

Kia Corporation Investor Presentation

November 2024



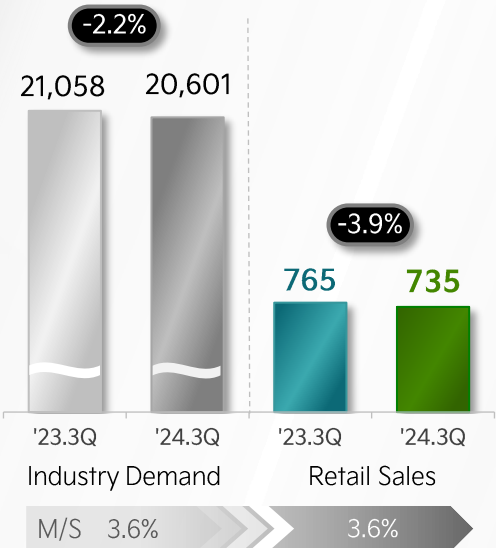
Movement that inspires

Global Retail Sales

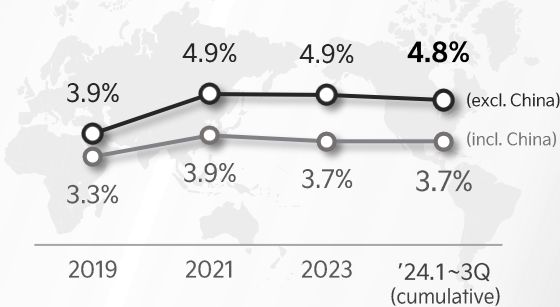


Global

(Unit : '000, %)

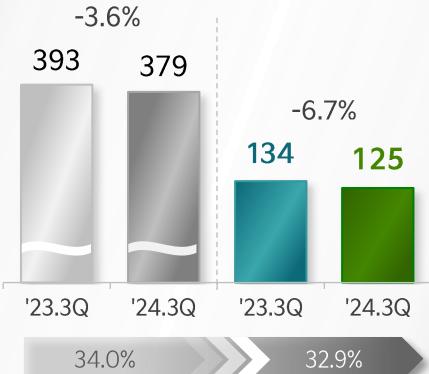


Global M/S Trend (cumulative)



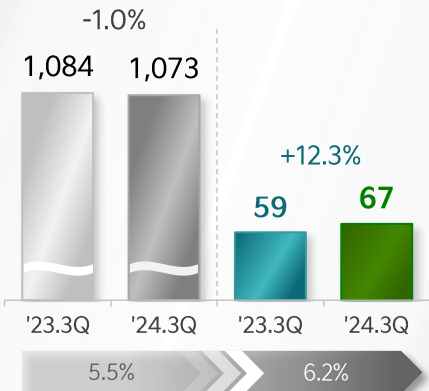
Korea

(Unit : '000, %)



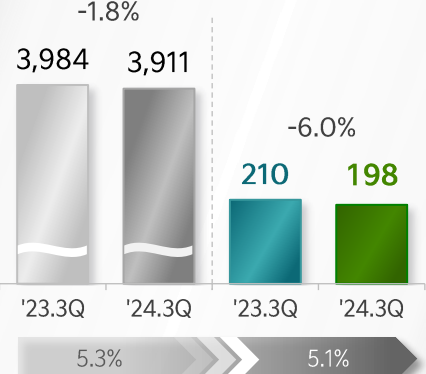
India

(Unit : '000, %)



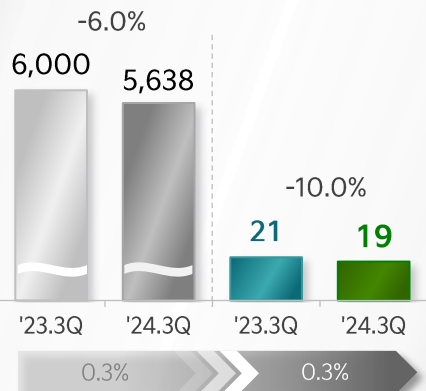
U.S.

(Unit : '000, %)



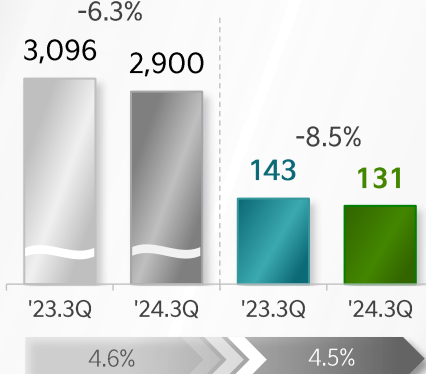
China

(Unit : '000, %)



W. Europe

(Unit : '000, %)



Rest of World

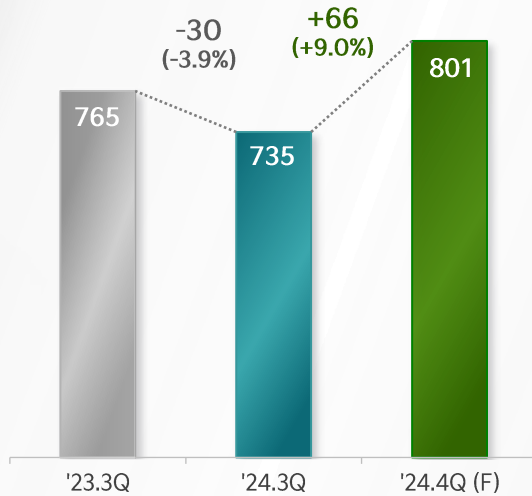
		'23.3Q	'24.3Q	YoY(%)
MEA	Demand	854	867	+1.5%
	Sales	55	55	-0.4%
Latin America	Demand	1,044	1,104	+5.8%
	Sales	36	37	+2.2%
Asia Pacific	Demand	1,247	1,158	-7.1%
	Sales	40	42	+5.0%
Russia (Region)	Demand	409	518	+26.6%
	Sales	13	12	-8.9%

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



Global

(Unit : '000, %)



'24.3Q result

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

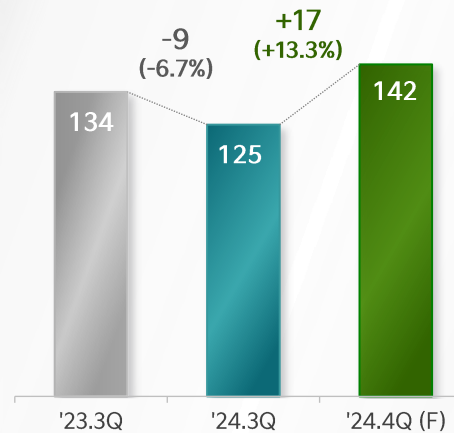
'24.4Q outlook

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



Korea

(Unit : '000, %)



'24.3Q result

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

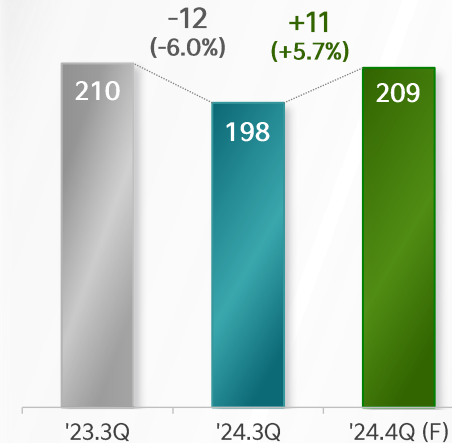
'24.4Q outlook

- Supply Increase**
 - Increase domestic supply of Sorento (+5k units)
 - Increase domestic supply of Morning (+1k units)
- HEV Expansion**
 - Launch of K8 PE HEV (+6k units)



U.S.

(Unit : '000, %)



'24.3Q result

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

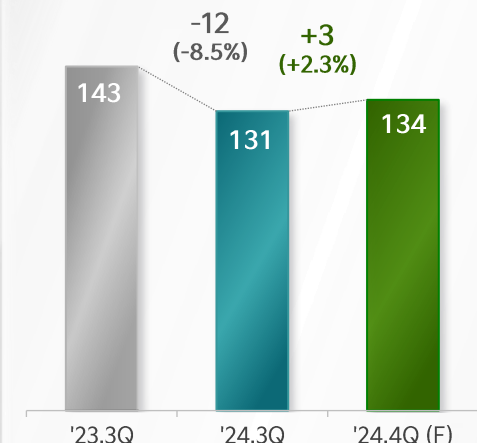
'24.4Q outlook

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



W. Europe

(Unit : '000, %)



'24.3Q result

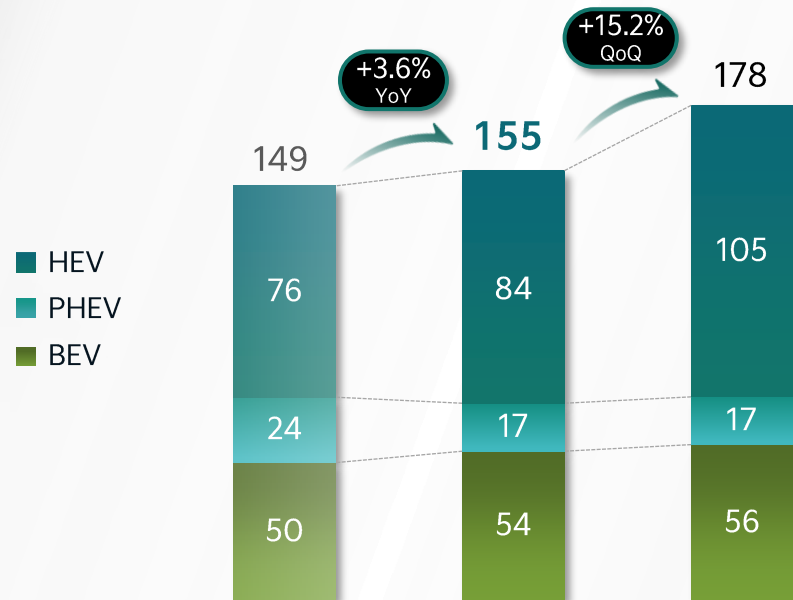
- Supply Constraint**
 - Subcompact seg. supply constraint from EVO plant conversion (Rio, -6k units)
- EV Chasm**
 - EV demand slowdown and intensified competition (EV, -7k units)

'24.4Q outlook

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

Global Retail Sales

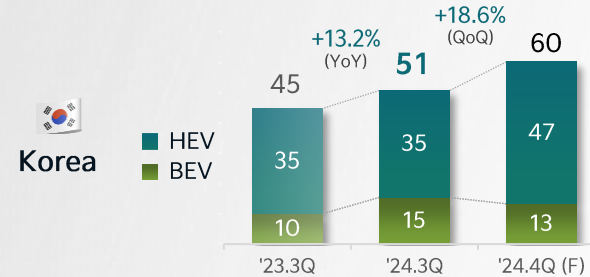
(Unit : '000, %,)



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

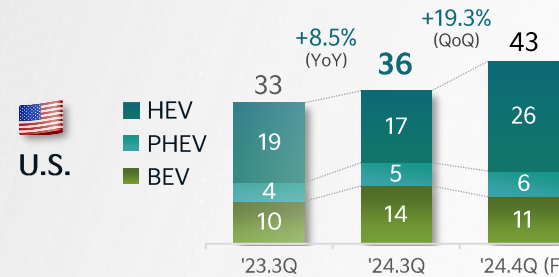
Market Strategy : Flexible Response to Demand Changes

(Unit : '000, %,)



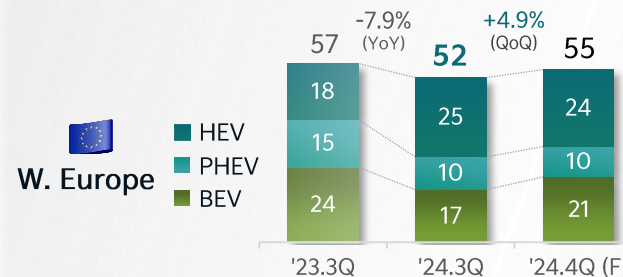
Stronger presence in HEVs with new models

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



xEV share to be 20% with Carnival HEV addition

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



Respond to EV chasm with new EV3 (mass EV)

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

Consolidated Income Statement



(Unit : ₩ Billion)

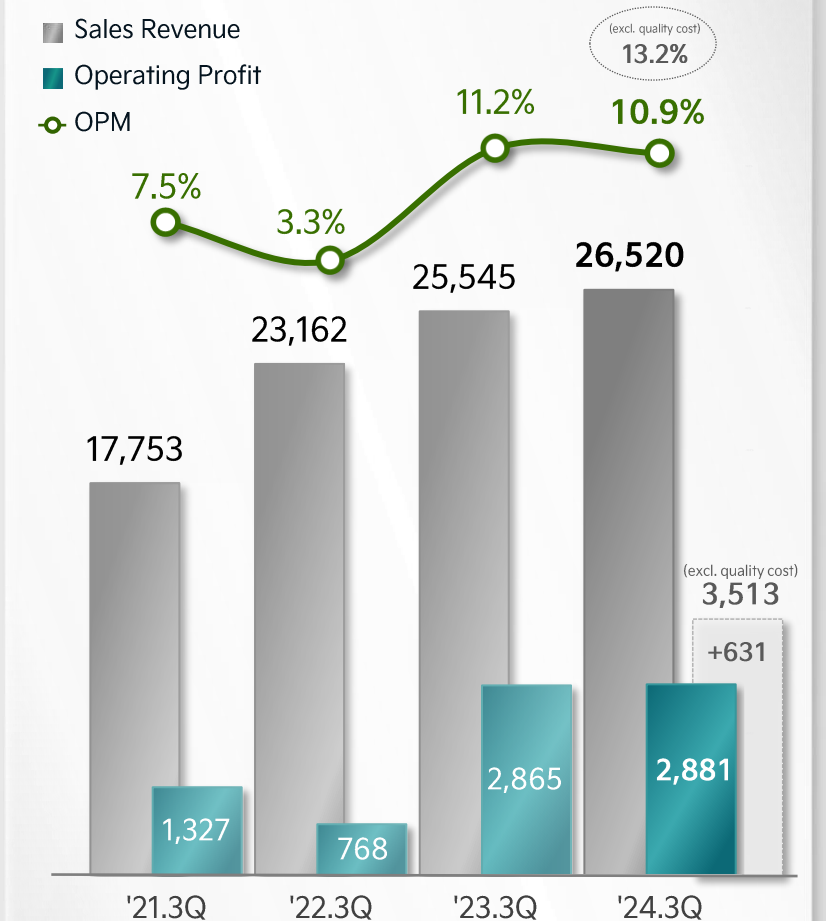
	'23.3Q	(% of sales)	'24.3Q	(% of sales)	YoY (%)
Sales Revenue	25,545	100%	26,520	100%	+3.8%
Cost of Sales	19,686	77.1%	20,380	76.8%	+3.5%
Gross Profit	5,860	22.9%	6,140	23.2%	+4.8%
SG&A	2,995	11.7%	3,258	12.3%	+8.8%
Operating Profit	2,865	11.2%	2,881	10.9%	+0.6%
Pre-tax Profit	3,327	13.0%	3,232	12.2%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

