis Co., Ltd.	₩ 346,629	₩ 6,177	₩ 8,697,494	₩ 107,853
	Hyundai Transys Inc.	81,588	14	1,280,486	23,418
	Hyundai Engineering Co., Ltd.	24	18,060	-	542,877
	Hyundai Steel Co., Ltd.	-	4	101,919	192
	Hyundai Capital Services, Inc.	654,224	1,896	9,698	74,191
	EUKOR Car Carriers, Inc.	-	458	-	348,998
	Donghee Auto Co., Ltd.	59	-	243,276	224
	Hyundai Motor Group China, Ltd.	-	-	-	83,908
	JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	363,607	34,536	3,372,913	13,909
	Mobis Alabama, LLC	-	46,247	3,529,767	104,042
	Mobis Slovakia s.r.o.	121,242	4,450	2,621,963	1,781
	Hyundai Transys Georgia Powertrain, Inc.	-	8,524	676,508	6,329
	Mobis Parts America, LLC	-	766	1,419,892	-
	Hyundai Capital Amercia	-	10,846	-	1,072,022
	Others	253,600	85,517	6,989,997	1,402,996
Other related parties		₩ 11,297	₩ 43,195	₩ 653	₩ 11,515
Affiliates		97,823	48,410	10,169,788	1,949,825

36. Related parties, Continued

(2) Account balances

① Details of outstanding balances with the related parties or affiliates by the Act as of December 31, 2025 are as follows:

(In millions of Korean won)

		Receivables		Payables	
Relation	**Company**	**Trade**	**Others**	**Trade**	**Others**
Entity with significant influence over the Company and its subsidiaries	Hyundai Motor Company	₩ 108,042	₩ 50,478	₩ 178,084	₩ 550,992
	Hyundai Motor America	-	-	1,764	16,690
	Hyundai Motor Manufacturing Czech, s.r.o.	36,232	27	-	813
	Hyundai Motor Manufacturing Alabama, LLC	-	67,236	161,033	-
	Hyundai Auto Canada Corp.	71,144	-	100	14,143
	Hyundai Kefico Corporation	-	79	84,361	-
	Others	77,213	368	68,316	63,006
Joint ventures and associates	Hyundai Mobis Co., Ltd.	₩ 156,457	₩ 5,891	₩ 1,505,374	₩ 18,139
	Hyundai Transys Inc.	18,971	255	299,287	-
	Hyundai Engineering Co., Ltd.	-	270	-	237,985
	Hyundai Steel Co., Ltd.	1,250	544	19,449	-
	Hyundai Capital Services, Inc.	14,527	1,021	-	167,590
	EUKOR Car Carriers, Inc.	-	29	-	48,615
	Donghee Auto Co., Ltd.	-	-	20,575	7,941
	Hyundai Motor Group China, Ltd.	-	-	-	19,342
	JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	135,691	-	845,455	-
	Mobis Alabama, LLC	-	11,105	341,074	-
	Mobis Slovakia s.r.o.	-	67	175,699	4,599
	Hyundai Transys Georgia Powertrain, Inc.	-	1,479	55,067	-
	Mobis Parts America, LLC	-	495	145,443	-
	HYUNDAI CAPITAL AMERICA	-	2,598	-	781,456
	Others	324,289	31,918	1,213,339	124,041
Other related parties		₩ 3,022	₩ 1,254	₩ 3	₩ 709
Affiliates		6,806	31,882	1,588,745	264,561

36. Related parties, Continued

(2) Account balances, Continued

② Details of outstanding balances with the related parties or affiliates by the Act as of December 31, 2024 are as follows:

(In millions of Korean won)

