

HYUNDAI MOBIS



2024 3Q Business Results



Oct. 25, 2024

Disclaimer

The financial numbers and statements included in the following presentation are provided prior to the completion of the accounting audit by the external auditor for the financial results of 2024 3Q, solely for the investors' convenience. Part of the presentation is subject to change as the final accounting audit proceeds.

In addition, this document contains certain "forward-looking statements" and such statements are based on the management's current expectations, beliefs, or plans, as well as the assumptions based on currently available information. Forward-looking statements relate to future events and address our expected future business condition and financial performance; so often contain words such as "forecast," "proceed", "plan", "strategy". Moreover, forward-looking statements are subject to changes in business conditions and are inherently susceptible to uncertainties that may cause our actual future results to materially deviate from the projected forward-looking statements.

Any projections in this document are made as of the date hereof taking into account current market conditions and the business direction of the Company and may change based on any changes in market conditions or the Company's strategies. Therefore, the Company does not have any obligation to update or revise any forward-looking statements, regardless of the occurrence of new information, future events, or otherwise.

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1. Highlights

Performance ● Sales Revenue

- 2024 3Q revenue decreased **by 1.6% yoy to KRW 14.0 tn**
- Module/Core parts sales went down **by 4.5% yoy to KRW 10.9 tn** due to the mix changes in xEV (BEV -16.0%, HEV +30.9%), the battery cell price decrease, etc.
 - * refer to page 14 for more details on electrification revenue decrease
- A/S business sales increased **by 10.4% yoy to KRW 3.0 tn** due to the continued strong global demand, price adjustment by region, etc.

● Operating Profit

- Operating profit increased **by 31.6% yoy to KRW 909 bn** due to robust demand for A/S parts, and continued efforts to enhance overall profitability in manufacturing, including recouping expenses.

Non-captive

● Non-captive orders

- **2024 3Q non-captive orders (cumulative) reached USD 2.38 bn** (26% of 2024 target)
 - Projects (EV, etc.) being delayed at clients' requests and increased volatility due to the larger scale of targeted projects.
- * 2024 target set at US\$ 9.3 billion (increased by 1.3% compared to FY23 performance)

Shareholder Value Maximization

● CEO Investor Day to disclose Value-up (Corporate value enhancement) plan (Nov.19.2024)

- Sharing a longer-term corporate value enhancement plan including key management strategies, financial goals, and a new shareholder return policy

2. Financial Results

Income Statement

(KRW bn)	2023		2024					
	3Q	Total	1Q	2Q	3Q	YoY	% QoQ	Total
Sales	14,230	44,582	13,869	14,655	14,002	-1.6%	-4.5%	42,526
Gross Profit	1,765	4,936	1,619	1,828	2,303	30.5%	26.0%	5,750
Operating Profit	690	1,772	543	636	909	31.6%	42.8%	2,087
Margin	4.9%	4.0%	3.9%	4.3%	6.5%	1.6%p	2.2%p	4.9%
Pre-tax Profit	1,322	3,615	1,223	1,412	1,307	-1.2%	-7.5%	3,941
Net Profit	998	2,772	862	998	921	-7.7%	-7.7%	2,781
Margin	7.0%	6.2%	6.2%	6.8%	6.6%	-0.4%p	-0.2%p	6.5%

Earnings by Business Division

(KRW bn)		'23 3Q	'24 2Q	'24 3Q	YoY %	QoQ
Module / Core Parts	Electrifi- cation	2,724	1,725	1,579	-42.0%	-8.5%
	Core Parts	2,761	3,347	3,084	11.7%	-7.9%
	Module	5,972	6,619	6,279	5.1%	-5.1%
	Sales	11,457	11,691	10,941	-4.5%	-6.4%
	Operating Profit	15	-124	93	536.6%	T/A
	Margin	0.1%	-1.1%	0.8%	0.7%p	1.9%p
A/S	Sales	2,773	2,964	3,061	10.4%	3.2%
	Operating Profit	676	760	816	20.7%	7.3%
	Margin	24.4%	25.6%	26.7%	2.3%p	1.1%p
Total	Sales	14,230	14,655	14,002	-1.6%	-4.5%
	Operating Profit	690	636	909	31.6%	42.8%
	Margin	4.9%	4.3%	6.5%	1.6%p	2.2%p