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

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

Operating Profit Trend

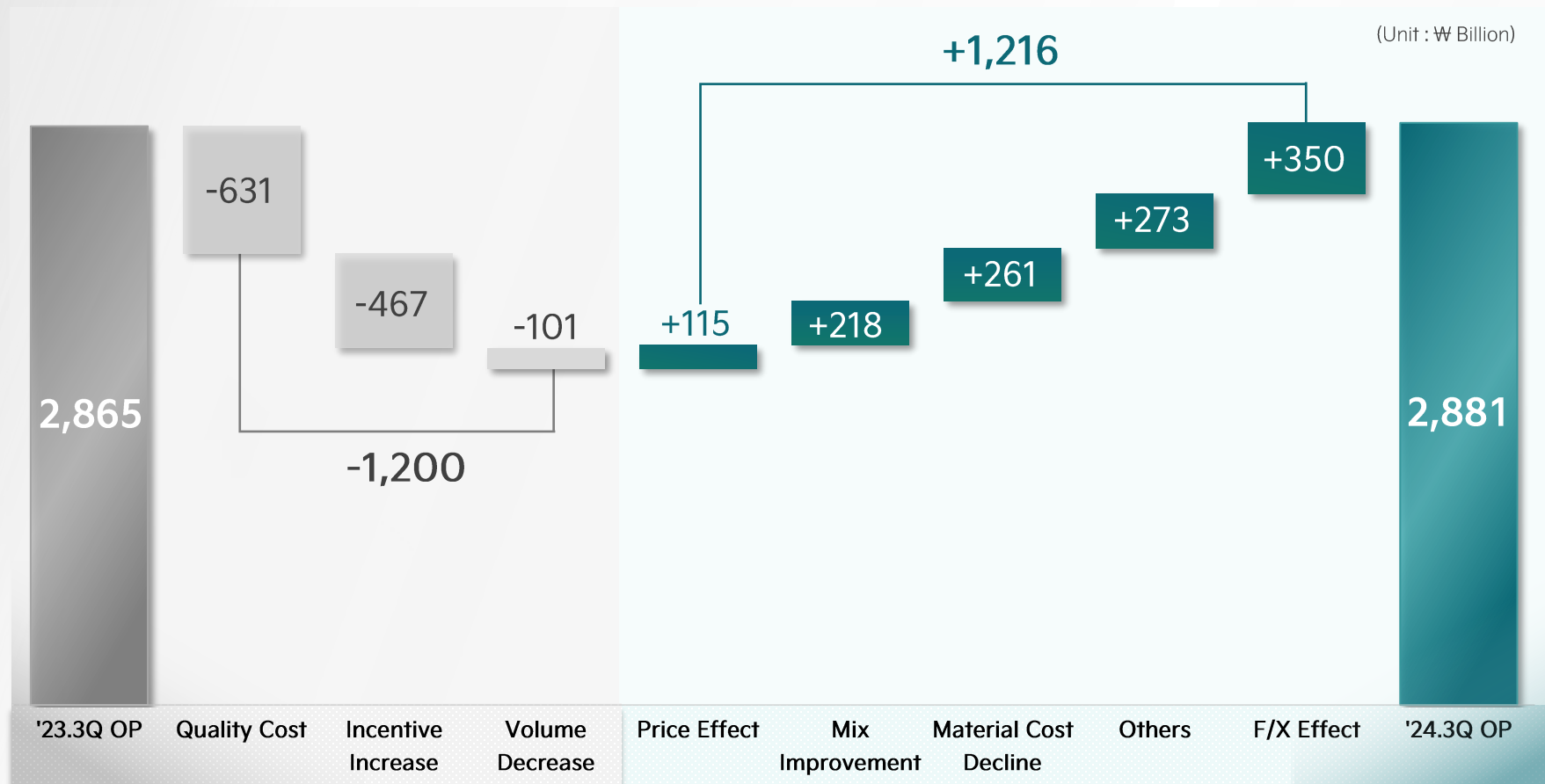
(Unit: ₩ Billion, %)



Operating Profit Analysis



+16



(+) Drivers

Price Effect

Enhanced product value incl. ADAS

Mix Improvement

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

Material Cost Decline

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

F/X Effect

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

(-) Detractors

Quality Cost

Lambda II engine's warranty extension

Incentive Increase

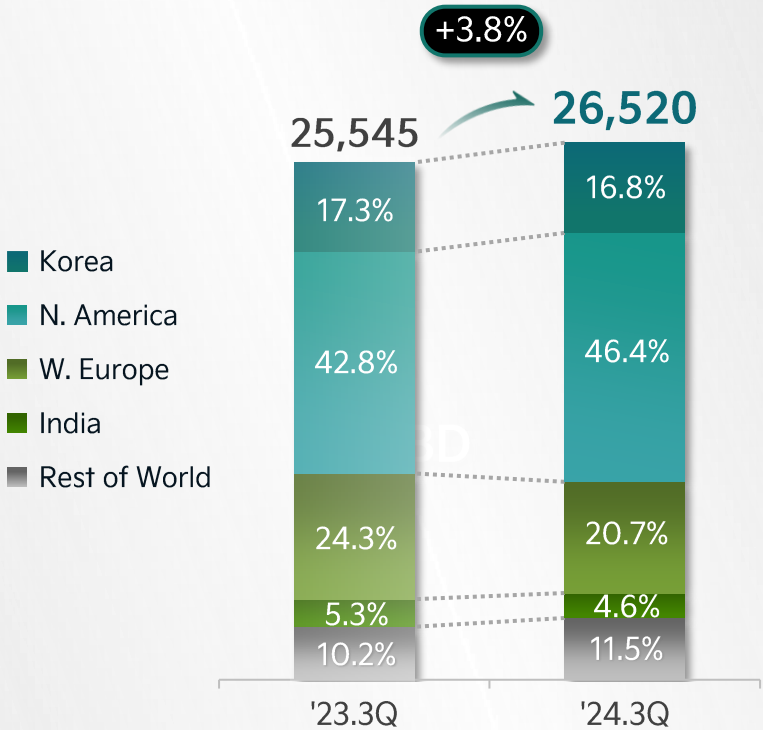
Response to intensified sales competition

Sales Decrease

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

Revenue by Region

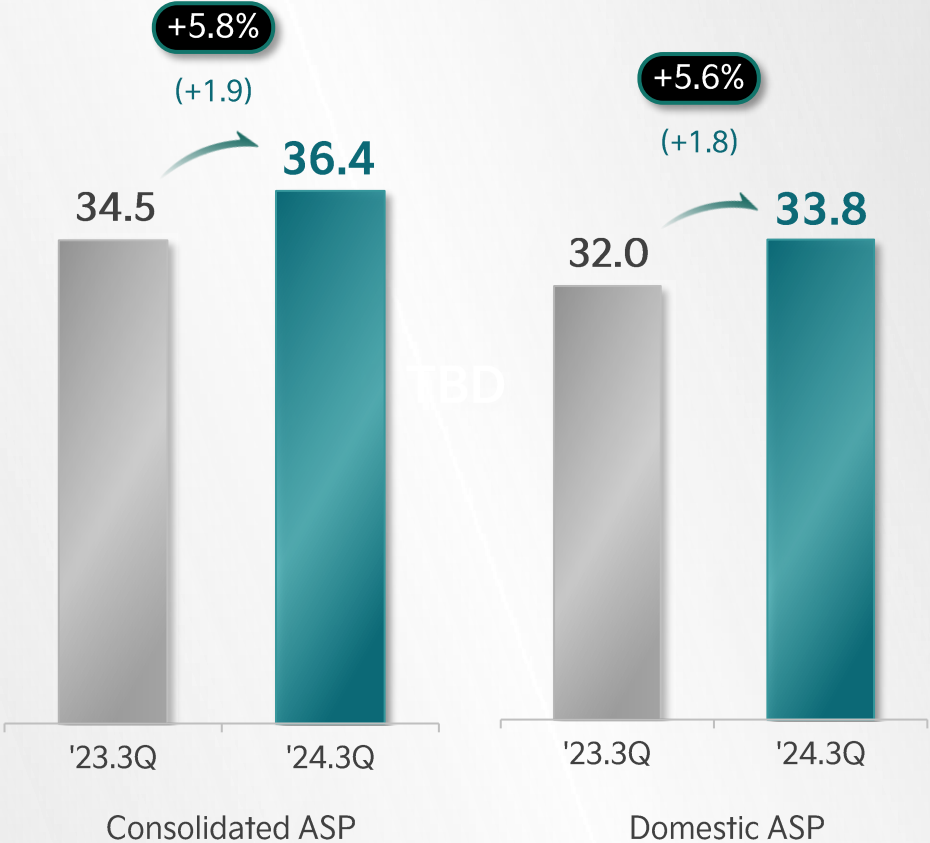
(Unit : ₩ Billion)



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

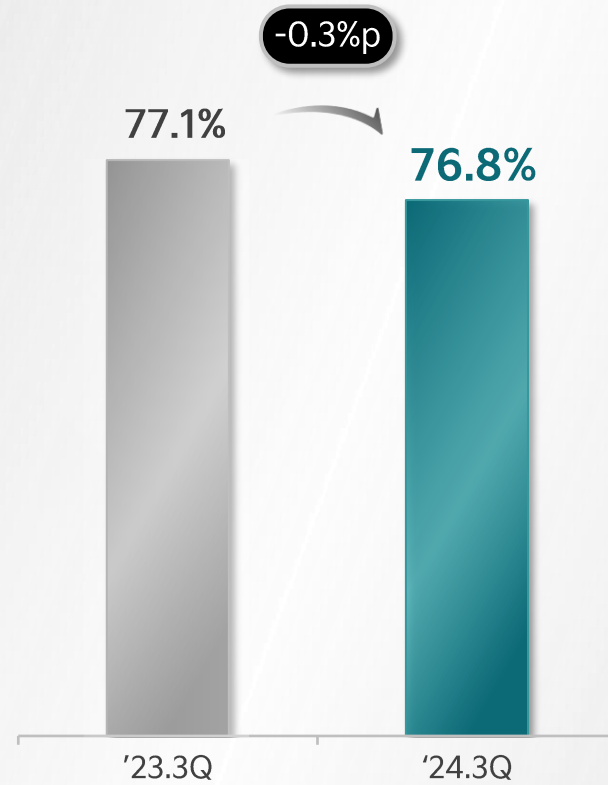
ASP

(Unit : ₩ Million)



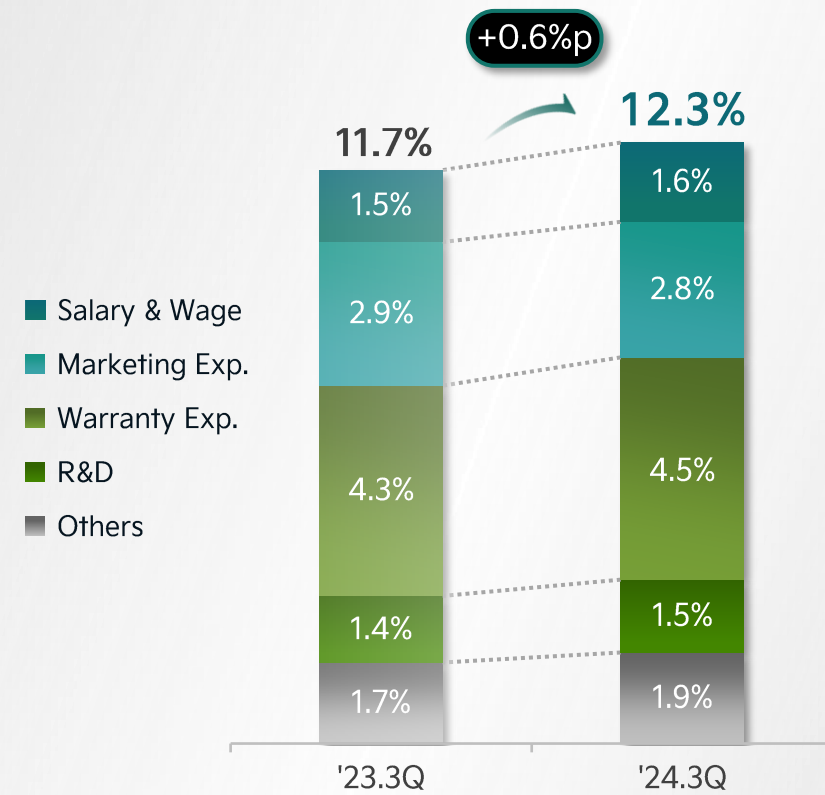
Cost of Sales Ratio

(% of Sales Revenue)



SG&A Expense

(% of Sales Revenue)



※ Marketing Expenses :

Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Consolidated Balance Sheet



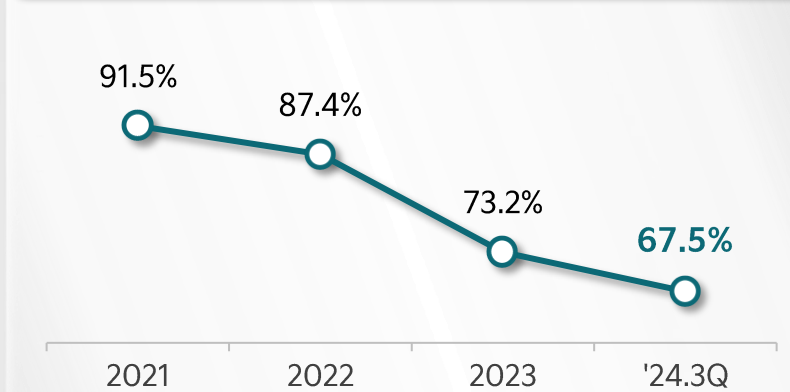
(Unit : ₩ Billion)

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

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

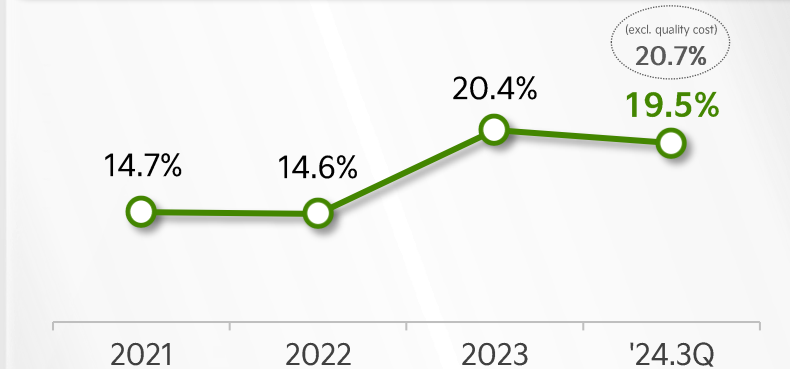
Liability to Equity Ratio

(Unit : %)



