

2024 Kia Corporate Value-up Plan



Movement that inspires

1. Company Overview

Company Profile

Name	Kia Corporation
CEO	Ho-Sung Song
Date of Incorporation	1944.12.11
Listing Date	1973.07.21
HQ Address	12, Heolleung-ro, Seocho-gu, Seoul, Republic of Korea
Key Business Area	Automobile Manufacturing
No. of Shares Issued (As of 2024.11.30)	Common Shares : 397,672,632

Board of Directors

Board Committees

Independent
Director Candidate
Recommendation
Committee

Sustainability
Management
Committee

Remuneration
Committee

Audit
Committee

Composition

Executive
Directors : 3

Independent
Directors : 5

Key Financial Figures and Guidance

2023 Highlights

(₩ Trillion)

Sales Revenue **99.8**

Operating Profit **11.6**

Operating Profit Margin **11.6%**

2024 Guidance

(₩ Trillion)

Sales Revenue **105-110**

Operating Profit **12.8-13.2**

Operating Profit Margin **12.0%+**

Credit Ratings (As of 2024.11.30)

Domestic	Korea Ratings	AAA /Stable
	Korea Investors Service	AAA /Stable
	NICE	AAA /Stable
Global	S&P	A- /Stable
	Moody's	A3 /Stable
	Fitch	A- /Stable

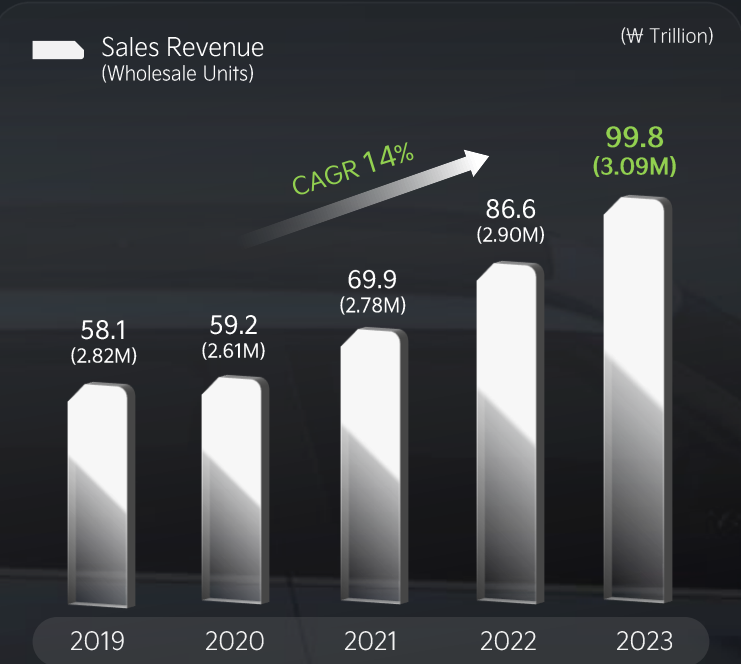
※ Fitch : Unsolicited Ratings (August 2024)

2. Business Status - Key Performance



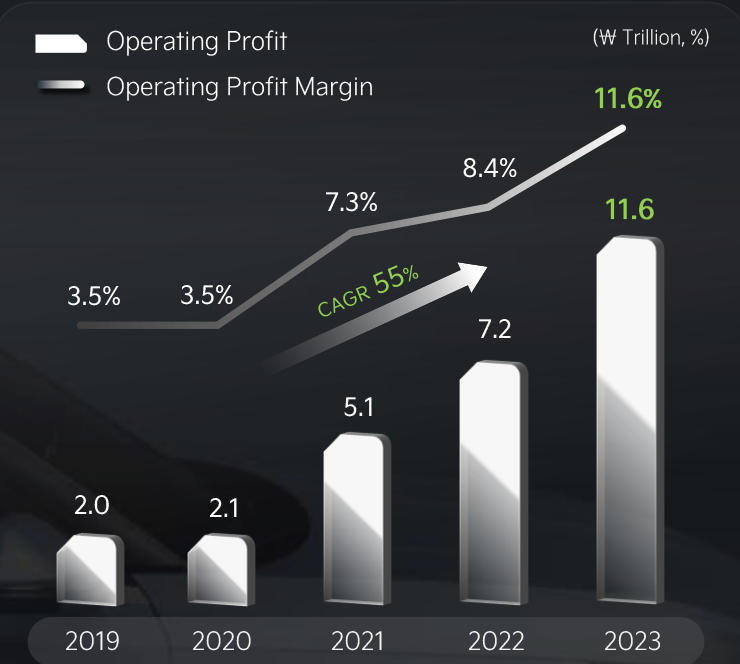
Consistent DPS growth driven by product competitiveness and strong profitability