Relation	Company	Receivables		Payables	
		Trade	Others	Trade	Others
Entity with significant influence over the Company and its subsidiaries	Hyundai Motor Company	₩ 121,104	₩ 45,311	₩ 200,469	₩ 558,012
	Hyundai Motor America	76,206	-	1,264	38,808
	Hyundai Motor Manufacturing Czech, s.r.o.	60,685	25	-	748
	Hyundai Motor Manufacturing Alabama, LLC	-	22,900	99,050	-
	Hyundai Auto Canada Corp.	-	-	119	11,625
	Hyundai Kefico Corporation	-	19	82,577	-
	Others	64,828	238	77,196	39,498
Joint ventures and associates	Hyundai Mobis Co., Ltd.	₩ 100,984	₩ 1,894	₩ 1,540,793	₩ 17,290
	Hyundai Transys Inc.	18,601	66	195,411	269
	Hyundai Engineering Co., Ltd.	-	53	8,617	200,063
	Hyundai Steel Co., Ltd.	380	129	24,682	30
	Hyundai Capital Services, Inc.	17,128	1,184	19	173,717
	EUKOR Car Carriers, Inc.	-	25	22	28,899
	Donghee Auto Co., Ltd.	-	-	27,319	-
	Hyundai Motor Group China, Ltd.	-	-	-	9,525
	JIANGSU YUEDA KIA MOTOR Co., Ltd. (KCN)	263,102	904	523,576	1,176
	Mobis Alabama, LLC	-	7,249	249,312	-
	Mobis Slovakia s.r.o.	-	63	161,937	4,929
	Hyundai Transys Georgia Powertrain, Inc.	-	986	63,701	-
	Mobis Parts America, LLC	-	210	144,149	-
	HYUNDAI CAPITAL AMERICA	-	3,157	-	478,075
	Others	85,288	24,333	1,243,980	115,179
Other related parties		₩ 2,629	₩ 1,413	₩ 88	₩ 262
Affiliates		18,986	18,327	1,416,867	245,054

(3) Significant capital transactions with related parties

Details of financial transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won, In thousands of US dollar, In thousands of ruble)

	2025		2024	
Cash investments in associates and joint ventures	KRW	986,461	KRW	1,265,183
	USD	12,923	USD	122,760
	RUB	3,641,596	RUB	6,171,840

① The Group has money market trust of ₩150,000 million as of December 31, 2025 and ₩360,000 million as of December 31, 2024 with Hyundai Motor Securities Co., Ltd., a related party of the Group. The Group contributed ₩430,000 million for the year ended December 31, 2025 and ₩1,040,000 million for the year ended December 31, 2024 to the trust and withdrew ₩640,000 million for the year ended December 31, 2025 and ₩1,040,000 million for the year ended December 31, 2024 from the trust.

36. Related parties, Continued

(4) Compensations for key management personnel

Details of compensations for key management personnel, including registered and non-registered directors, for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

	2025	2024
Salaries	₩ 82,696	₩ 72,539
Retirement benefits	24,433	17,808
	₩ 107,129	₩ 90,347

(5) Guarantees provided to the related parties

Details of guarantees provided to the related parties as of December 31, 2025 are as follows:

(In thousands of US dollar, In thousands of CNY)

Relation	Company	Purpose	Financial institution	Period of guarantees	Amount	
Joint venture	JIANGSU YUEDA KIA MOTOR Co., Ltd.(KCN)	Operating loans and others	Export-Import Bank of Korea and others	Apr. 20, 2023 - Jan. 22, 2027	USD CNY	100,000 1,140,000
Affiliates by the Act	PT HLI Green Power	Operating loans and others	ANZ and others	Oct. 25, 2022 - Oct. 25, 2032	USD	62,900
Affiliates by the Act	HSAGP Energy LLC (HSAGP)	Operating loans and others	Deutsche Bank AG, Hong Kong Branch and others	May 30, 2025 - May 29, 2035	USD	160,888
Affiliates by the Act	Boston Dynamics Inc.	Leasehold deposits	-	Aug. 1, 2025 - Apr. 30, 2034	USD	34,077
		Total			USD CNY	357,865 1,140,000

(6) In relation to the payment guarantee provided by Hyundai Motor Company for Hyundai Motor Group Metaplant America, LLC (HMGMA) borrowings, the Group has an agreement to reimburse Hyundai Motor Company for up to USD 5.4 million in the event that the payment guarantee is triggered. In addition, in relation to the payment guarantee provided by Hyundai Motor America for Hyundai Motor Group Metaplant America, LLC (HMGMA) payables, the Group has an agreement to reimburse Hyundai Motor America for up to USD 16 million in the event that the payment guarantee is triggered.