Module & Core Parts

● Electrification revenue decline

- Battery cell price decrease (-39.4%, yoy), Exclusion of battery cell from the revenue (transition to pass-through)

- Mix changes (BEV -16.0%, HEV +30.9%, yoy)

* These changes do not affect the margin

● Sales increase in Core Parts

- Continued product mix effect i.e., broader adoption of high-value electronic components

● Module / Core Parts turned black thanks to overall profitability improvement efforts (i.e., cost reduction)

A/S Business

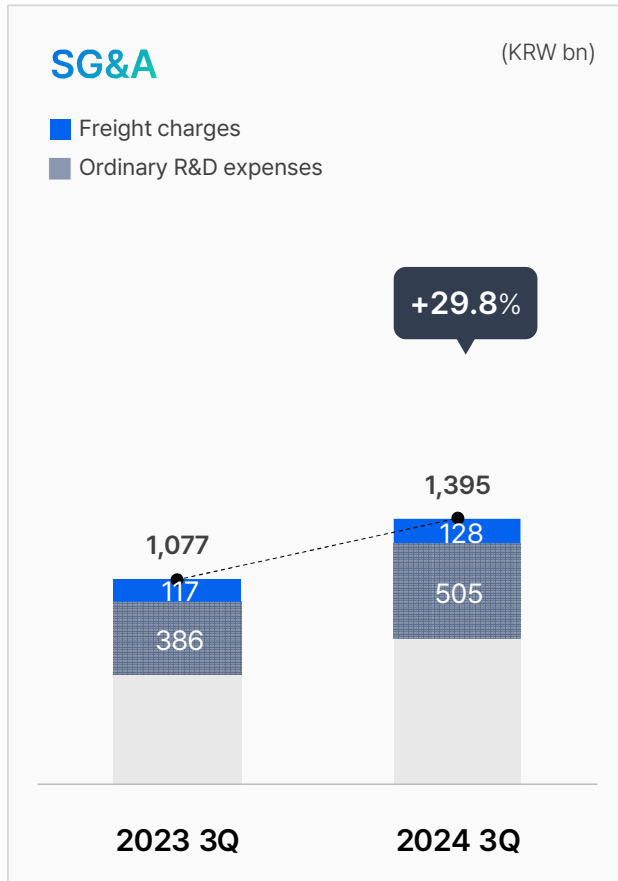
● Sales increase from the continued strong demand

(The Americas +7.2%, Europe +12.2% yoy)

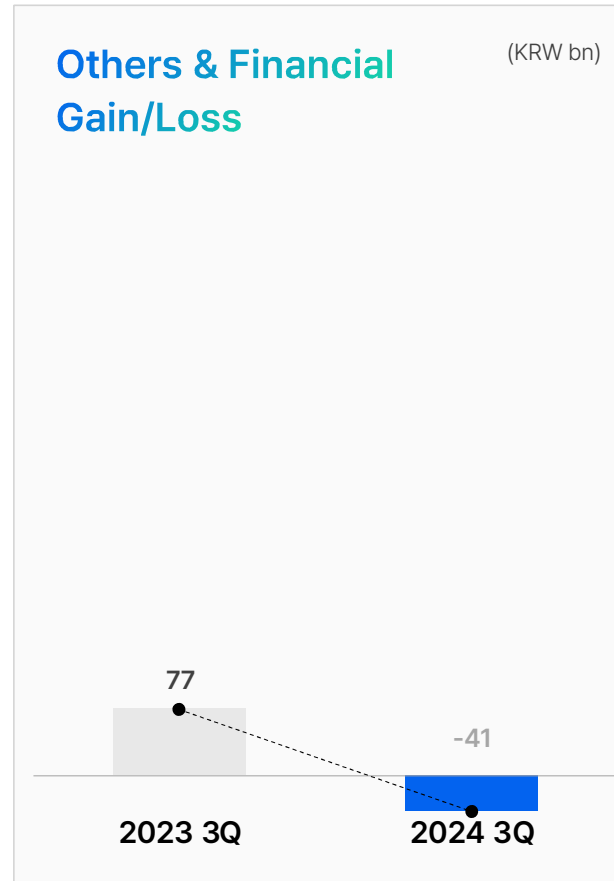
● Margins improved due to increased sales and favorable F/X