Sales Revenue Trend



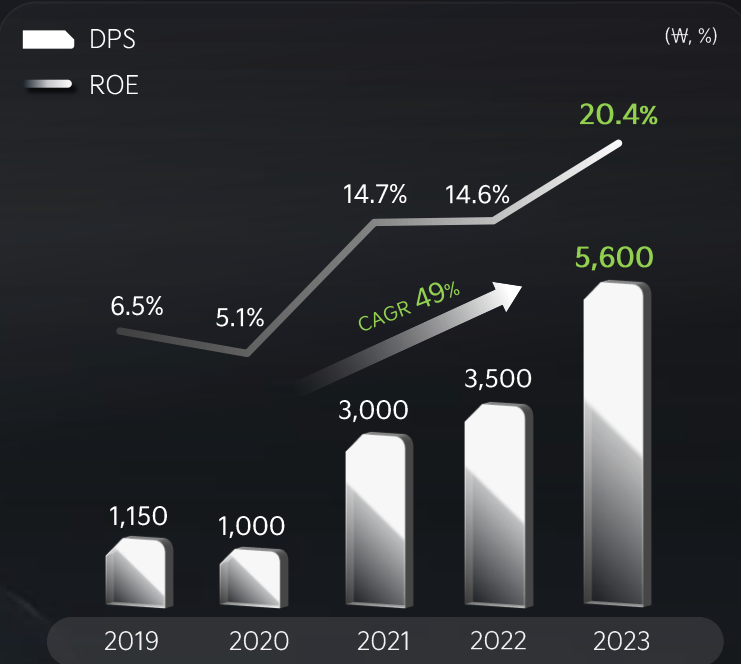
Kia Transformation has driven sales CAGR of 14% through enhanced brand and product appeal, increasing volume and ASP

Operating Profit Trend



Driven by enhanced product value and a pull-based sales strategy, Kia's OPM surpassed global OEMs, achieving OP CAGR of 55%

DPS and ROE Trends



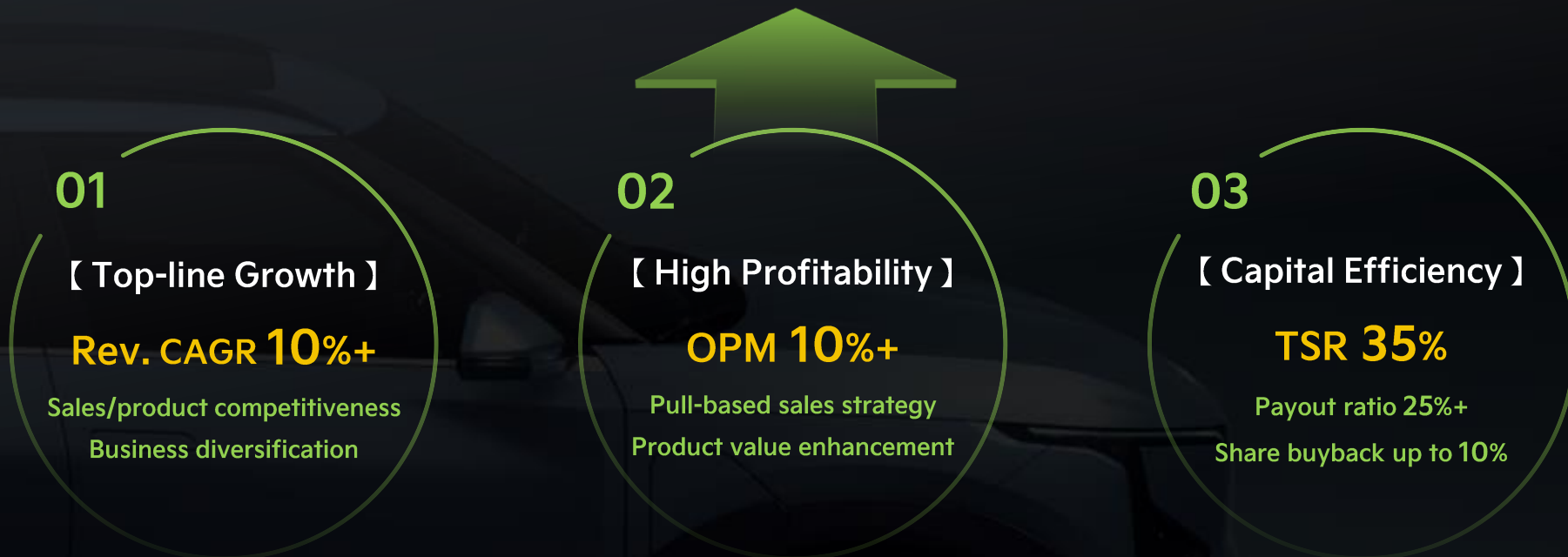
By achieving DPS CAGR of 49%, industry-leading ROE, and improving capital efficiency, Kia has enhanced its corporate value