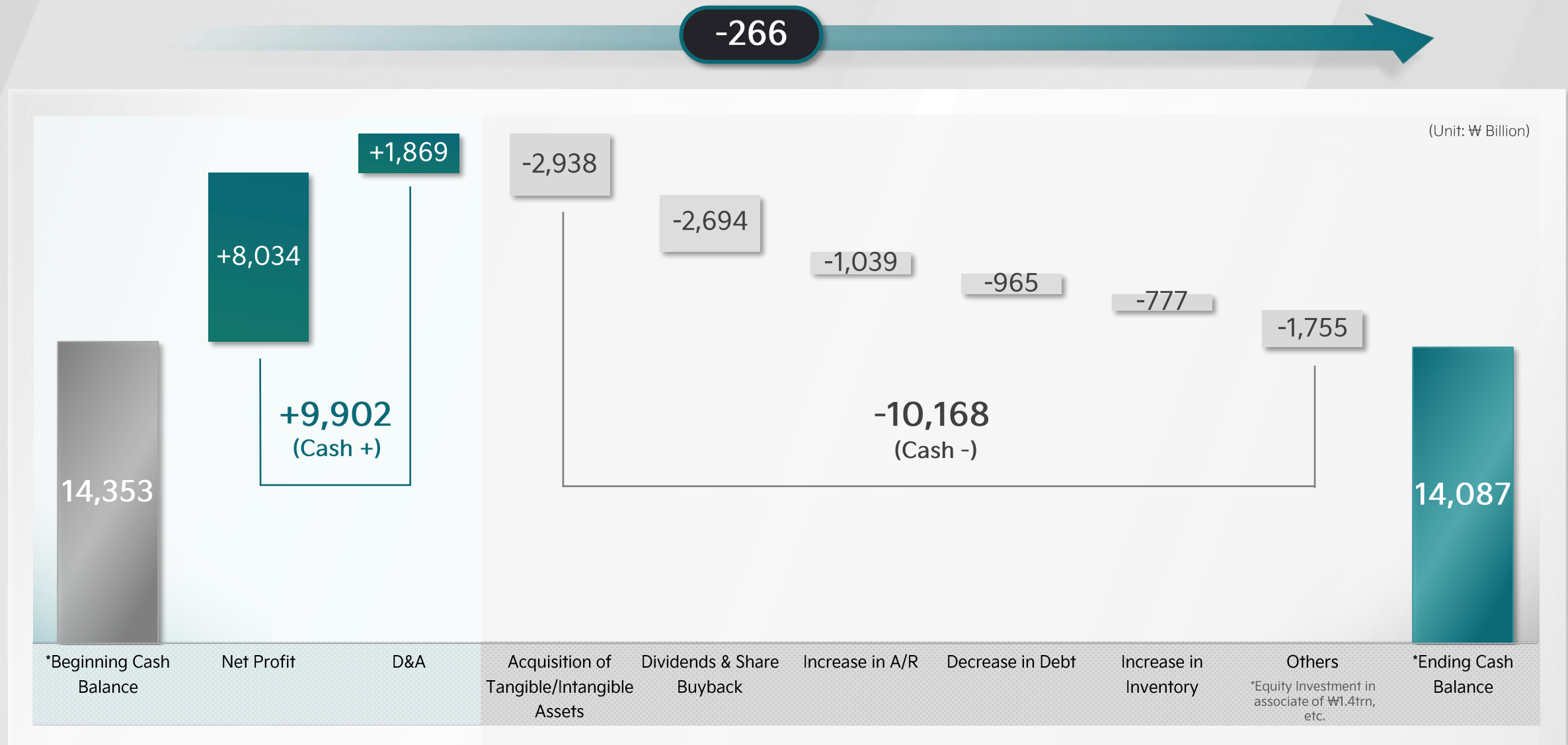
Return on Equity (ROE)

(Unit : %)



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

Cash Flow Highlights



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

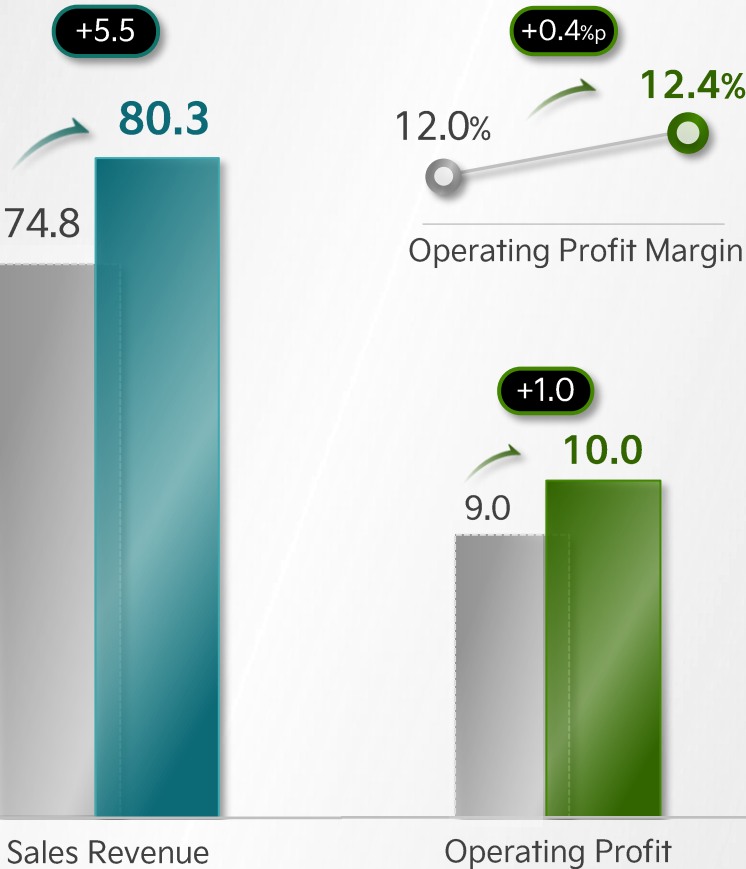
2024 Annual Guidance Update



3Q YTD Results (vs. Business Plan)

(Unit: ₩ Trillion, %)

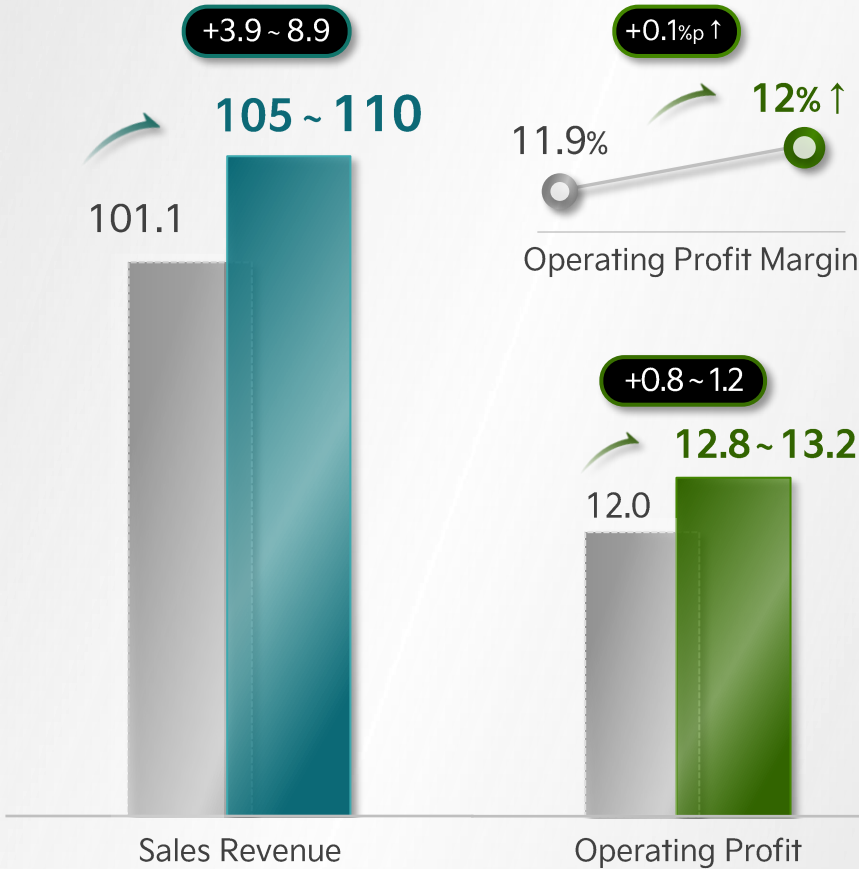
■ Business Plan ■ Sales Revenue(A) ■ Operating Profit Margin(A)



Revised Guidance

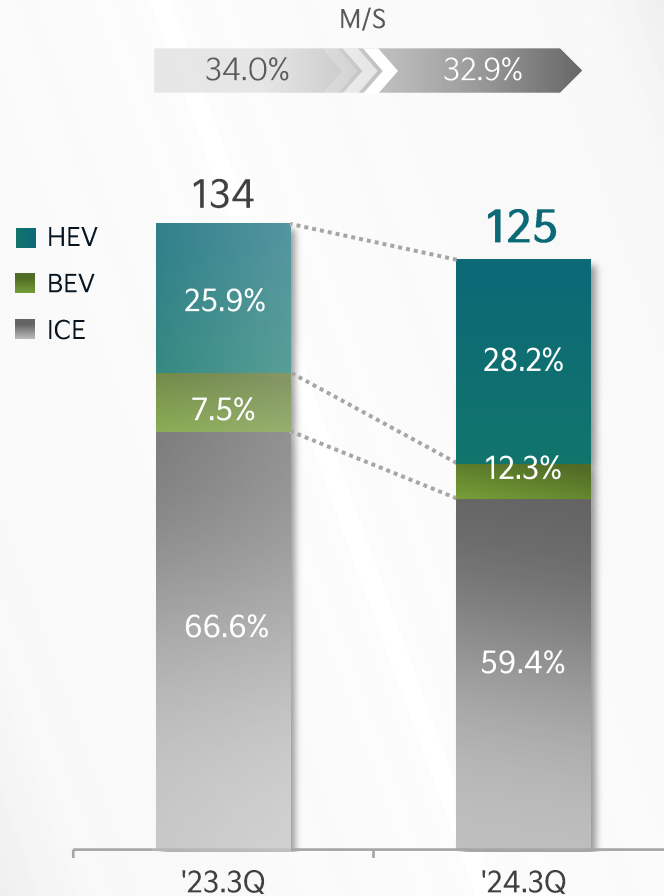
(Unit: ₩ Trillion, %)

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



Sales & Market Share

(Unit : '000, %)



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

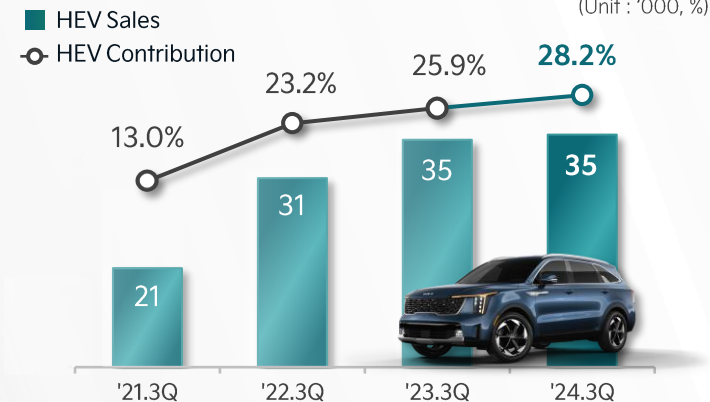
Sales Summary

Industry -3.6%

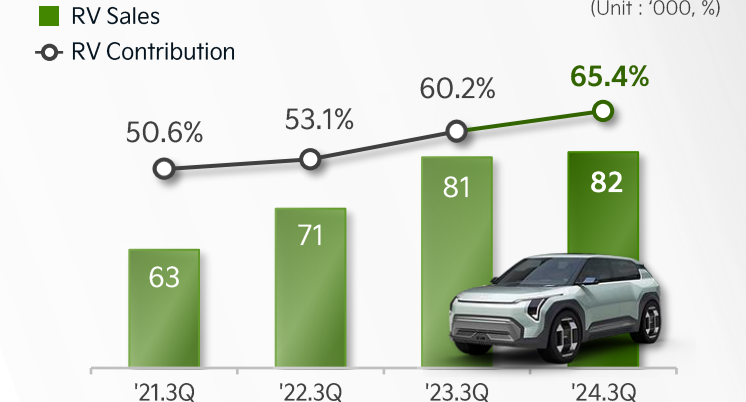
[YoY]

Kia -6.7%

HEV Sales Trend



RV Sales Trend



3Q Results

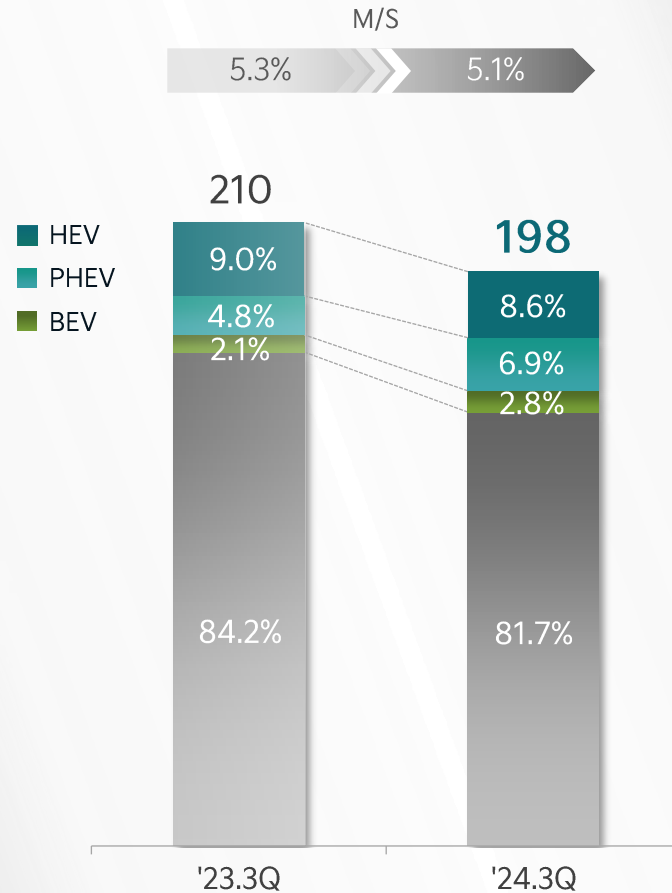
- Despite temporal supply constraints of Sorento due to a 9day S/D at Hwaseong Plant (for Tasman), HEV/RV sales contribution growth continued with new model launches (EV3, K8 PE/HEV)
 - HEV : ['23.3Q] 25.9% → ['24.3Q] 28.2% (+2.3%p YoY), RV : ['23.3Q] 60.2% → ['24.3Q] 65.4% (+5.2%p YoY)
- ASP : ['23.3Q]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