2. Financial Results

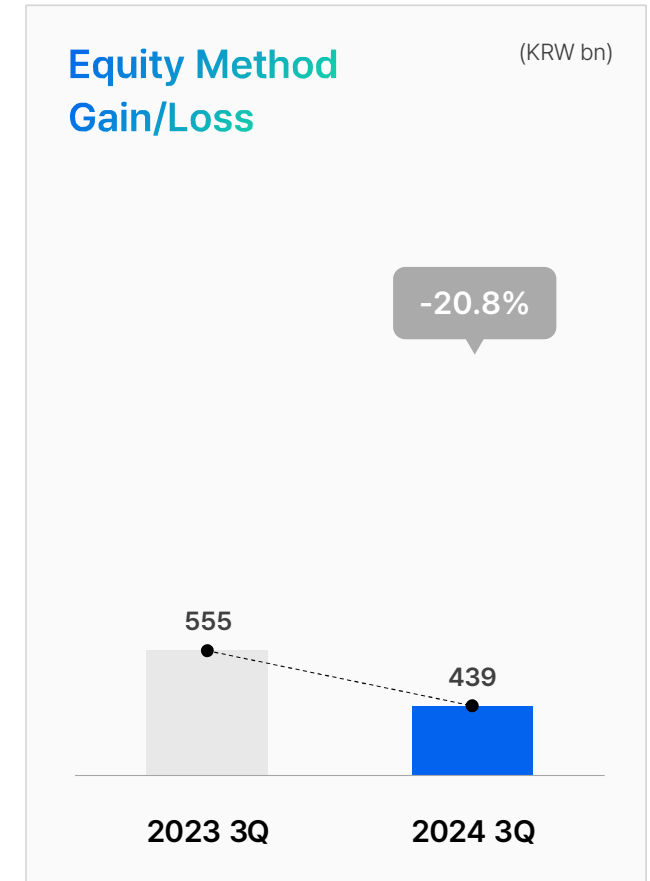
Major Gain/Loss



- Increase in Ordinary R&D expenses
R&D personnel (Securing future growth engine)