3. Value-up Plan

『Kia Value-up plan』 aims to sustainably enhance corporate value by

① Top-line Growth, ② High Profitability, ③ Capital Efficiency

ROE Target 15%+



※ Return On Equity (ROE) : Profit attributable to Owners of the Company ÷ (Average) Total equity

※ Total Shareholder Return (TSR) : (Total dividends + Treasury Share buyback and cancellation) ÷ Profit attributable to Owners of the Company

4-1. Value-up Plan - Mid- to Long-term Targets

Enhance corporate value through core competencies and long-term growth capabilities

Key Strategies

① Solid Sales Growth

- Developed Markets : 1.1M units in N. America (xEV 75%) & 750K units in Europe (xEV 91%) by 2030
- Emerging Markets : 400K units in India by 2030 and increase exports by utilizing KCN's capacity

② Competitive Product

- Drive ASP growth by increasing adoption of higher trims and advanced digitized features
- Enhance xEV profitability through economies of scale and a diversified electrified P/T portfolio

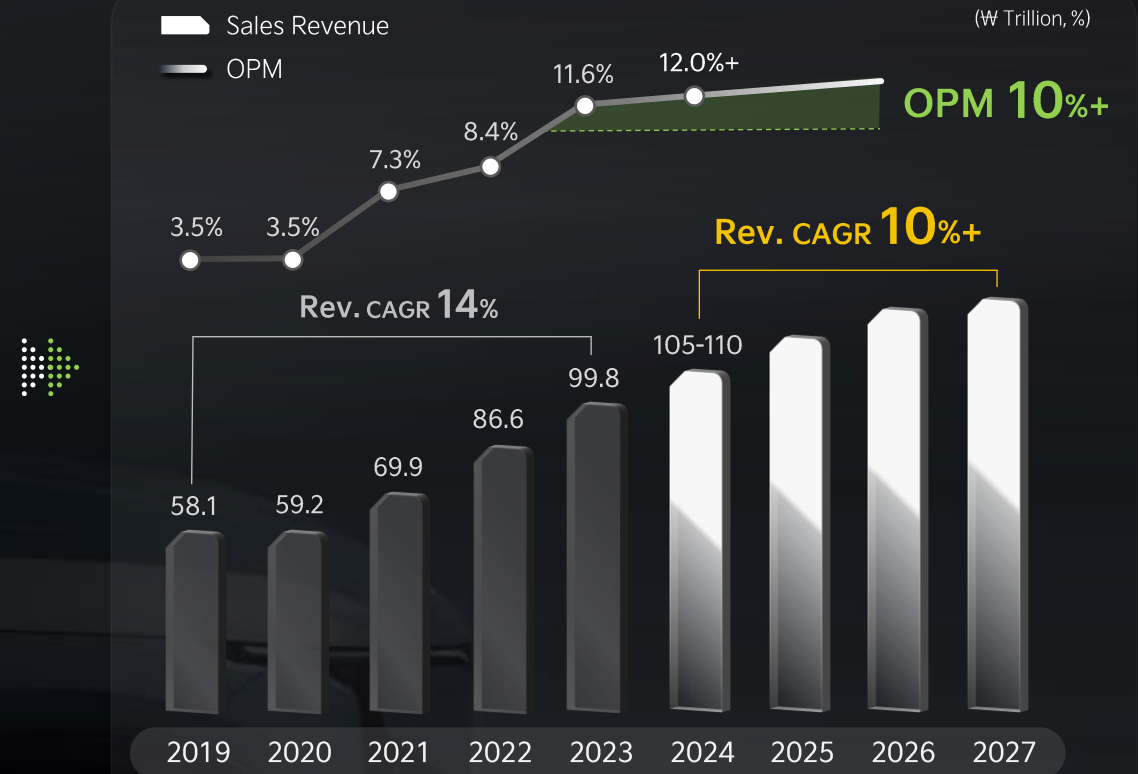
③ Diversified Business

- Enter B2B market by leveraging PBV-dedicated platforms and mixed cell production systems
- Generate new revenue streams by expanding into SDV-based software platform services