4Q Initiatives

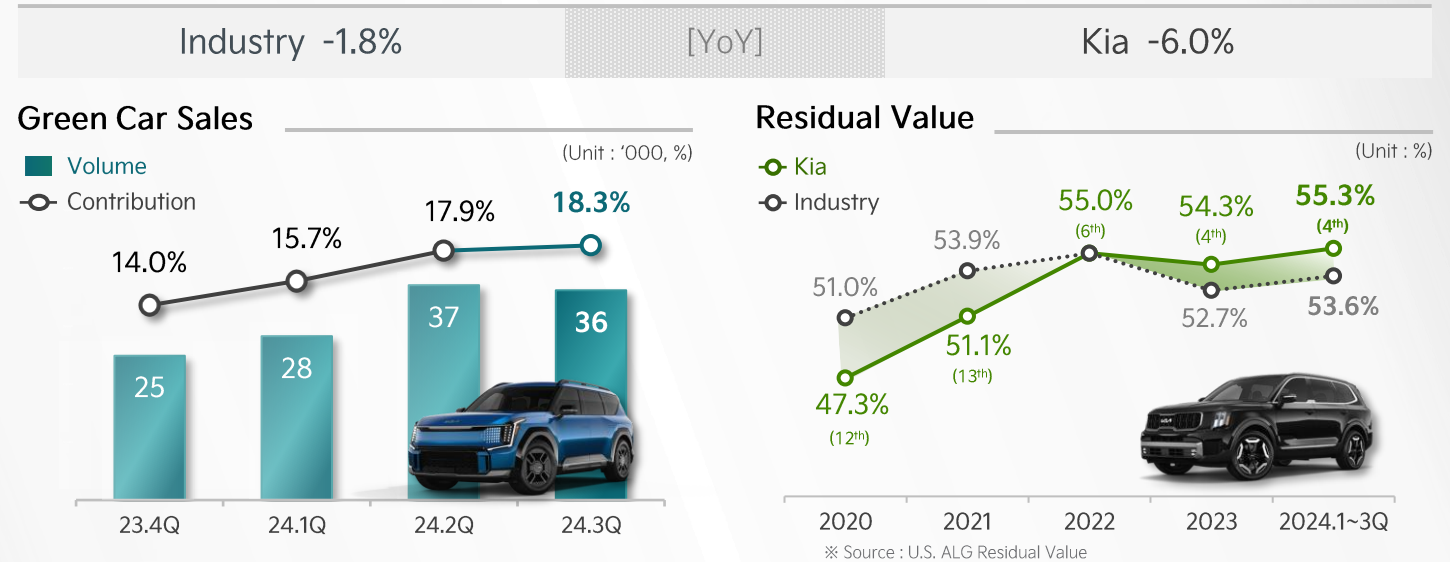
- Continue sales momentum with new launches of EV3(Jul.), K8 PE/HEV(Sept.), and Sportage PE(Nov.)
- Maintain HEV/RV contribution growth with Sorento, Carnival, and Sportage
- Roll out Tasman World Premiere(Oct. 29th) for launch in 2025

Sales & Market Share

(Unit : '000, %)



Sales Summary



3Q Results

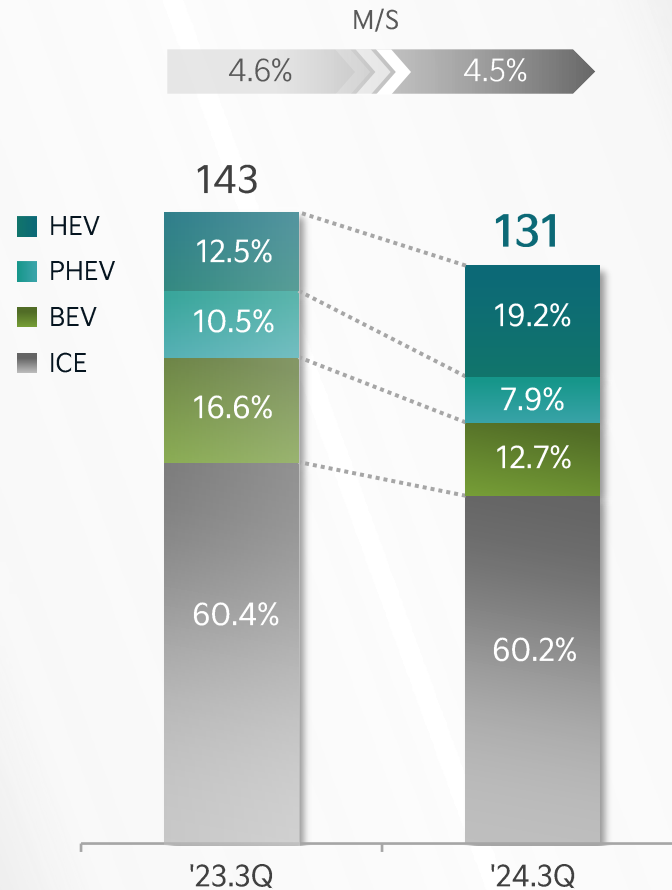
- Despite sales gap from Rio's discontinuation, RV/Green Car contribution led higher profitability
 - RV Contribution : ['23.3Q] 71.7% → ['24.3Q] 75.1% (+3.4%p YoY)
 - Green Car Contribution : ['23.3Q] 15.8% → [24.3Q] 18.3% (+2.4%p YoY)
- Maintained industry-leading Residual Value with product competitiveness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

4Q Initiatives

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

Sales & Market Share

(Unit : '000, %)



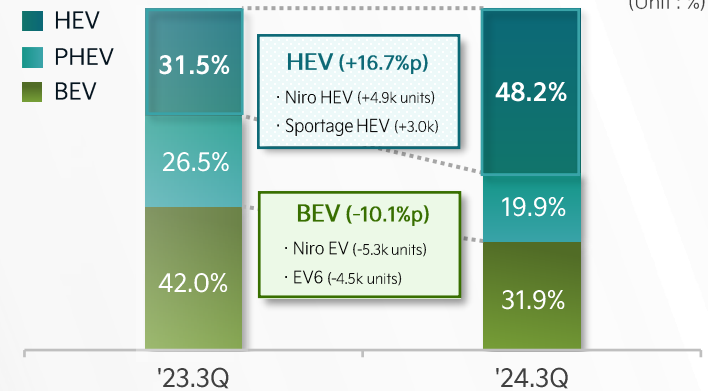
Sales Summary

Industry -6.3%

[YoY]

Kia -8.5%

Green Car Sales Contribution



New EV3

Launch : November 2024

AER

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



Key Features

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

3Q Results

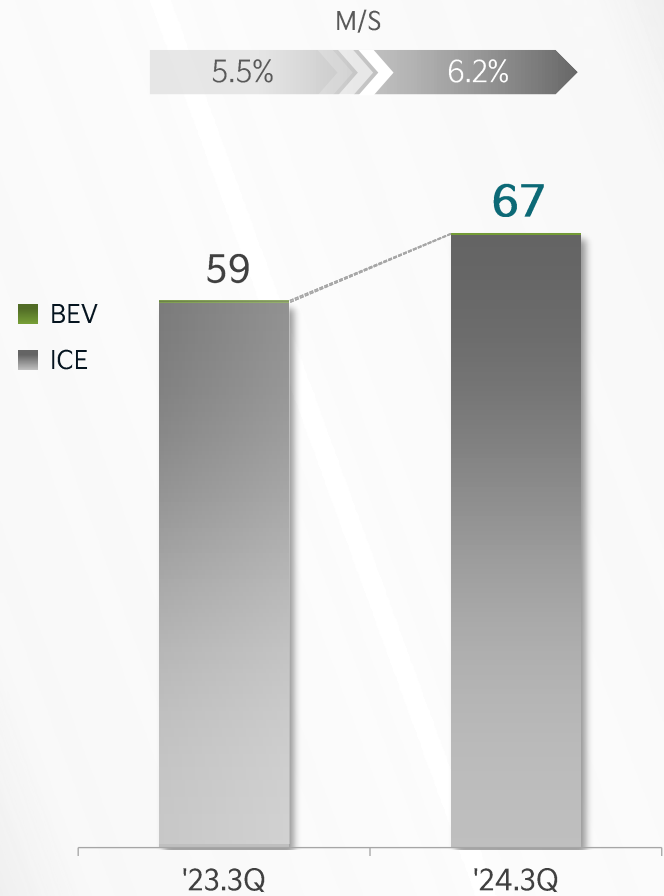
- Strong HEV sales of 25.2k units (+41.1% YoY) led green car sales growth
 - Niro HEV : ['23.3Q] 5.2k units → ['24.3Q] 10.1k units (+94.1% YoY)
 - Sportage HEV : ['23.3Q] 10.8k units → ['24.3Q] 13.8k units (+27.4% YoY)
- Sales gap from Rio's discontinuation and Picanto's supply constraints from electrification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

4Q Initiatives

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

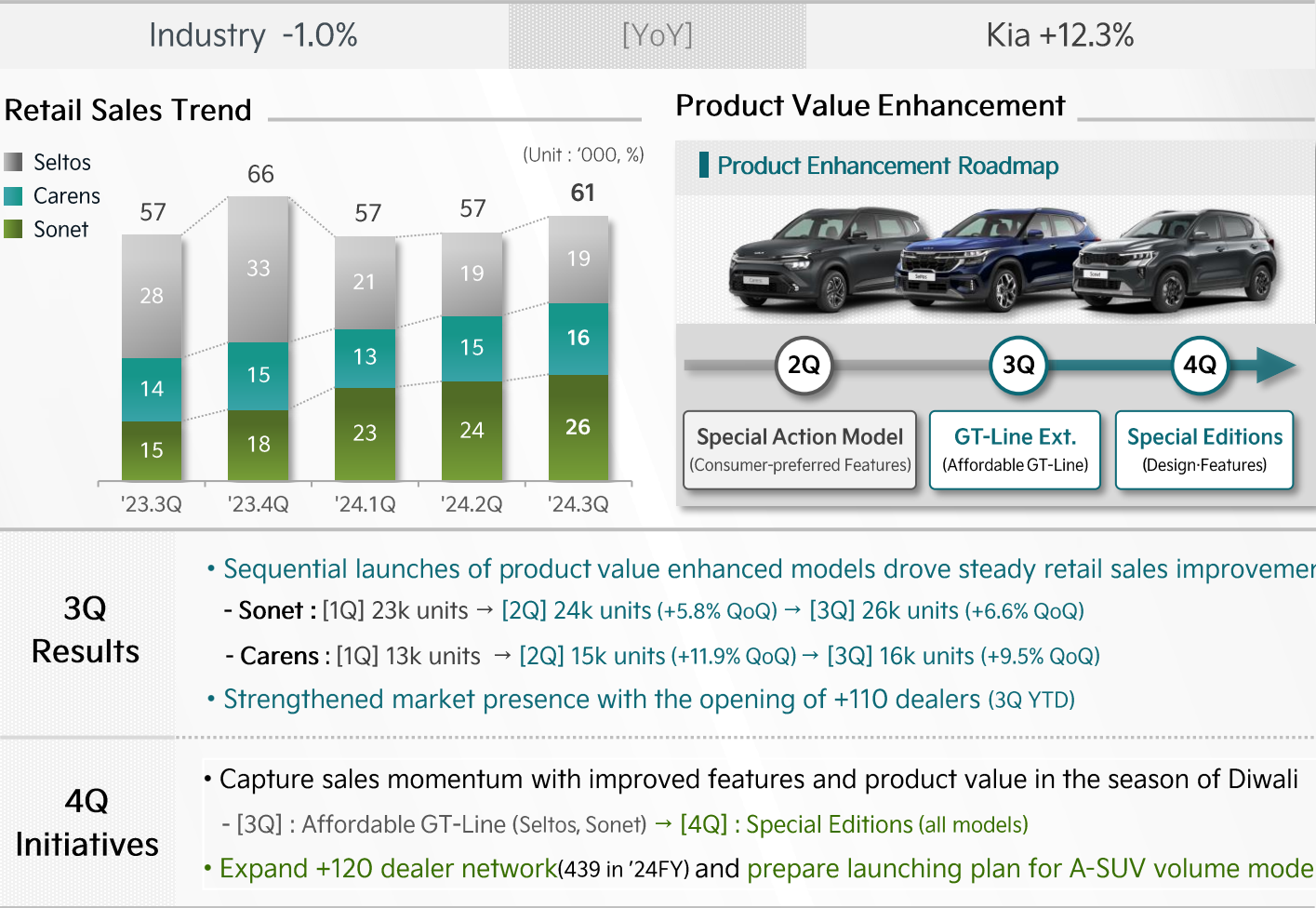
Sales & Market Share

(Unit : '000, %)



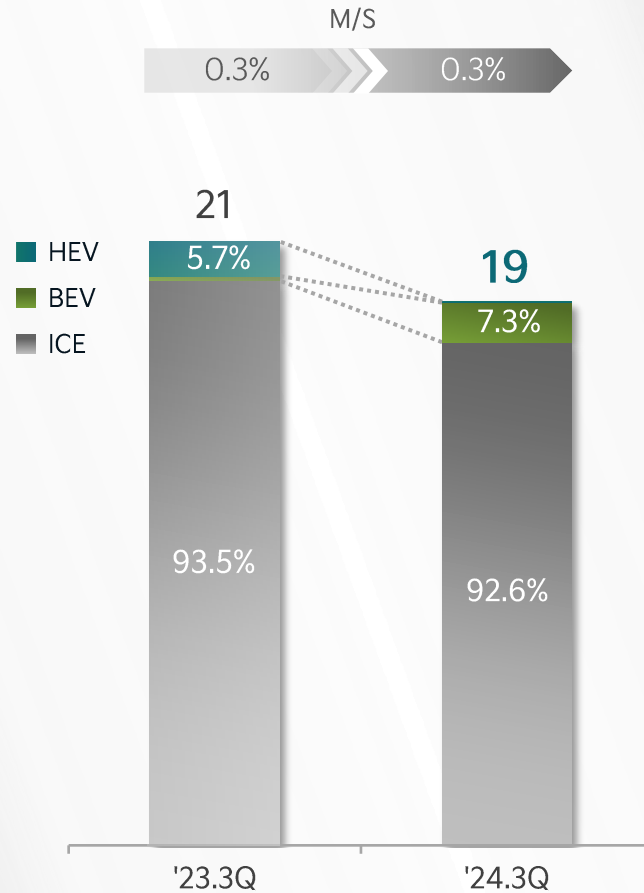
※ M/S : Wholesale

Sales Summary



Sales & Market Share

(Unit : '000, %)



※ M/S : Wholesale

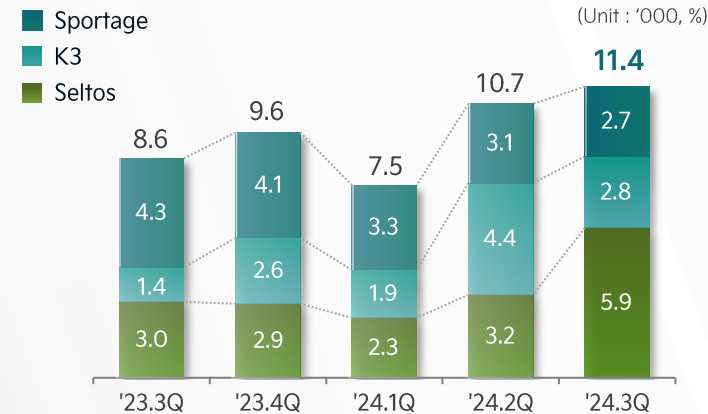
Sales Summary

Industry -6.0 %

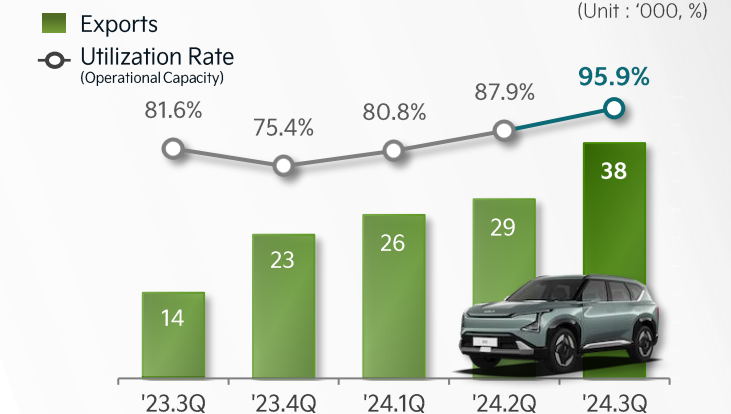
[YoY]