- Decrease in others & financial gain/ loss

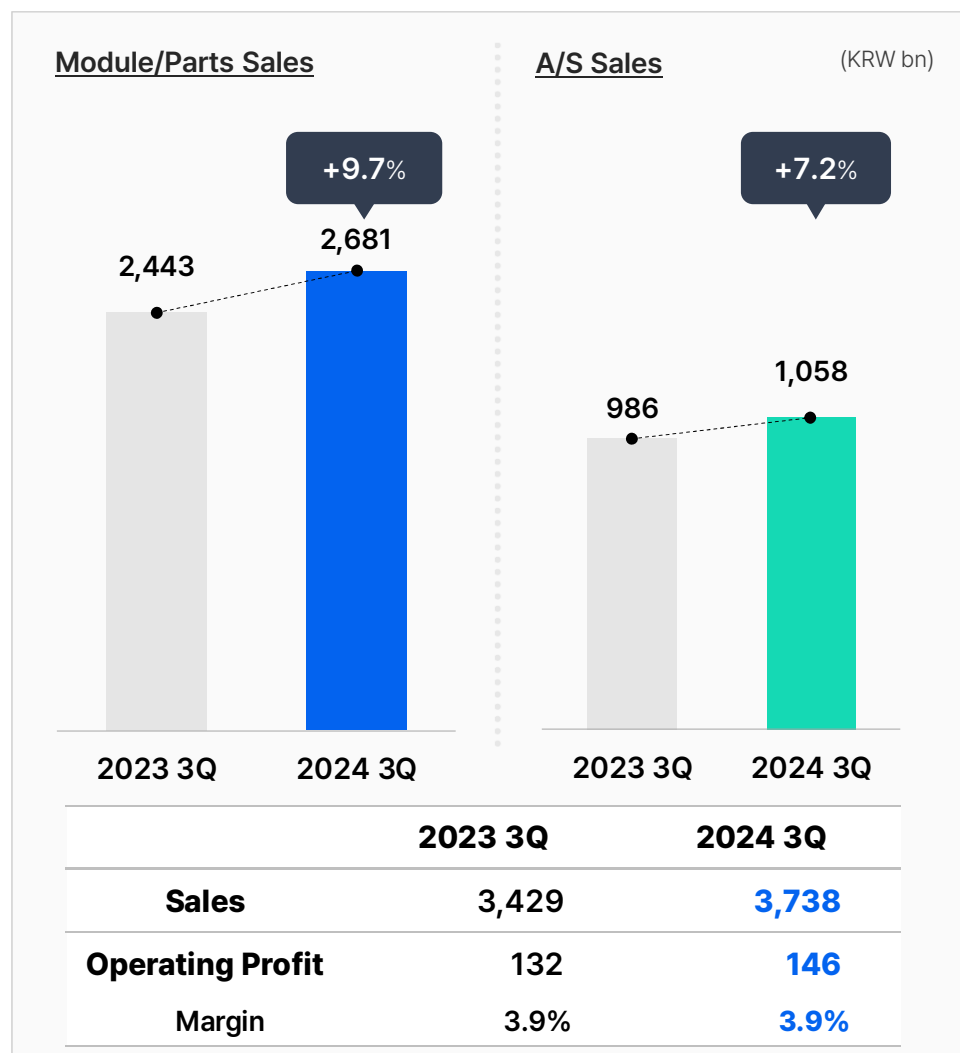


- Decrease in equity method gains from affiliates

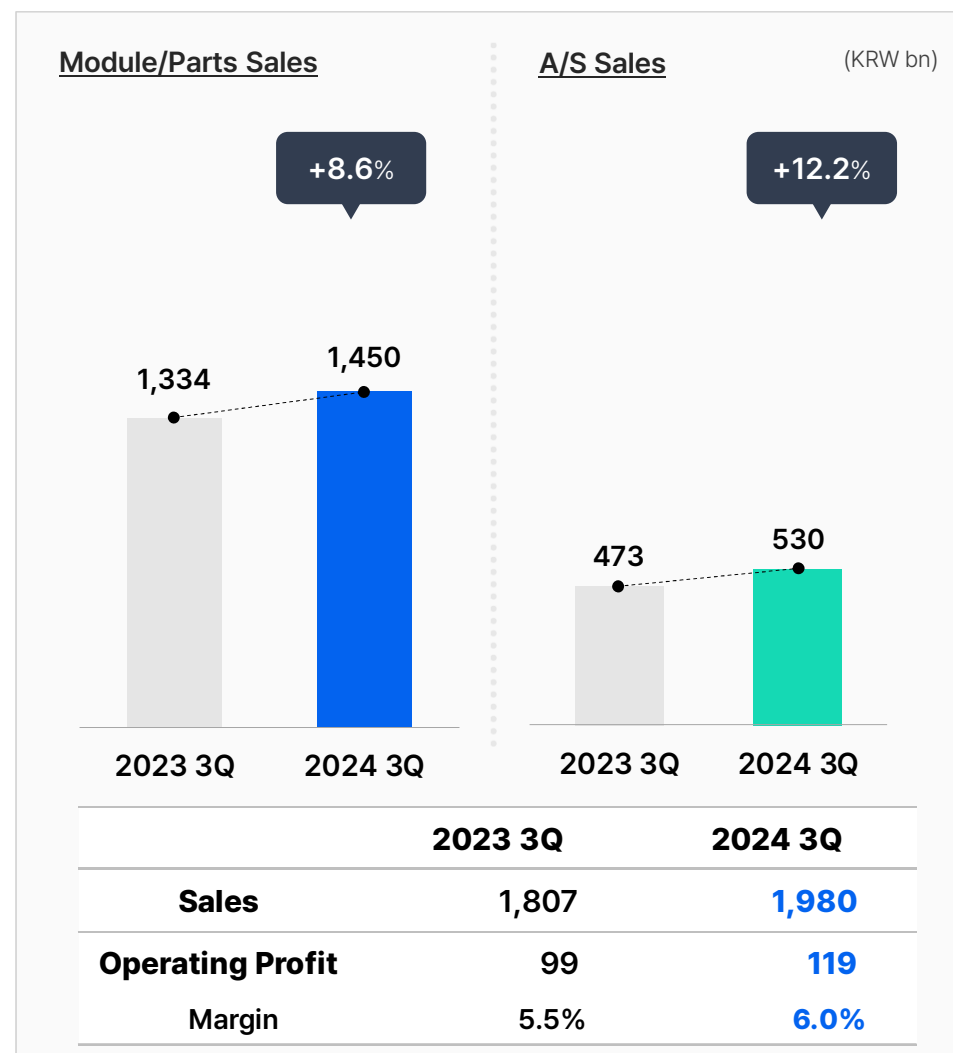