④ High Profitability

- Enhance residual value with efficient incentive/inventory management based on pull-based sales
- Optimize costs through flexible EV/ICE mixed production lines and joint development synergies

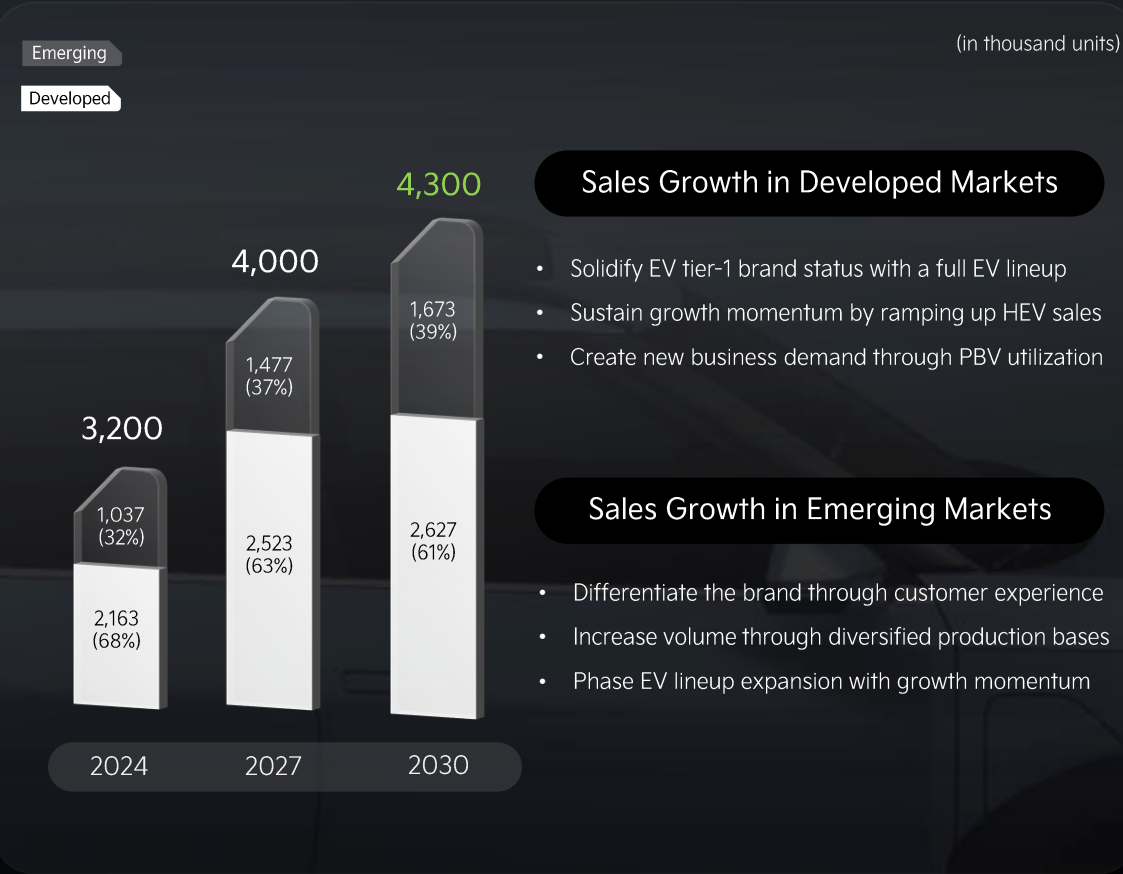
Mid- to Long-term Financial Targets



4-2. Value-up Plan - Solid Sales Growth

① Expand xEV sales in developed markets and increase sales volume in emerging markets

Mid- to Long-term Sales Plan



Global xEV Sales Plan

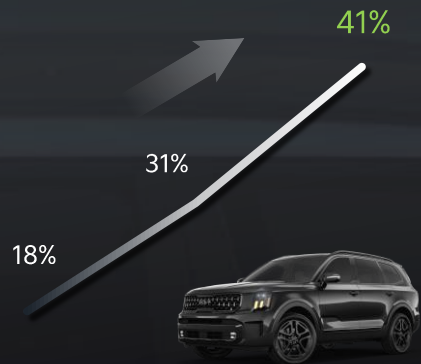


4-3. Value-up Plan - Competitive Product

② Drive ASP growth with strong value proposition and enhance xEV profitability via economies of scale