Kia -10.4 %

Key Models' Sales Trend



KCN Exports Trend



3Q Results

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

4Q Initiatives

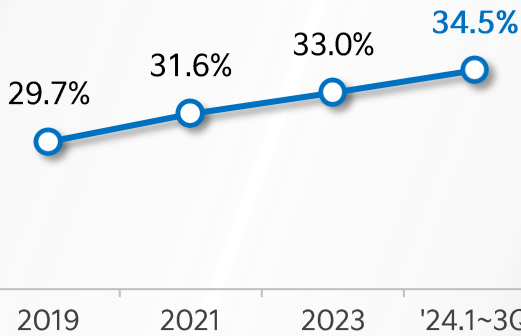
- **Sales momentum through EV5(25MY) with interior upgrade and EV6 marketing promotions**
- **Sustain profitability improvements through expanded Sonet exports** targeting the affordable RV market
 - Expand export models and markets → [LATAM] 55%, [MEA] 39% (3Q YTD)

Global Market Share Trend



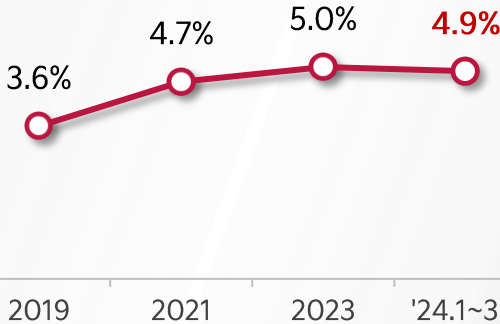
Korea

(Unit: %)



U.S.

(Unit: %)



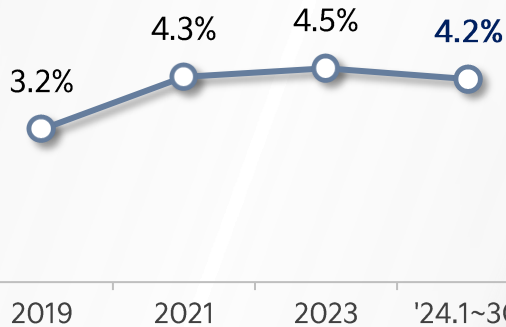
(Unit: %)

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



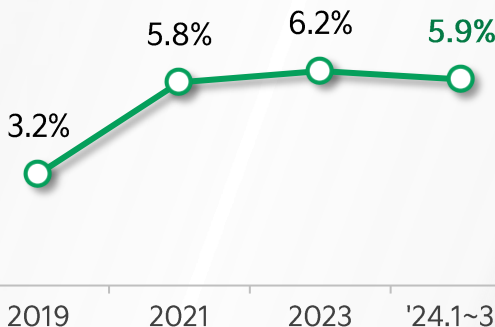
W. Europe

(Unit: %)



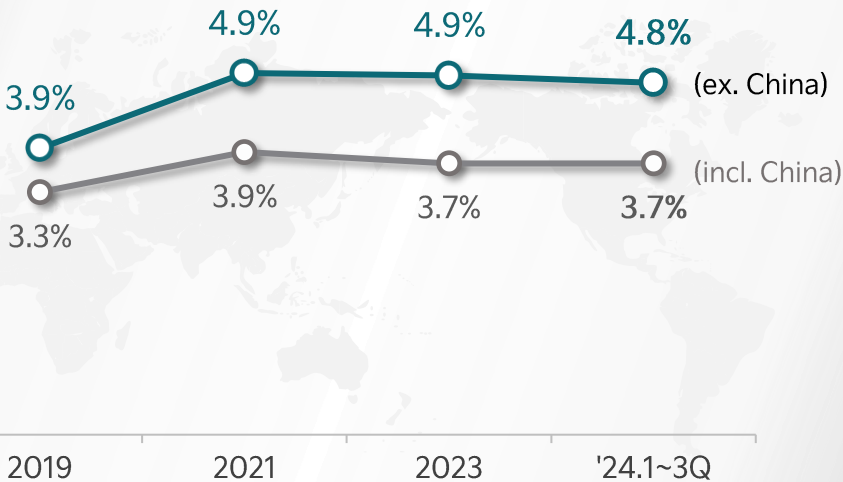
India

(Unit: %)



Global

(Unit: %)





Kia Transformation

Kia Transformation



Edges

Drivers

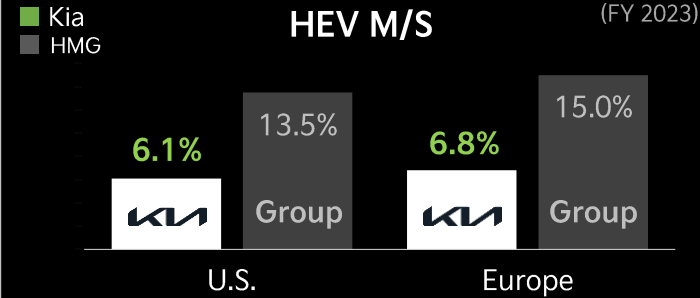
1.

Product

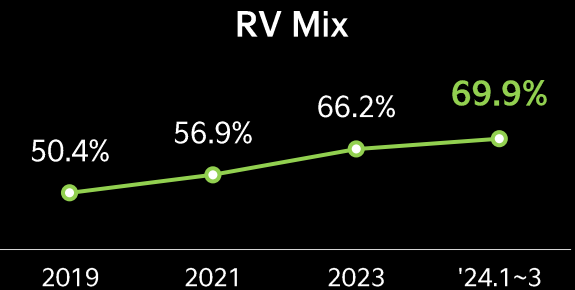
Product Value Enhancement



Powertrain Competitiveness



Body-type Competitiveness



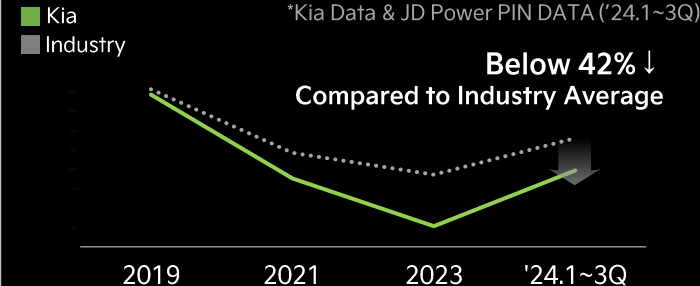
2.

Operation

Pull-based Inventory Management



Incentive Policy



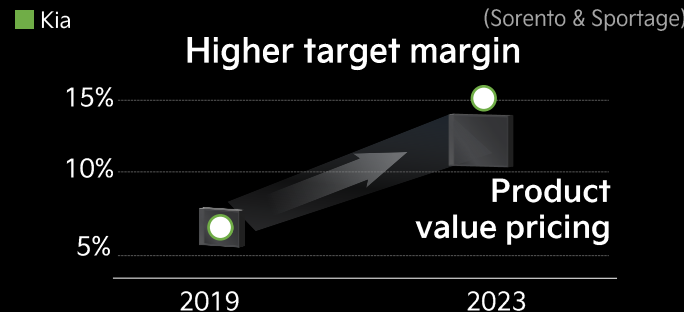
Tier 1 Residual Value Leader



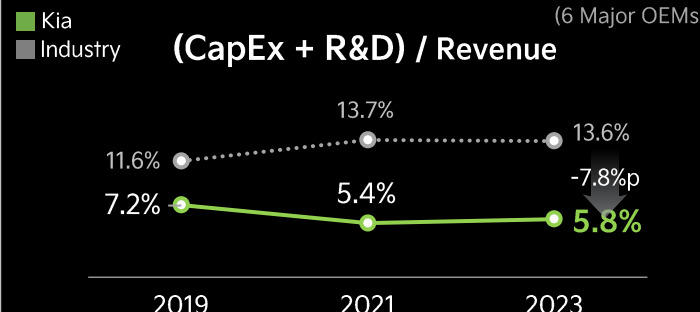
3.

Finance

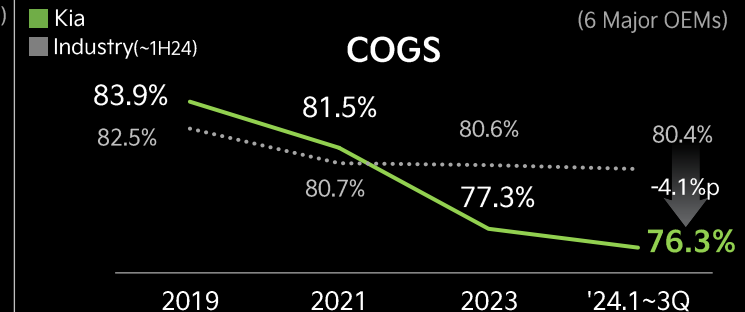
Px Setter from Px Taker



Fixed-cost Competitiveness



COGS Competitiveness



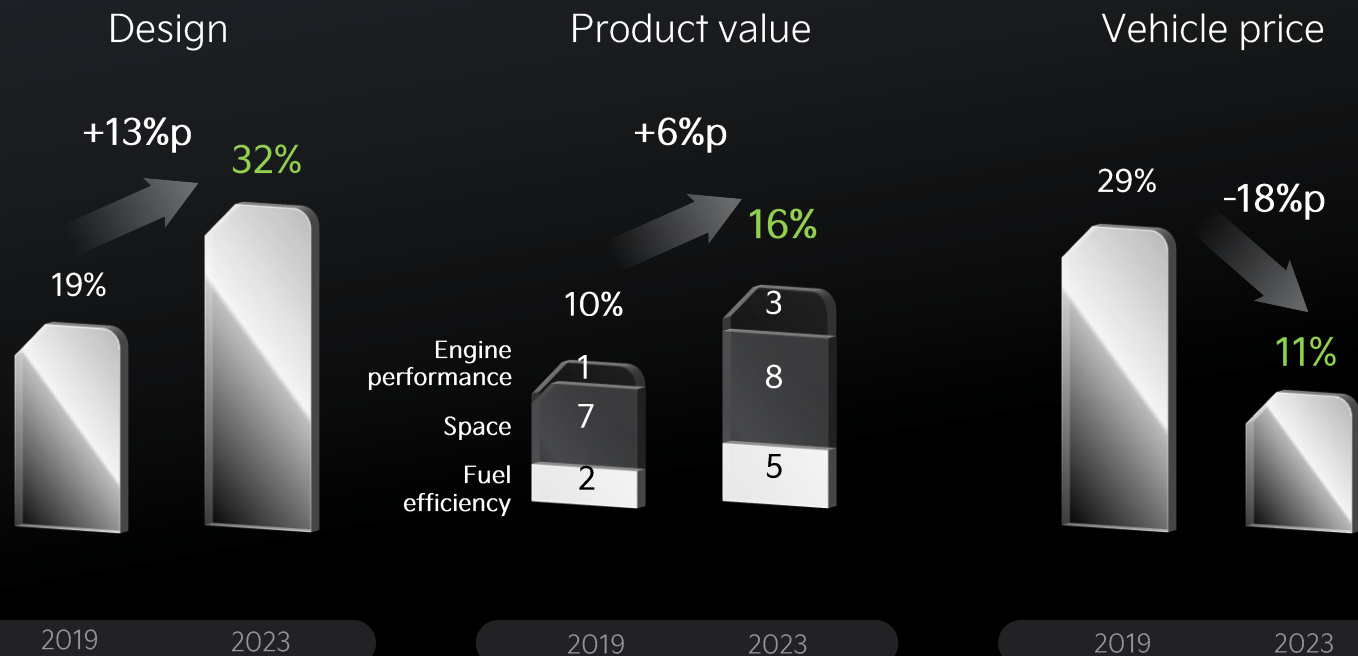
Product Factors



Transforming into a product-focused brand, recognized for design and product value

Key Purchasing Factors 2019 vs 2023

Design and product value has become the main reason to purchase



Primary purchasing factors according to global customer survey by Kia

Improvements in Brand Positioning

Price premium



Global brand tracker by Kia

Pricing Factors

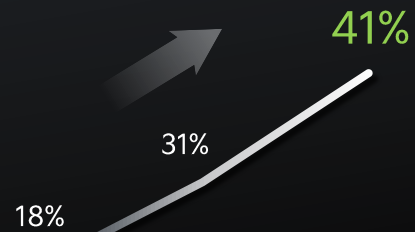


ASP boost from enhanced product and value pricing → Accelerated revenue growth

Product Value Enhancement

Active adoption of new specs
& tech features

High-trim selection rate



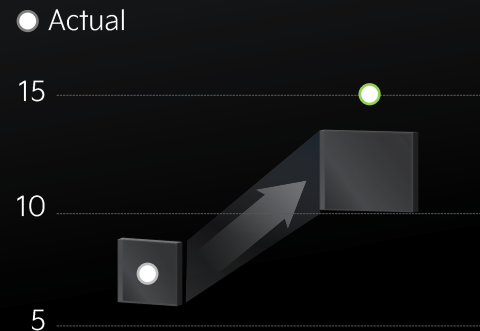
2019 2021 2023
U.S. Sportage, Sorento, & Telluride combined

Quality Operation

Pricing based on higher-
margin target

Increase in target margin

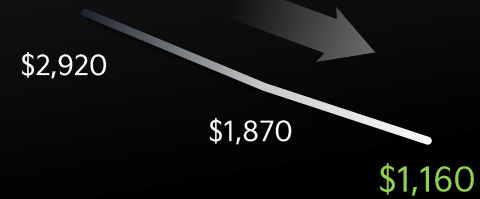
(Unit: %)



2019 2023
Sportage & Sorento combined

Push → Pull strategy

Incentive



2019 2021 2023
Overseas subsidiaries combined

Improved ASP

Consolidated ASP

(Unit: Million KRW)