37. Date of authorization for issuance of the consolidated financial statements

The consolidated financial statements as of and for the year ended on December 31, 2025 were authorized for issuance at the Board of Directors' meeting held on January 28, 2025.

Audit opinion on internal control over financial reporting

The accompanying independent auditor's report on internal control over financial reporting is attached as a result of auditing the internal control over financial reporting of Kia Corporation (the "Company") and its subsidiaries (collectively referred to as the "Group") and the consolidated financial statements of the Group for the year ended December 31, 2025 in accordance with the Article 8 of the *Act on External Audit of Stock Companies.*

Attachments:

1. Independent auditor's report on internal control over financial reporting
2. Management's report on the effectiveness of internal control over financial reporting

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Independent auditor's report on internal control over financial reporting for consolidation purposes

(English translation of a report originally issued in Korean)

Kia Corporation
The Shareholders and Board of Directors

Opinion on internal control over financial reporting for consolidation purposes

We have audited the internal control over financial reporting ("ICFR") of Kia Corporation (the "Company") and its subsidiaries (collectively referred to as the "Group") based on the *Conceptual Framework for Design and Operation of ICFR* established by the Operating Committee of ICFR in Korea (the "ICFR Committee") as of December 31, 2025.

In our opinion, the Group's ICFR has been effectively designed and operated, in all material respects, as of December 31, 2025 in accordance with the *Conceptual Framework for Design and Operation of ICFR.*

We also have audited, in accordance with Korean Standards on Auditing ("KSA"), the consolidated statement of financial position as of December 31, 2025, and the consolidated statement of profit of loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information, of the Group, and our report dated March 12, 2026 expressed an unqualified opinion thereon.

Basis for opinion on ICFR

We conducted our audit in accordance with KSA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of ICFR section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of ICFR in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of management and those charged with governance for ICFR

Management is responsible for designing, implementing and maintaining an effective ICFR, and for assessing the effectiveness of the ICFR included in the accompanying Management's report on the effectiveness of ICFR.

Those charged with governance are responsible for overseeing the Group's ICFR process.

Auditor's responsibilities for the audit of ICFR

Our responsibility is to express an opinion of the Group's ICFR based on our audit. We conducted our audit in accordance with KSA. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective ICFR was maintained in all material respects.

An audit of the ICFR involves performing procedures to obtain audit evidence as to whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit also includes testing and evaluating the design and operation of ICFR based on obtaining an understanding of ICFR and the assessed risk.

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ICFR definition and inherent limitations

An ICFR of a company and its subsidiaries is implemented by those charged with governance, management, and other employees and is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“KIFRS”) . The ICFR of the company and its subsidiaries includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company and its subsidiaries; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with KIFRS, and that receipts and expenditures of the company and its subsidiaries are being made only in accordance with authorizations of management and directors of the company and its subsidiaries; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the assets of the company and its subsidiaries that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, ICFR may not prevent or detect material misstatements of the consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that ICFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor’s report is Hee-Yeong Kim.

Ernst & Young Han Young

March 12, 2026

This audit report is effective as of March 12, 2026, the independent auditor’s report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor’s report to the time this report is used. Such events and circumstances could significantly affect the Group’s ICFR and may result in modifications to this report.