Strong Value Proposition

Higher Trims Sales Trend

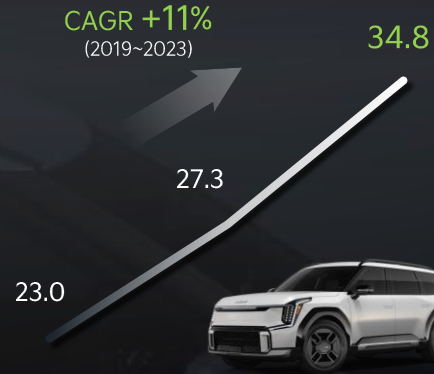


2019 2021 2023
※ Sales of Telluride, Sorento, and Sportage in the U.S.

Adoption of safety and convenience features, along with higher trims, has expanded in developed market

ASP Growth Trend

(₩ Million)

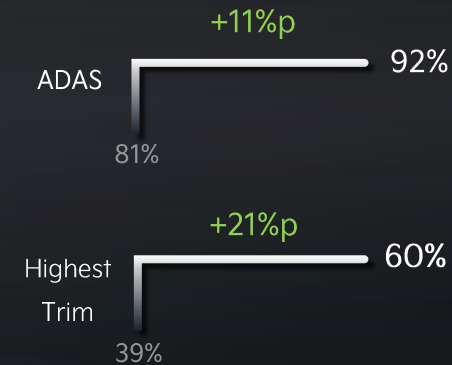


2019 2021 2023
※ Based on Consolidated ASP

ASP growth through increased sales of high-margin RVs, xEVs, and regional mix improvement

Enhancing xEV Profitability

Premium Demand



ICE HEV

Expand sales to meet premium demand driven by higher option and trim adoption rates

Economies of Scale

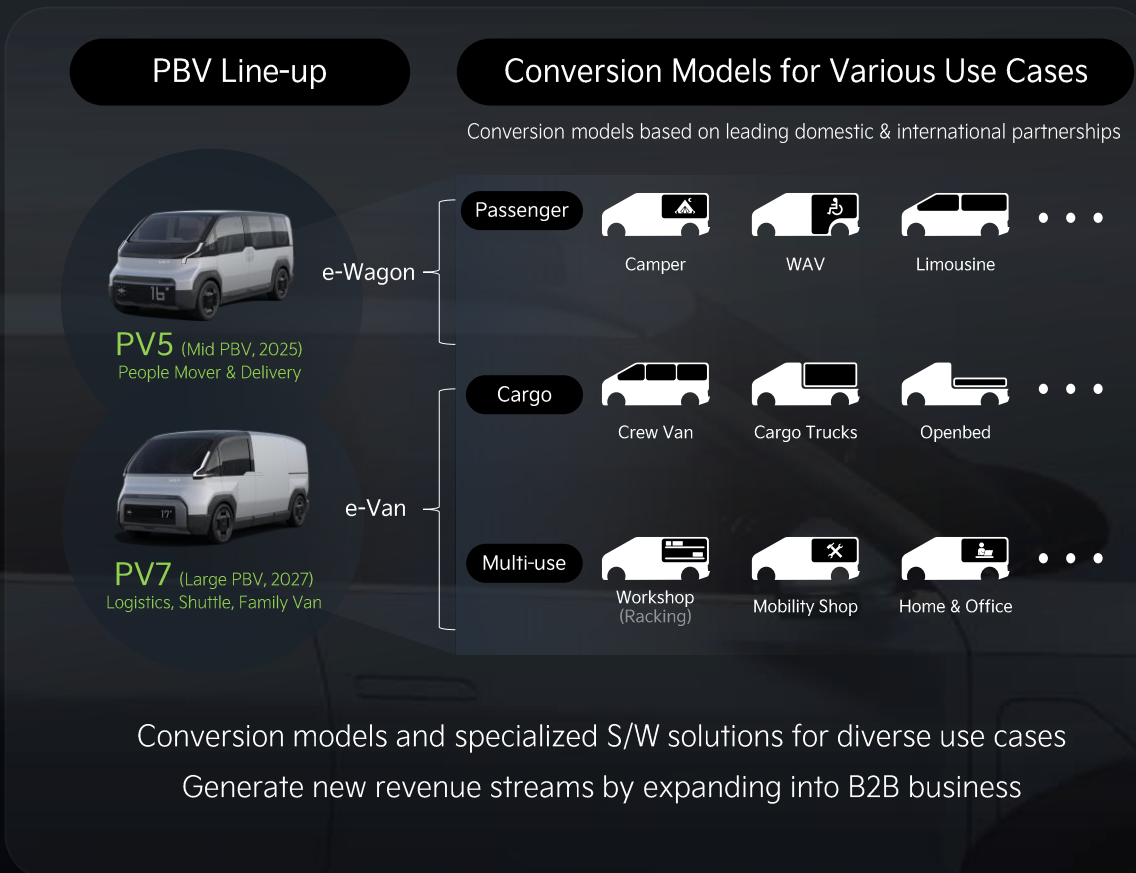


Enhancing profitability through economies of scale with the expansion of the next-generation HEV lineup