2019 2021 2023

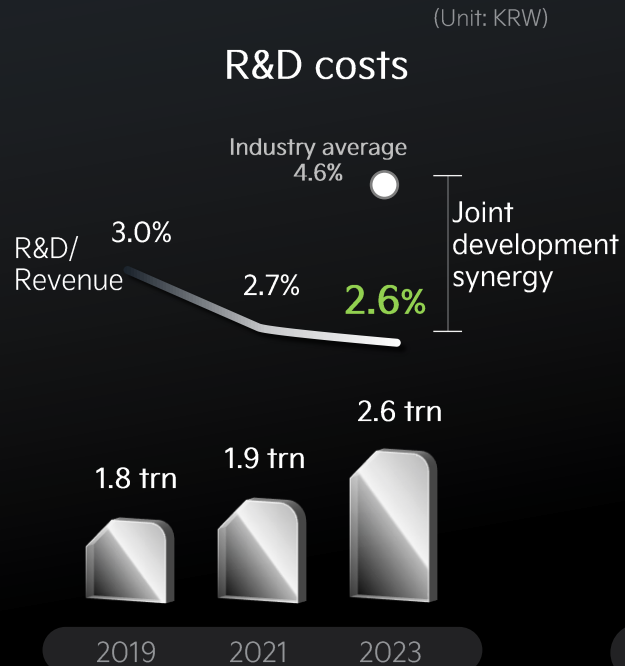
Cost Factors



Securing cost competitiveness through efficient cost management

R&D Efficiency

Synergy in joint development of platforms and new technology within HMG

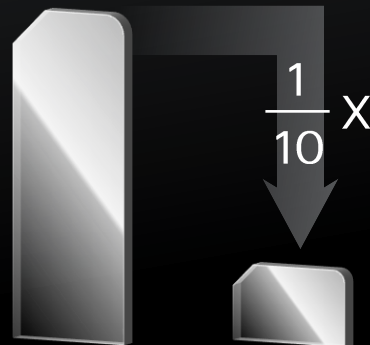


Industry average : 6 major OEMs for 1Q23~3Q23

CapEx Efficiency

EV line conversion from existing ICE line

CapEx



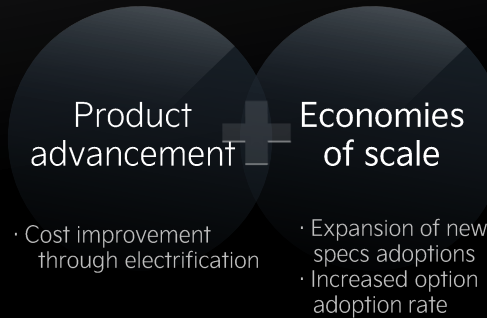
Dedicated EV production Mixed EV production

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

Product Competitiveness

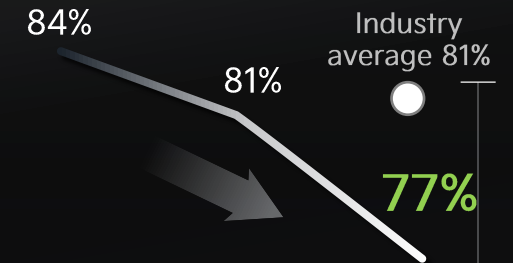
Improved cost efficiency through product advancement

Cost improvement structure



Cost Competitiveness

COGS ratio



2019 2021 2023

Industry average : 6 major OEMs for 1Q23~3Q23

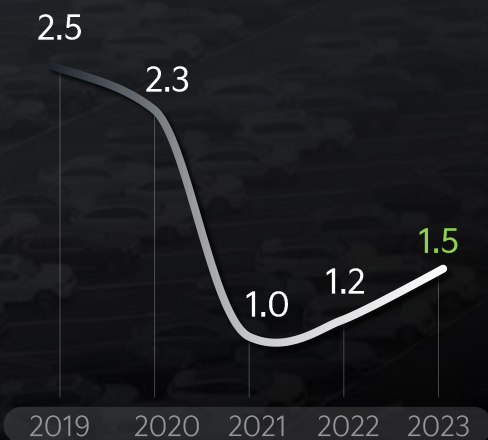
Maintain Pull Strategy



Maintain a virtuous cycle through efficient inventory & incentive management, improving residual value and profitability

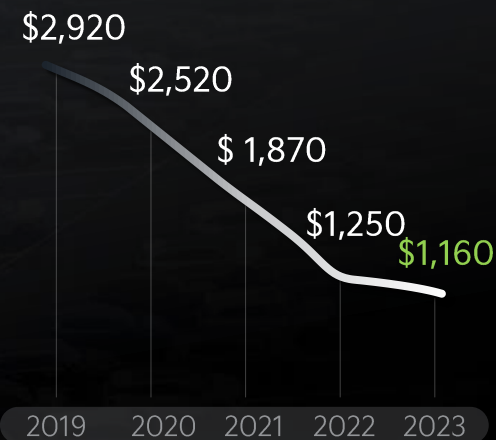


Inventory



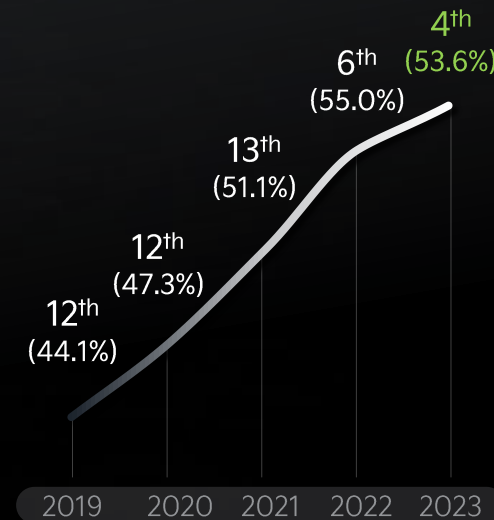
* MOS (Months of Stock)

Incentives



* Incl. Overseas Corps.

Residual Value



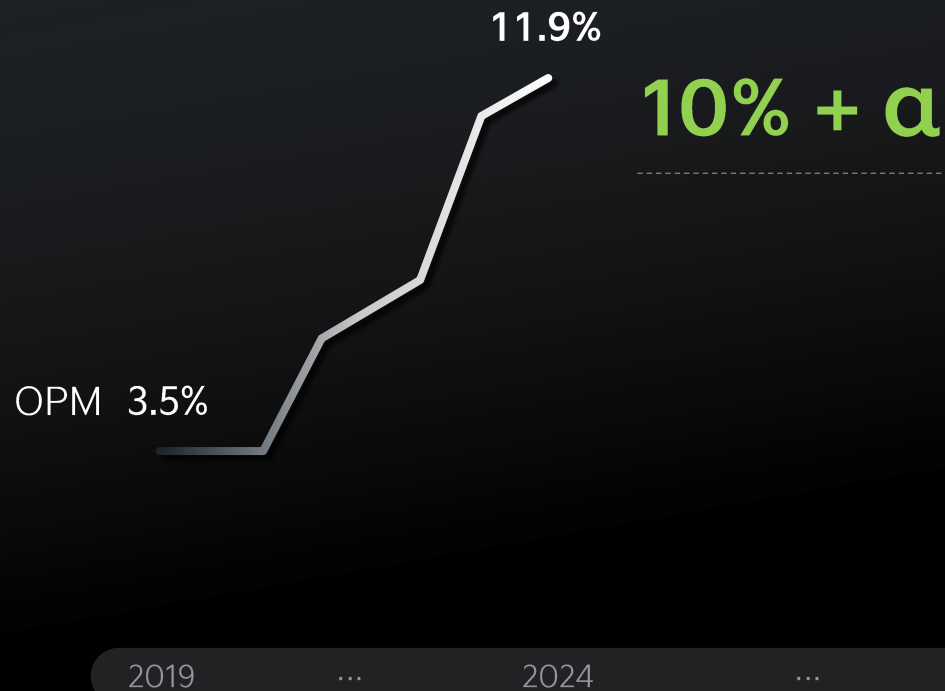
* Based on the U.S. market

Mid-to Long-term Profitability Target

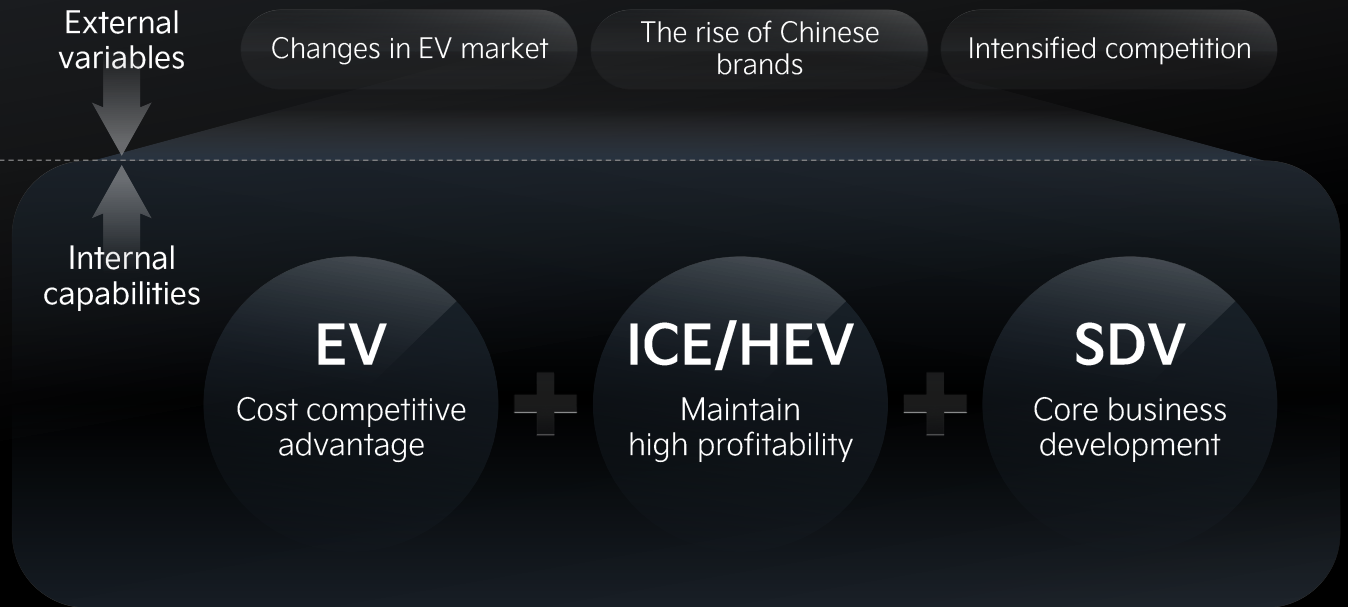
Setting sustainable profitability target of 10%+α based on internal capabilities



Kia Transformation



Mid-to Long-term Sustainable Profitability



HEV Profitability Enhancement

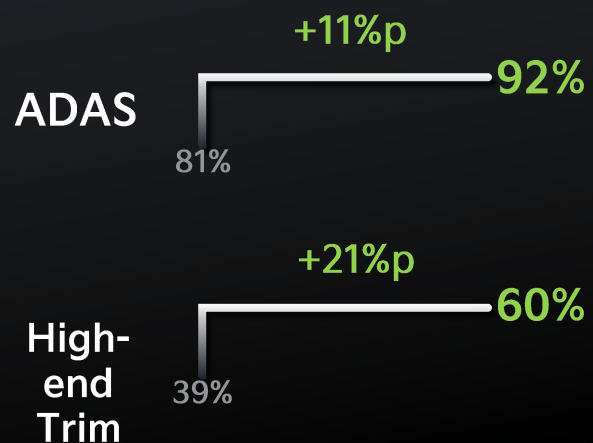


Achieve double-digit margin via expanding HEV premium and cost reduction

→ Strengthen scale benefit through line-up expansion and volume increase

HEV Premium

High-end trim/option selection rate



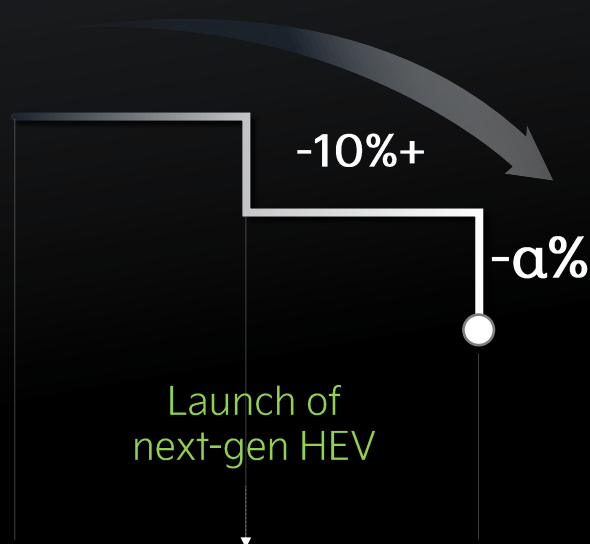
ICE

HEV

※ Based on 2023 Sorento (domestic)

HEV System Cost Reduction

Specification/resource optimization



2021

2025

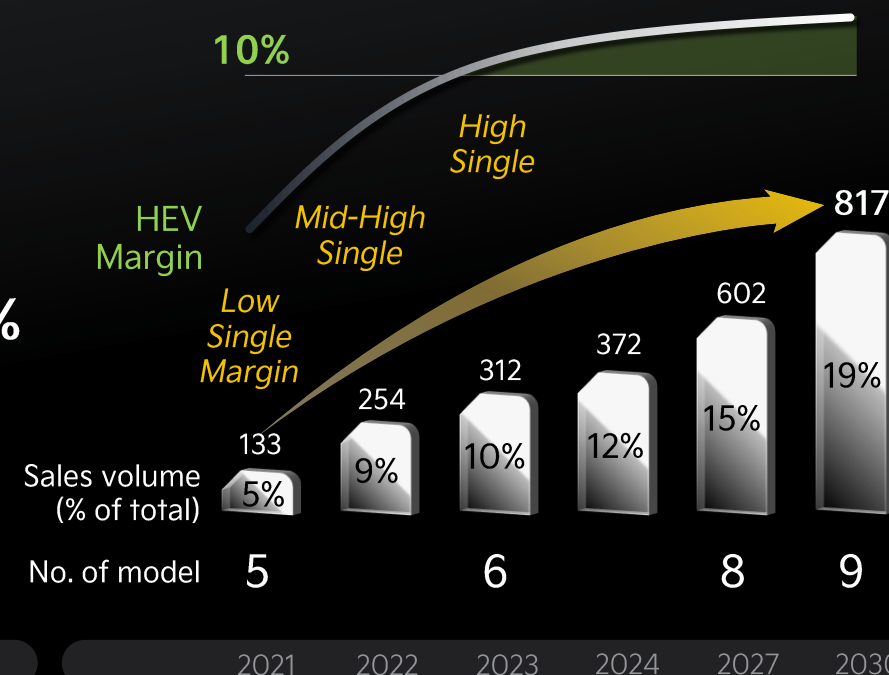
2030

※ HEV System: engine, transmission, motor, etc.