Management's report on the effectiveness of internal control over financial reporting

(English translation of a report originally issued in Korean)

To the Shareholders, Board of Directors, and Audit Committee of Kia Corporation

We, as the Chief Executive Officer and the ICFR Officer of Kia Corporation (the "Company") and its subsidiaries (collectively referred to as the "Group"), assessed the effectiveness of the design and operation of internal control over financial reporting ("ICFR") for the year ended December 31, 2025.

The design and operation of ICFR is the responsibility of the Company's management, including the Chief Executive Officer and the ICFR Officer (collectively, "We", "Our" or "Us").

We assessed whether the Group's ICFR has been effectively designed and operated in order to prevent and detect errors or frauds which may result in a misstatement in consolidated financial statements to ensure preparation and disclosure of reliable financial information.

We used, as the basis for the design and operation of the Group's ICFR, the *Conceptual Framework for Design and Operation of ICFR* established by the Operating Committee of ICFR. In assessing the design and operation of ICFR, we used, as the evaluation criteria, the Appendix 6 of the *Implementation Guidelines for the Regulation on External Audit and Accounting*, etc., the *Standard for Evaluation and Reporting of ICFR*.

Based on our evaluation, we concluded that the Group's ICFR is effectively designed and operated as of December 31, 2025, in all material respects, in accordance with the *Conceptual Framework for Design and Operation of ICFR*.

We certify that this report does not contain or present any false statement or omit to state a fact necessary to be presented herein. We also confirm that this report does not contain or present any statement which might cause material misunderstandings to the readers, and we have reviewed and verified this report with sufficient care.

(Attachment)

◦ Internal control activities performed by the Company to address financial fraud risks such as embezzlement

January 28, 2026

Chief Executive Officer Song Ho Sung

ICFR Officer Kim Seung Jun

(Attachment)

◦ Internal control activities performed by the Company to address financial fraud risks such as embezzlement

Category	No.	Control activities performed by the Company	Entity	Design and operation effectiveness assessment result
Entity-level controls	1	<Operation of fraud prevention programs> Management operates an internal reporting system that guarantees the anonymity of whistleblowers to foster an ethical environment within the company and enhance adherence to the Code of Ethics.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	2	< Assessment of fraud risks> Management establishes and periodically executes procedures to identify, analyze, and assess various fraud risks.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	3	< Management of segregation of duties> Management maintains and updates the design of segregation of duties controls, considering changes in business processes, to ensure their appropriate operation.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	4	<Monitoring> Management performs monitoring activities to proactively identify and subsequently manage key abnormal indicators that could have a significant impact on the financial statements.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)

Category	No.	Control activities performed by the Company	Entity	Design and operation effectiveness assessment result
Treasury controls	5	<Registration/modification of bank accounts> The Head of the Finance Team and other responsible personnel perform procedures to reconcile and approve the authenticity of bank account information and the validity of transactions when registering or changing bank account details for customers and the Company.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	6	<Management of bank accounts> The Head of the Finance Team and other responsible personnel manage whether bank accounts under the Company's name are registered in the ERP system on an account-by-account basis, as well as the purpose of each account and the status of long-term inactive accounts, and senior management reviews and approves such information.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	7	<Review on the integrity of bank accounts> The ERP system is configured such that fund disbursements cannot be made to any bank accounts that are not pre-registered in the system.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	8	<Review of payment execution> The Head of Finance and other responsible personnel perform a reconciliation between the amounts on payment vouchers and the related supporting documents for withdrawal requests and approve them upon confirmation of consistency.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	9	<Segregation of duties for the approval of payment execution slips> The preparer of cash disbursement vouchers is segregated from the approver of such vouchers, and fund disbursements are configured to be executed only after obtaining approval from a higher-level authority.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)