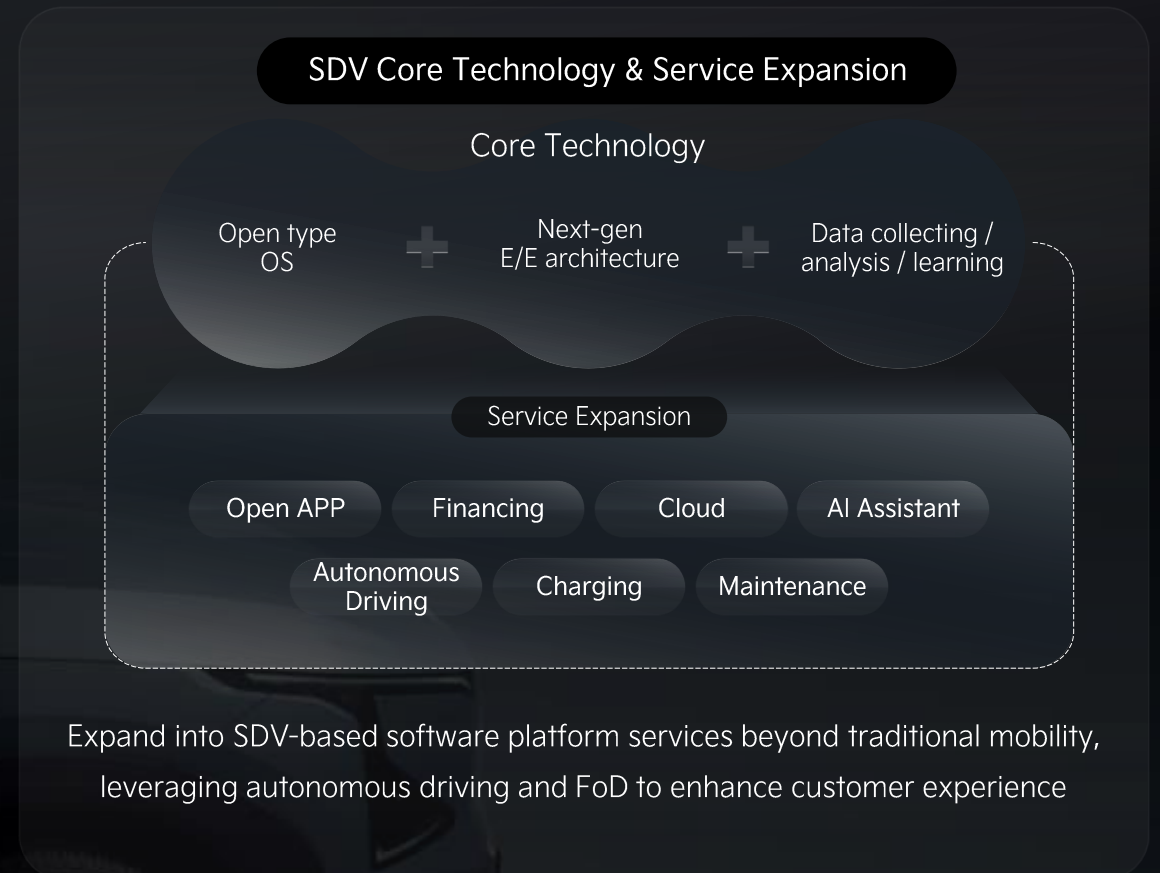
4-4. Value-up Plan - Diversified Business

③ Generate new revenue streams through expansion of PBV and SDV-based business areas

Entry into PBV Business



Expansion of SDV-based Business Areas



4-5. Value-up Plan - High Profitability

④ Maintain high profitability through optimal inventory/incentive management and cost competitiveness