Economy of Scale

Line-up expansion

(Unit: Thousand)



2021

2022

2023

2024

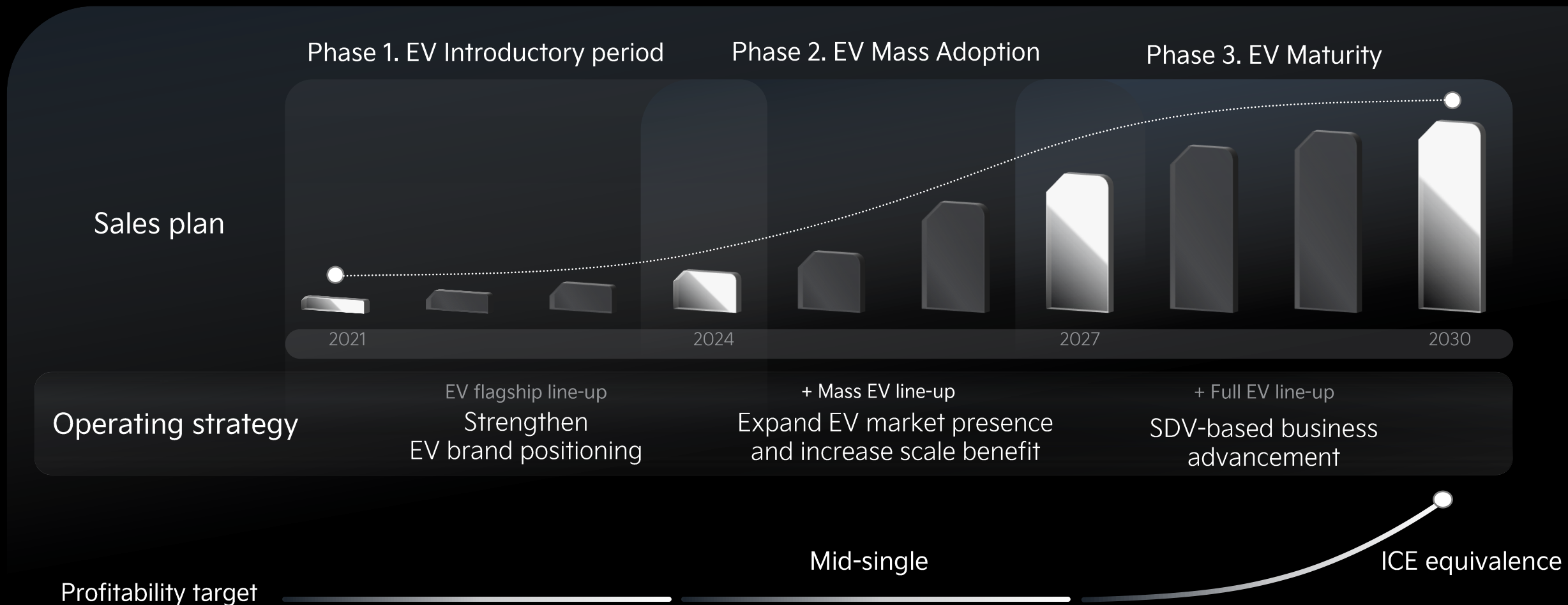
2027

2030

EV Strategy in Response to Changes in EV Market



Launching mass EV line-up to preoccupy market → Expanding profitability in the mature EV market

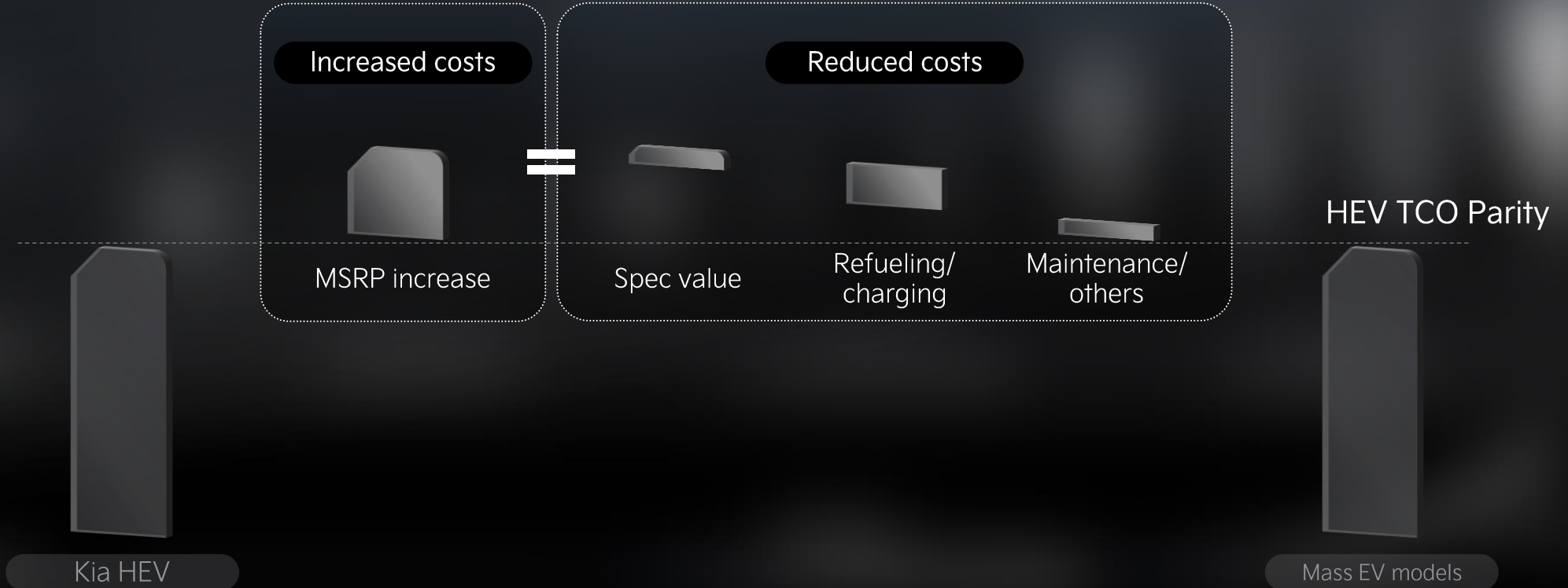


EV Strategy in Response to Changes in EV Market



Launching mass EV line-up to preoccupy market → Expanding profitability in the mature EV market

HEV TCO Parity : Secure competitive pricing based on cost competitiveness



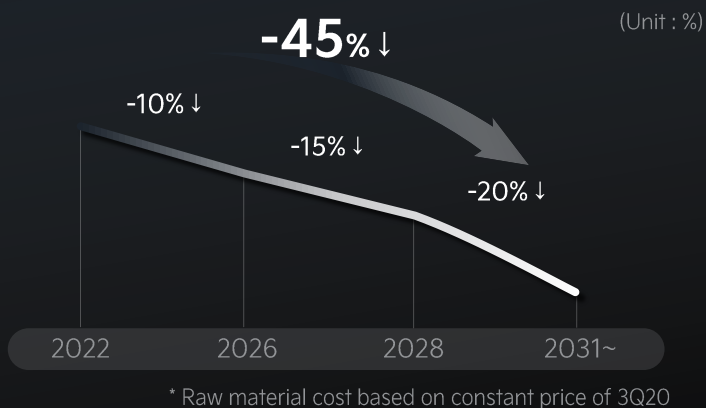
※ Based on domestic specifications

Cost Saving for EV



Elevate EV margin through comprehensive cost reduction, battery diversification, and technology innovation

PE Cost Reduction



Global battery supply pool expansion

Weight reduction/battery efficiency enhancement

PE cost reduction vs. 2022 -45% ↓

* PE(Power Electronics) : battery, motor, ICCU, etc.

Battery Diversification



LFP battery
utilization

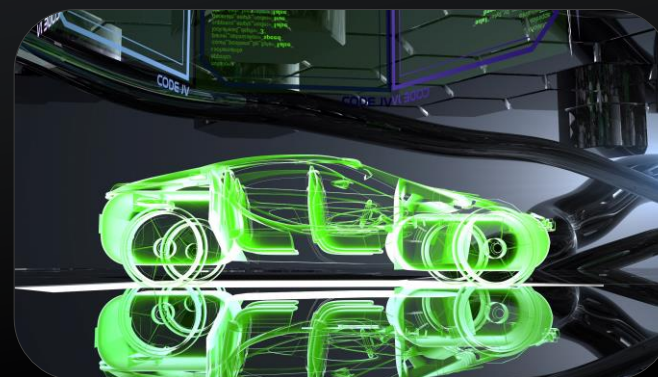
Form factor
diversification

Optimized performance for entry-level models

Diversifying form factors based on next-gen platform

Battery cost -10 ~ -20% vs. NCM

Next-gen EV Platform Development



Minimized parts & system complexity
based on IMA

Increased commonization ratio led by
expanded coverage

**Parts_(ex-PE) cost -10 ~ -20% vs.
current platform**

* IMA : Integrated Modular Architecture

Investment Plan for Next 5 Years

Accelerated resource allocation to business transition



(Unit: KRW)

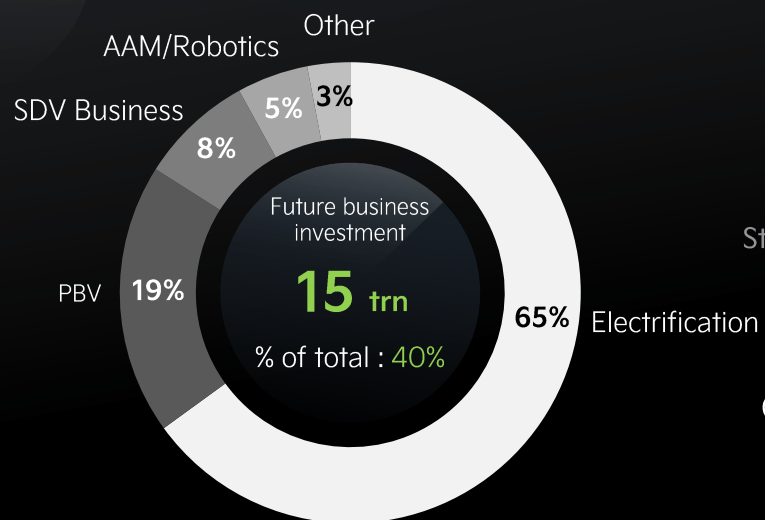
+5 trn (14%)

New 5yr Plan
(2024-2028)

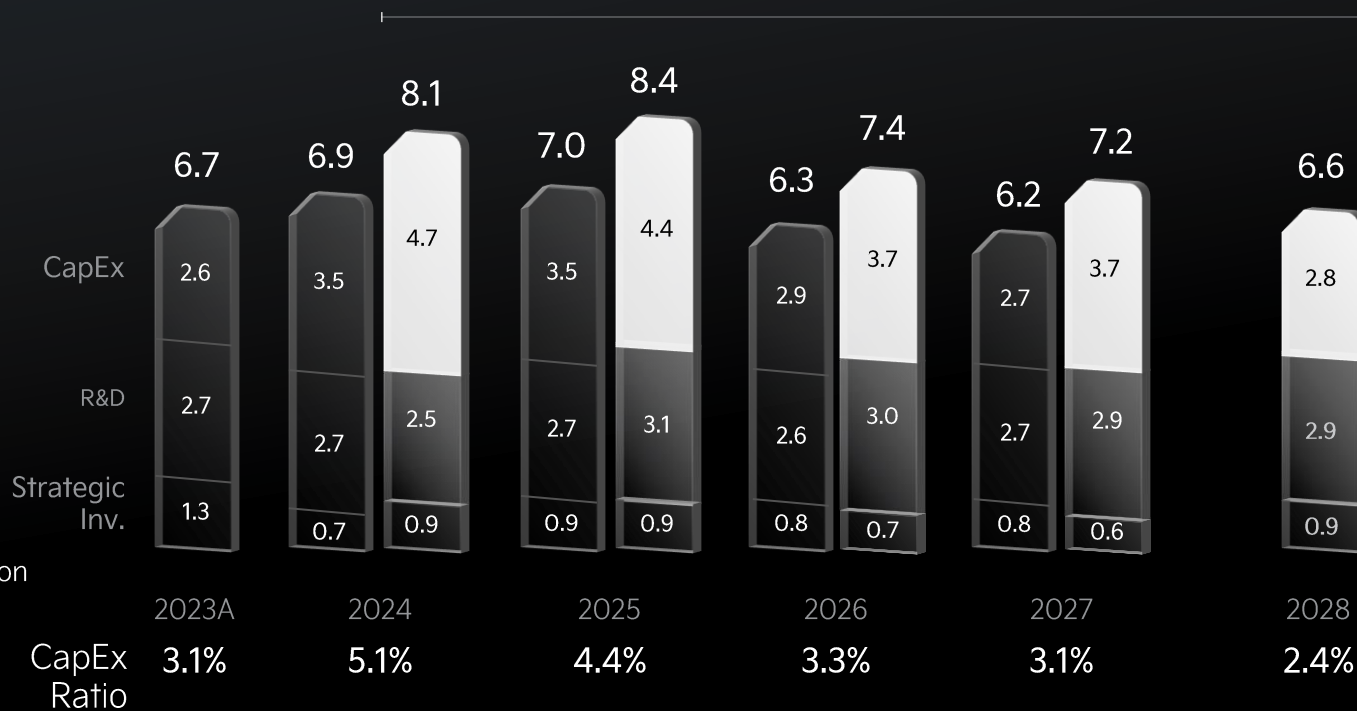
38 trn

Previous 5yr Plan
(2023-2027)

33 trn



2024~2028 Investment Plan



Shareholder Return Policy

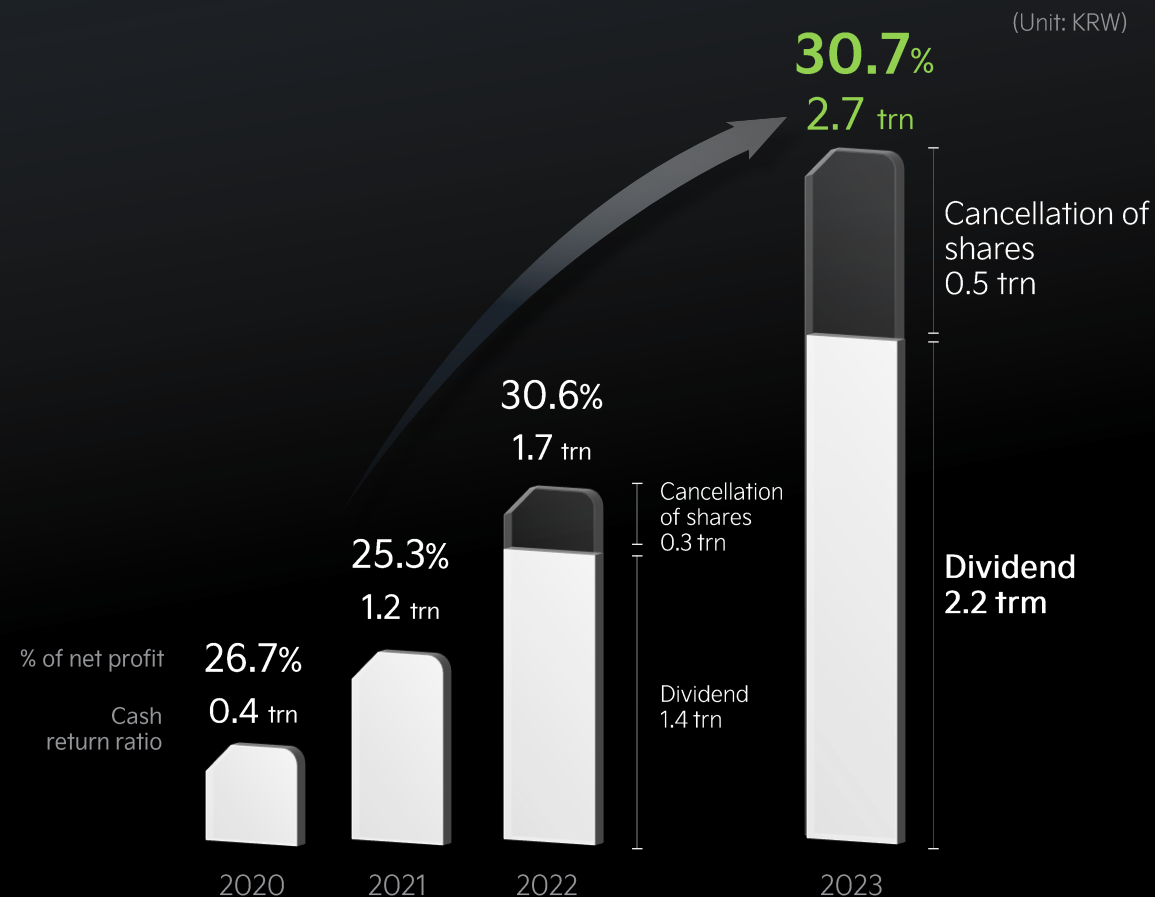
Accelerated cash return ratio through enhanced profitability