2. Financial Results

Earnings by Region

The Americas



Europe

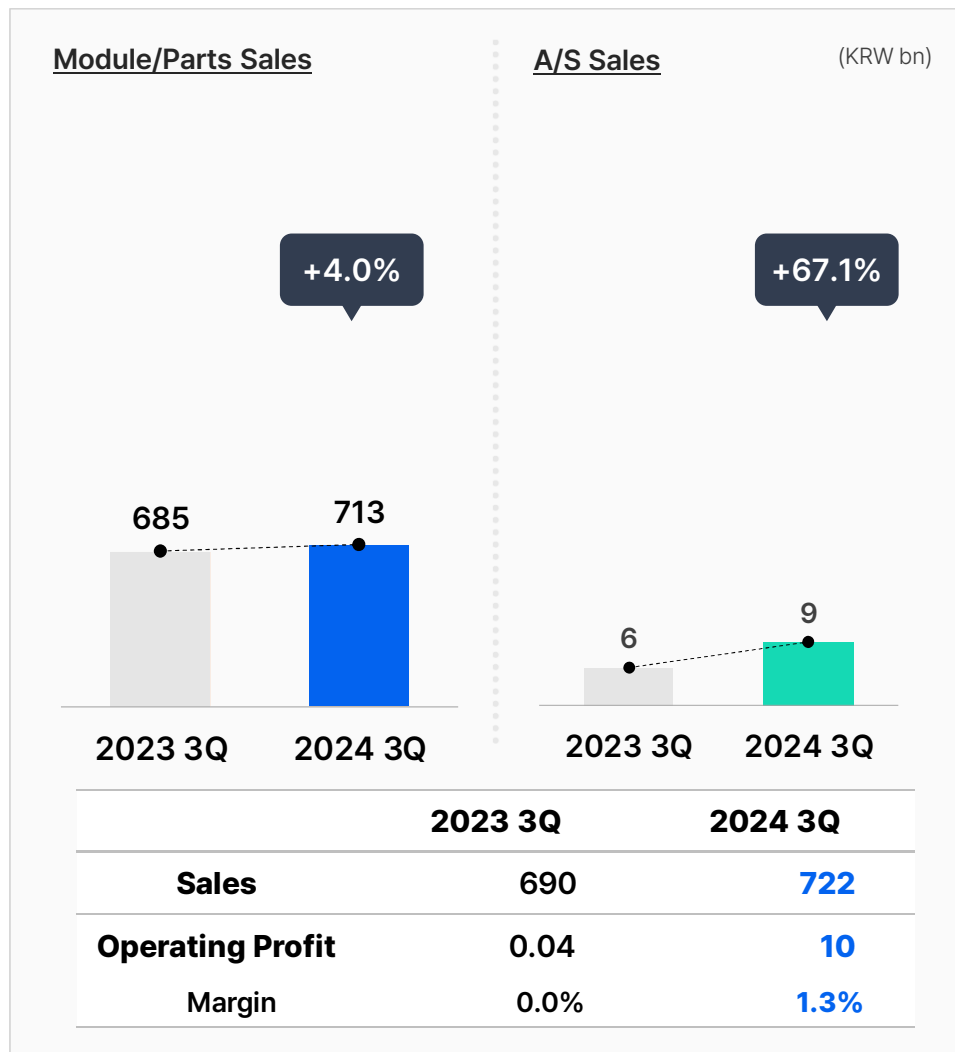


* Regional operating profit without consolidated adjustments