Profitability Improvement

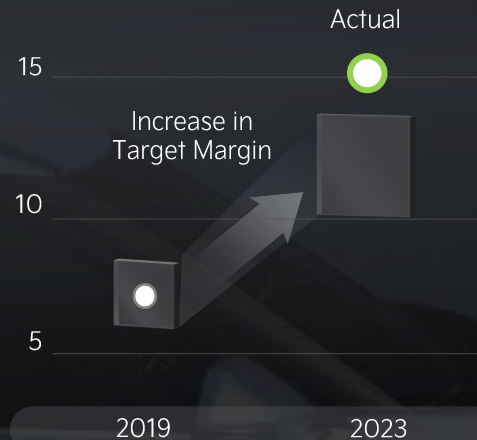
Residual Value Improvement



※ Based on the U.S. market

Based on optimal inventory/incentive management, improve residual value and differentiate profitability

Pricing based on Higher-Margin Target



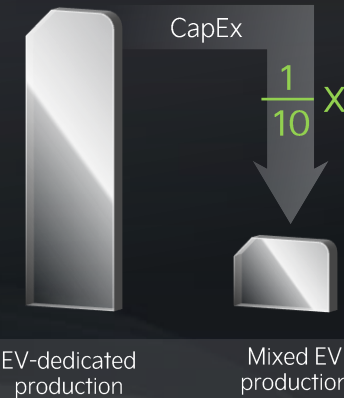
※ Sportage & Sorento combined

Pricing strategy centered on higher target profitability, based on enhanced product and P/T competitiveness

Efficient Cost Management

CapEx Efficiency

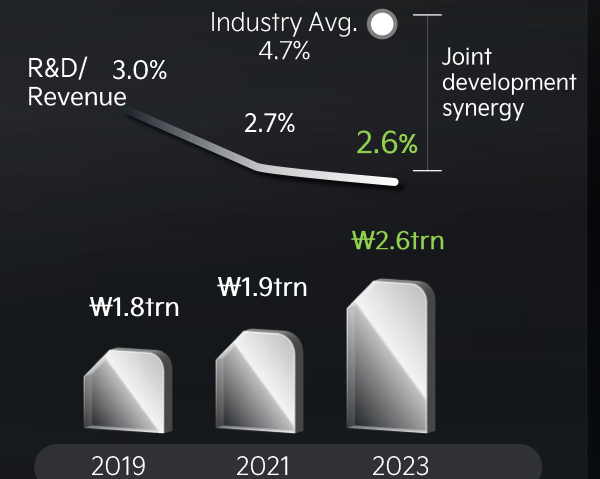
EV line conversion from existing ICE line



※ Dedicated : Gwangmyeong EVO plant,
Mixed : Hwaseong EV6 mixed production

Flexible production system by utilizing ICE/BEV mixed production lines

R&D Efficiency



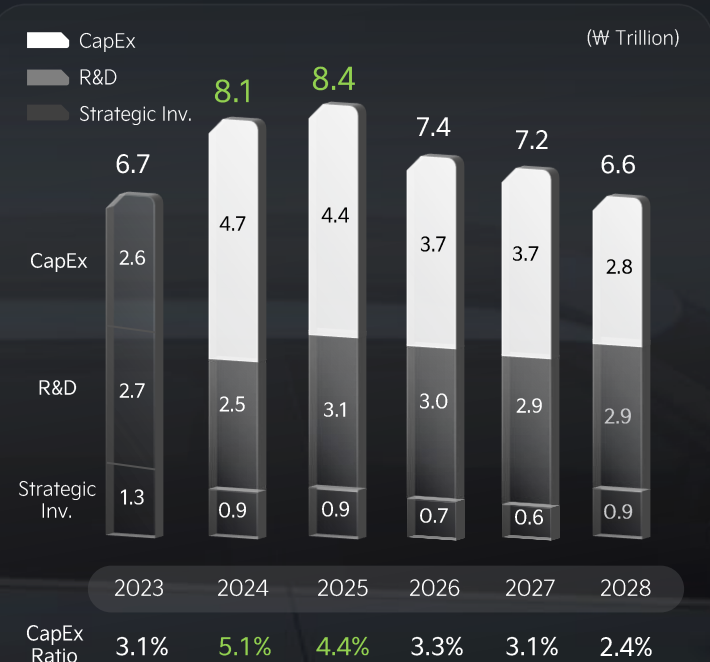
Industry Avg. : 6 major OEMs

R&D synergies through joint development of platforms and new technologies within HMG