Payout Ratio
20~35%
of net profit

Buyback Program

5-Year Long-term plan (2024~)
500 Billion Max. amount/year
50% Cancellation
Additional 50% cancellation (upon achieving 3QTD financial target)





2030 Mid-to Long-term Strategy

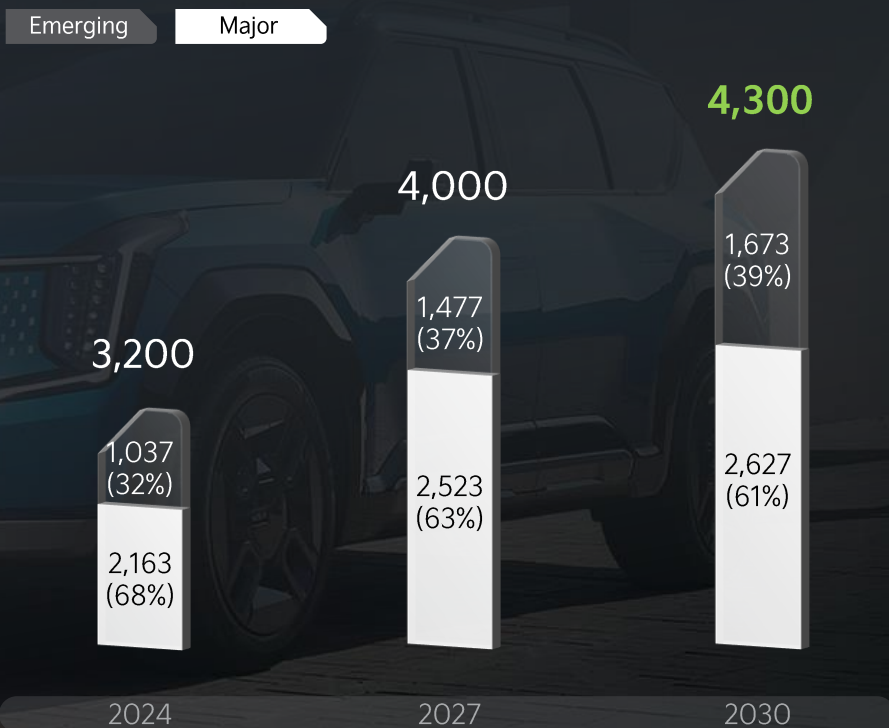
Global Sales by 2030: 4.3 Million Units



- Major markets: 2.6 million units / Emerging markets: 1.7 million units

Mid-to Long-term Sales Plan

(Unit: Thousand)



Major Markets¹⁾

- Secure tier 1 EV brand position via establishment of full EV line-up
- Achieve continuous growth by enhancing product competitiveness and developing local manufacturing bases
- Create new demand through PBV

Emerging Markets

- Diversify production locations to respond to emerging market demands
- Differentiate brand image through enhanced customer experience
- Develop optimized line-up in line with EV growth rate

¹⁾ North America, EU, KR, CN

Regional Sales Plan



Global sales by 2030: 4.3 million units

- Major markets: 2.6 million units / Emerging markets: 1.7 million units

North America



Europe



India



(Unit: Thousand)

Korea



China



Other Regions



※ 2,163k as of 2024

※ 1,037k as of 2024

Global
4.3 Million
(2030)

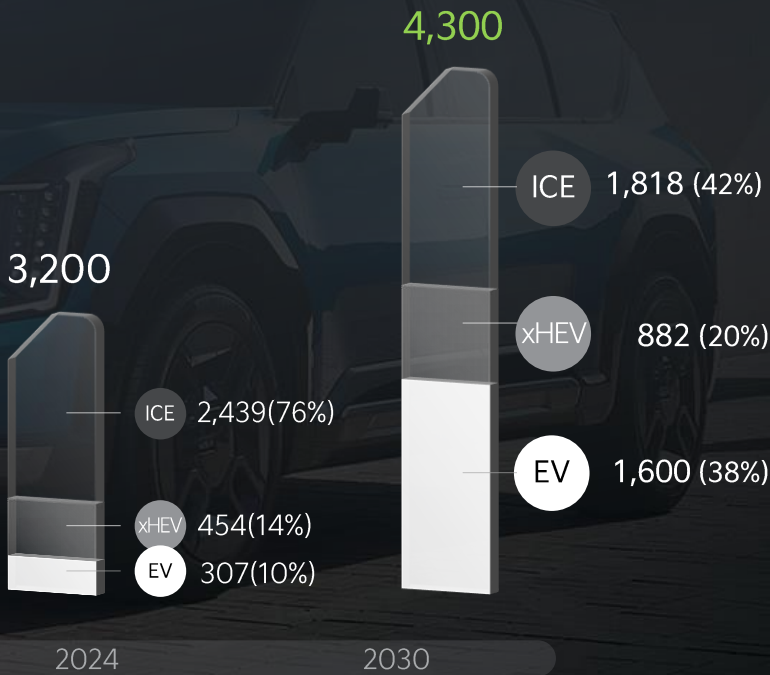
Green Car Sales Plan



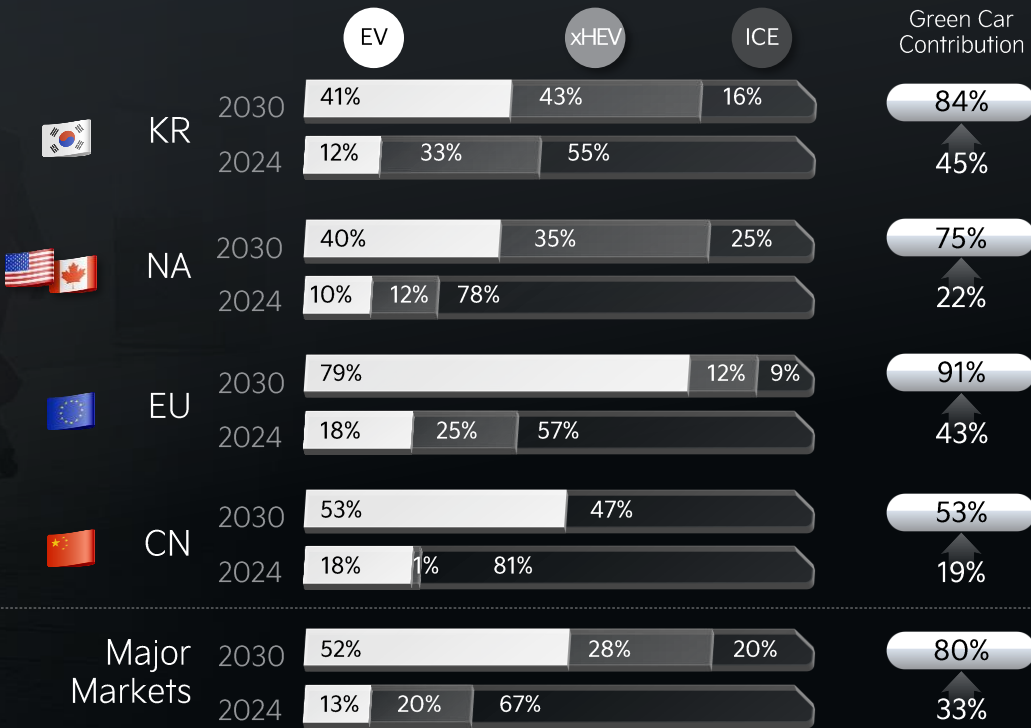
Green car sales by 2030: 2.48 million units (58%)

- Major markets : EV 52%, xHEV 28%, totaling 80% of sales

Sales Plan by Powertrain (Unit: Thousand)



Major Markets Product Mix (2030) (Unit: Thousand)



HEV Line-up Reinforcement



- New HEV model launches
- +21% CAGR from 2024 to 2028

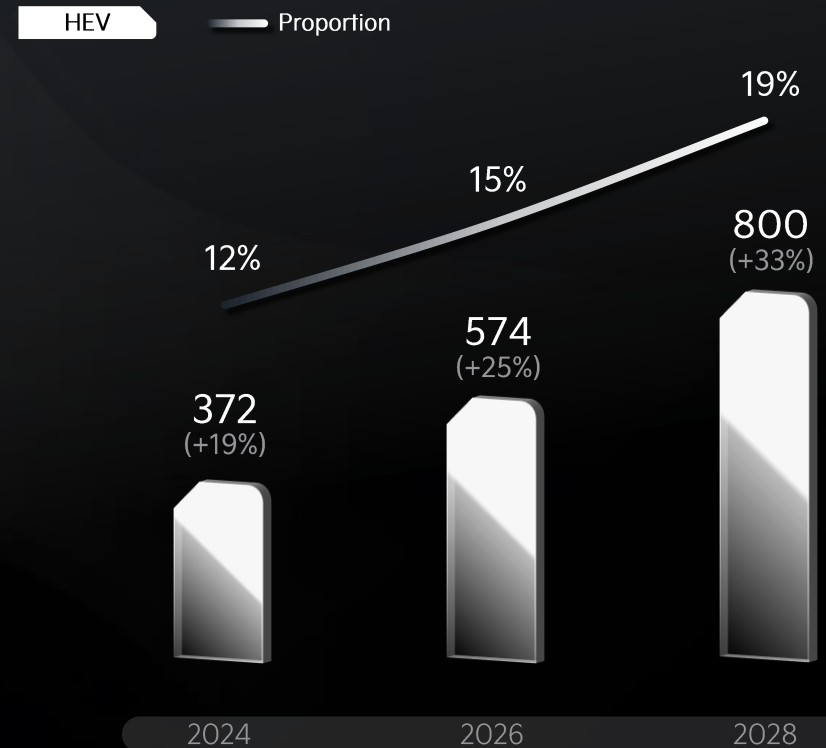
HEV Line-up

(Number of Models)

	2024	2026	2028
Passenger	2	2	2
SUV	4	6	7
Total	6	8	9

HEV Sales Contribution

(Unit: Thousand / % YoY)



Hybrid Vehicle Operation Plan



Enhancing hybrid performance through improvements in power, torque, and fuel efficiency

Next-gen hybrid powertrain strategy

Responding to increasing demand of sub-compact & mid-size HEVs
Expansion of large & compact size HEVs

Next-gen hybrid powertrain development

Enhanced power and fuel efficiency to diversify HEV offerings

Current

Only offered on sub-compact & mid-size vehicles

Large

Mid-Size

Sub-compact
& Mid-size Vehicles

Compact

Future Hybrid Strategy

Expand into compact & large-size vehicles

Large

Large size HEV

Mid-Size

Sub-compact
& Mid-size Vehicles

Compact

Compact HEV

EV Line-up Strategy

- Line-up expansion of mass EV models from 2024
- Business expansion through pioneering the PBV market

New Line-up	2023	2024	2025	2026	2027
EV	3	1	4	1	1
PBV	-	-	1	-	1
EV Total	3	1	5	1	2



Vehicles in Operation (2027)

13
2
15



Flagship EV

EV6, EV9 showcase innovative EV brand image



Mass EV

EV3, EV4 to lead mass adoption



PBV

Secure new growth engines through new business creation

Mass EV Model Launch

Introducing new mass EV Models



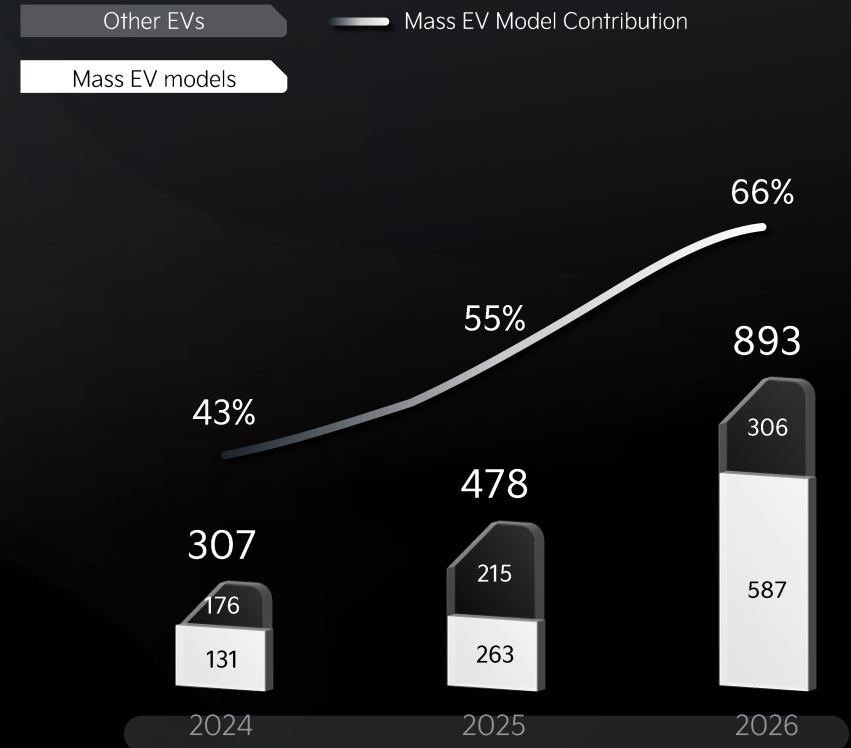
Mass EV Model Line-up

(Number of Models)

		2024	2025	2026
Major Markets	Dedicated EVs	1	4	4
	Derivative EVs	2	2	2
	Total	3	6	6
Emerging Markets	Dedicated EVs	2	4	4
	Derivative EVs	1	3	3
	Total	3	7	7

Mass Model Sales Contribution

(Unit: Thousand / %)



Supply Optimization Through Flexible Manufacturing Systems



- Implementing flexible ICE-xEV production to respond to market changes
- Enhancing EV competitiveness through EV-dedicated plants

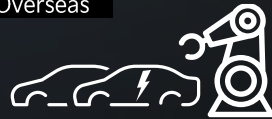
Mixed Production Line in Existing Plants + EV-dedicated Plants

Mixed Production Lines

13

7 Domestic

6 Overseas



Expanding ICE ↔ xEV Mixed Production Lines
to Flexibly Respond to Market Changes

EV-dedicated Plants

2



Introduce Mass EV Models
To Achieve Economies of Scale

Thank you.



Movement that inspires