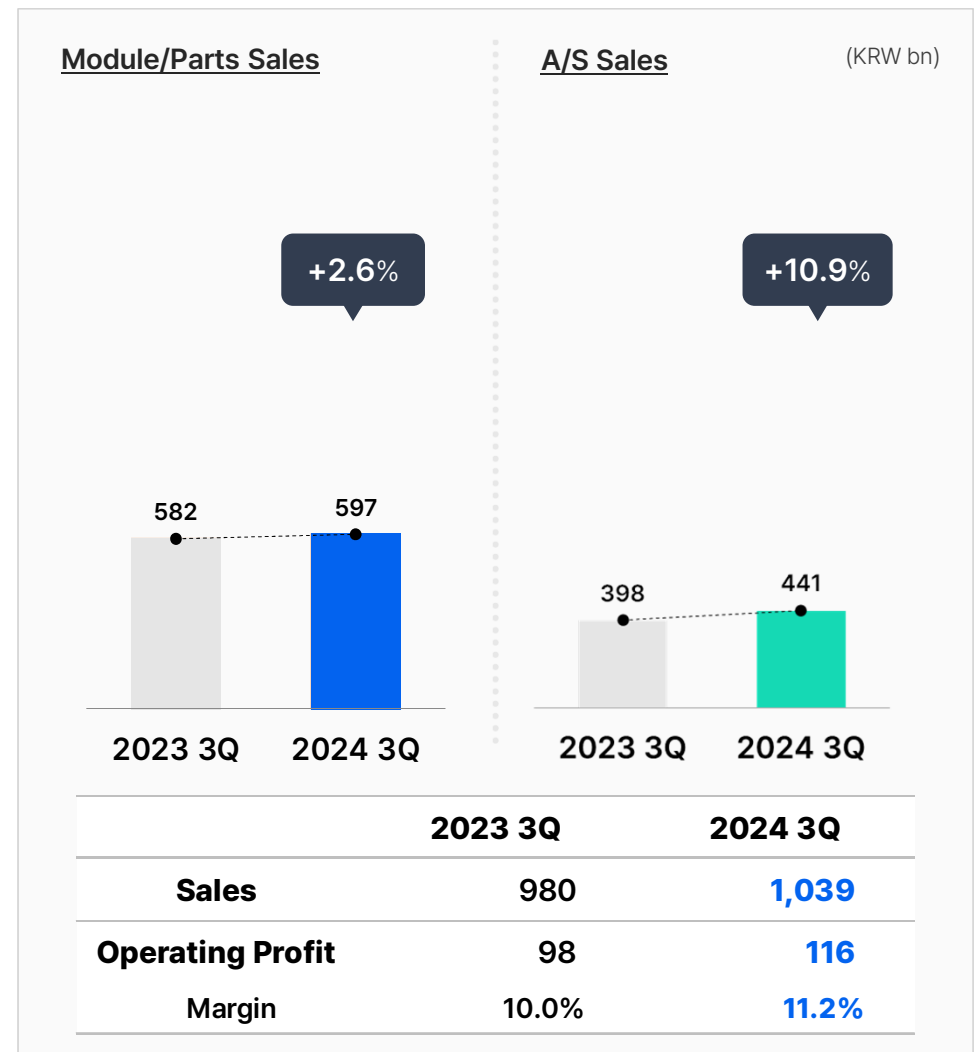
2. Financial Results

Earnings by Region

China



Others

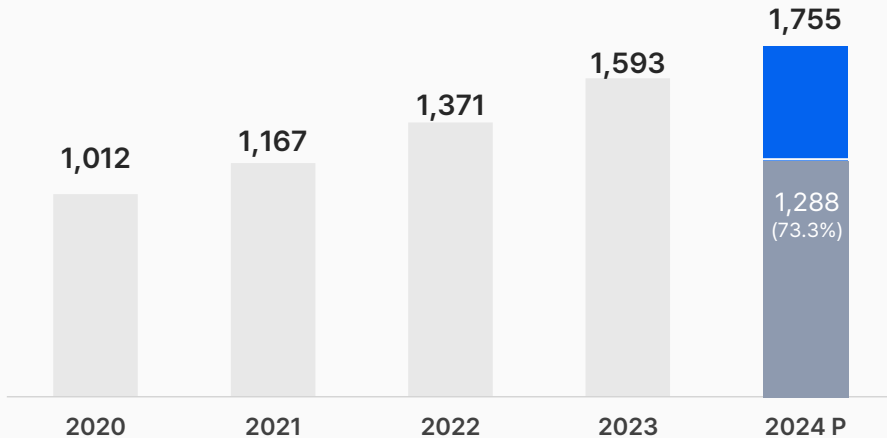


* 지역별 영업이익은 연결조정 제외