Category	No.	Control activities performed by the Company	Entity	Design and operation effectiveness assessment result
Treasury controls	10	<Reconciliation of bank balances> The Head of Finance and other responsible personnel periodically perform physical counts and reconciliations of cash and cash equivalents to verify the existence and accuracy of the related accounts.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	11	<Review of financing> The Head of Finance and other responsible personnel compare and reconcile the details of borrowing and bond issuance proposals with the cash flow plan and the related funding request documents and approve them upon confirmation of their appropriateness.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc., Jul 2025, Oct 2025, Jan 2026, etc.)
Other take-level controls	12	<Review of the creation and modification of vendor master> Upon the creation or modification of vendor master data, the responsible personnel of the control department review the accuracy of the requested vendor information and the completeness of the required documentation, and approve the changes if deemed appropriate.	Kia Corporation and 10 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 10 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	13	<Confirmation of quantity of inventories through physical counts> Inventories are periodically subject to physical counts performed by personnel independent of inventory management, and any differences identified between the physical counts and inventory records in the system are reviewed for appropriateness and adjusted accordingly.	Kia Corporation and 9 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 9 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)
	14	<Restriction on sales inventory release> The system is configured to restrict the shipment of sales inventory unless there is valid order information and shipping information recorded in the system.	Kia Corporation and 9 affiliates	As a result of the assessment, no material weaknesses have been identified. (Kia Corporation and 9 affiliates' Finance & Accounting Planning Team, etc. Jul 2025, Oct 2025, Jan 2026, etc.)

Entities: HQ, KaGA, KaSK, KMX, KIN, KUS, KCA, Kia EU, KDE, KUK, KAU

내부회계관리제도 운영실태 보고서 (연결)

기아주식회사 주주, 이사회 및 감사위원회 귀중

본 대표이사 및 내부회계관리자는 2025년 12월 31일 현재 동일자로 종료하는 회계연도에 대한 당사 연결내부회계관리제도의 설계 및 운영실태를 평가하였습니다.

연결내부회계관리제도의 설계 및 운영에 대한 책임은 본 대표이사 및 내부회계관리자를 포함한 회사의 경영진에 있습니다. 본 대표이사 및 내부회계관리자는 회사의 연결내부회계관리제도가 신뢰할 수 있는 연결재무제표의 작성 및 공시를 위하여 연결재무제표의 왜곡을 초래할 수 있는 오류나 부정행위를 예방하고 적발할 수 있도록 효과적으로 설계 및 운영되고 있는지의 여부에 대하여 평가하였습니다.

본 대표이사 및 내부회계관리자는 연결내부회계관리제도의 설계 및 운영을 위해 내부회계관리제도운영위원회에서 발표한 '내부회계관리제도 설계 및 운영 개념체계'를 준거기준으로 사용하였습니다. 또한 연결내부회계관리제도의 설계 및 운영실태를 평가함에 있어 「외부감사 및 회계 등에 관한 규정 시행세칙」 별표6 '내부회계관리제도 평가 및 보고 기준'을 평가기준으로 사용하였습니다.

본 대표이사 및 내부회계관리자의 연결내부회계관리제도 운영실태 평가결과, 2025년 12월 31일 현재 당사의 연결내부회계관리제도는 '내부회계관리제도 설계 및 운영 개념체계'에 근거하여 볼 때, 중요성의 관점에서 효과적으로 설계되어 운영되고 있다고 판단됩니다.

본 대표이사 및 내부회계관리자는 보고내용이 거짓으로 기재되거나 표시되지 아니하였고, 기재하거나 표시하여야 할 사항을 빠뜨리고 있지 아니함을 확인하였습니다. 또한 본 대표이사 및 내부회계관리자는 보고내용에 중대한 오해를 일으키는 내용이 기재되거나 표시되지 아니하였다는 사실을 확인하였으며, 충분한 주의를 다하여 직접 확인 · 검토하였습니다.