5-1. Value-up Plan - Capital Efficiency

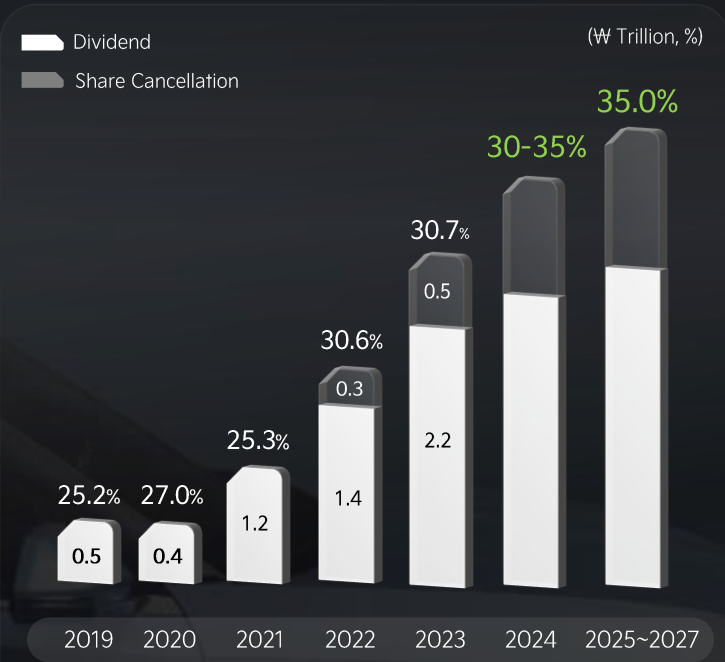
Maintain top-tier capital efficiency through well-balanced investments and shareholder returns

5-Year Investment Plan



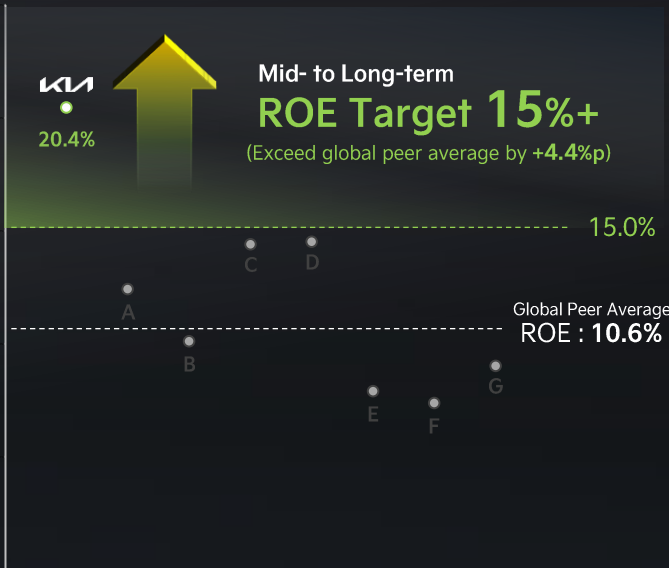
Allocate resources from improved profitability toward future growth investment opportunities

Shareholder Return Plan



Enhance corporate and shareholder value with a predictable shareholder return policy, targeting 35% TSR over the next 3 years starting in 2025

Mid- to Long-term ROE Target



※ Based on the 2023 ROE of 8 major OEMs

Maintain industry-leading ROE of 15%+, exceeding the global peer average by +4.4%p

※ Return On Equity (ROE) : Profit attributable to Owners of the Company ÷ (Average) Total equity

5-2. Value-up Plan - Shareholder Return



2025 - 2027

TSR 35%

Define mid-to-long-term TSR target
to achieve shareholder value enhancement

Payout Ratio 25%+

Set Minimum payout ratio at 25%+
(vs. previous guidelines of 20-35%)
Maintain a stable dividend policy (25% in past 3 years)

Share Buyback Max. 10%

Improve shareholder return
via expanded share buyback/cancellation
Stabilize share price movement by spreading-out
the buyback period (vs. once a year)

DPS Min. ₩5,000

Set minimum DPS to provide
stability and predictability

※ Total Shareholder Return (TSR) : (Total dividends + Treasury Share buyback and cancellation) ÷ Profit attributable to Owners of the Company

Disclaimer

In the presentation and in related comments by Kia Corporation's management, our use of the words "expect," "anticipate," "project," "estimate," "forecast," "objective," "plan," "goal," "outlook," "target," "pursue" and similar expressions is intended to identify forward looking statements.

The financial data discussed herein are presented on a preliminary basis before the audit from our Independent Auditor. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors. Such factors include, among others, the following : changes in economic conditions, currency exchange rates or political stability; shortages of fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.

We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.