(붙임)
○ 횡령 등 자금 관련 부정위험에 대응하기 위해 회사가 수행한 내부통제 활동

2026년 1월 28일

대 표 이 사 송 호 성 (인)

내부회계관리자 김 승 준 (인)

▣ 붙임. 횡령 등 자금 관련 부정위험에 대응하기 위해 회사가 수행한 내부통제 활동 (연결)

구분	No.	회사가 수행한 통제 활동	대상 회사	설계 · 운영 실태 점검 결과
전사적 수준 통제	1	〈부정 방지 제도 운영〉 경영진은 사내 윤리 환경 조성 및 윤리강령의 준수를 제고하기 위하여, 제보자의 신원을 비밀로 보장하는 내부신고제도를 운영하고 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	2	〈부정위험 평가〉 경영진은 다양한 부정 위험을 식별 · 분석하여 평가하는 절차를 수립하고, 주기적으로 이를 수행하고 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	3	〈업무분장 현황 관리〉 경영진은 업무 프로세스의 변화 등을 고려하여 통제의 업무분장 설계가 최신화되어 적절하게 운영될 수 있도록 관리함	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	4	〈모니터링〉 경영진은 재무제표에 유의적인 영향을 줄 수 있는 중요 이상지표에 대해 사전 파악 및 사후 관리를 위한 모니터링 활동을 수행하고 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
자금 통제	5	〈계좌 등록/변경〉 재정팀장 등은 거래처 및 회사의 계좌등록 및 변경 시에 계좌의 진위성, 거래의 유효성 등을 대사하고 이를 승인하는 절차를 수행하고 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	6	〈계좌의 완전성 검토〉 재정팀장 등은 회사 명의의 계좌가 건별로 ERP 상 등록되어 있는지와 각 계좌의 용도 및 장기 미사용 계좌의 현황을 관리하고, 상위권자는 해당내역을 검토하여 승인함	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	7	〈자금 집행 제한〉 자금의 집행이 이루어질때 ERP상 등록되지 않은 계좌로는 이체가 불가하도록 설정되어 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	8	〈자금 집행 검토〉 재정팀장 등은 출금요청 내역에 대해 각 전표상 금액과 첨부되는 증빙 간 일치여부를 비교대사 하고 이를 승인함	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	9	〈자금 집행 전표 승인 업무분장〉 자금 전표의 기표자와 해당 전표의 승인권자는 분리되어 있으며, 자금 집행은 상위권자의 승인을 득한 후 집행할 수 있도록 설정되어 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	10	〈현금 및 현금성자산의 대사〉 재정팀장 등은 주기적으로 현금 및 현금성자산을 실사 및 대사활동을 수행하여, 계정의 실재성, 정확성 등을 확인하고 있음	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	11	〈자금 조달 검토〉 재정팀장 등은 차입 및 사채발행 품의 내용과 자금수지계획, 제안서를 비교대사한 후 그 내용이 적정한 경우 이를 승인함	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
기타 업무 수준 통제	12	〈업체 마스터 생성 · 변경 검토〉 업체정보의 생성 및 변경시 통제부서의 담당자는 요청된 업체정보의 정확성 및 필수서류의 완전성을 확인 후 이를 승인함	기아㈜ 외 10개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	13	〈실사를 통한 재고수량 확정〉 재고자산은 정기적으로 재고관리자와는 독립된 자로부터 실사되며, 실사된 수량과 전산시스템상 재고기록 간 차이내역에 대해서는 적정성을 검토 후 조정을 수행하고 있음	기아㈜ 외 9개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)
	14	〈판매 재고 출고 제한〉 시스템상 유효한 주문 정보 및 출하 정보가 없는 경우 판매재고의 출하처리가 불가하도록 제한되어 있음	기아㈜ 외 9개사	테스트 수행 결과, 중요한 취약점이 발견되지 않음 (기아㈜ 외 10개사 재경기획팀 등 '25.07월, '25.10월, '26.01월 등)

※ 대상회사(11개사) : 기아㈜, KaGA, KaSK, KMX, KIN, KUS, KCA, Kia EU, KDE, KUK, KAU

(연결) 횡령 등 자금 관련 부정위험에 대응하기 위해 회사가 수행한 내부통제 활동