3. R&D and CAPEX

R&D Expenditure

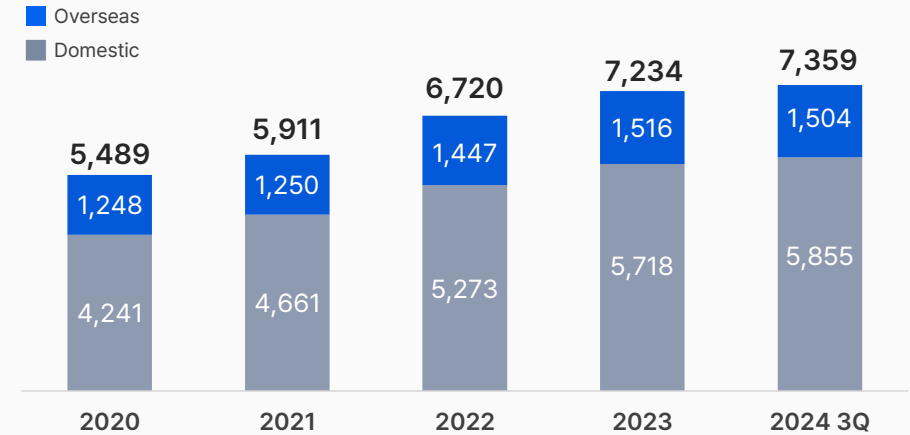
(KRW bn)



* 2024 plan does not include consolidated affiliates

Number of R&D Personnel

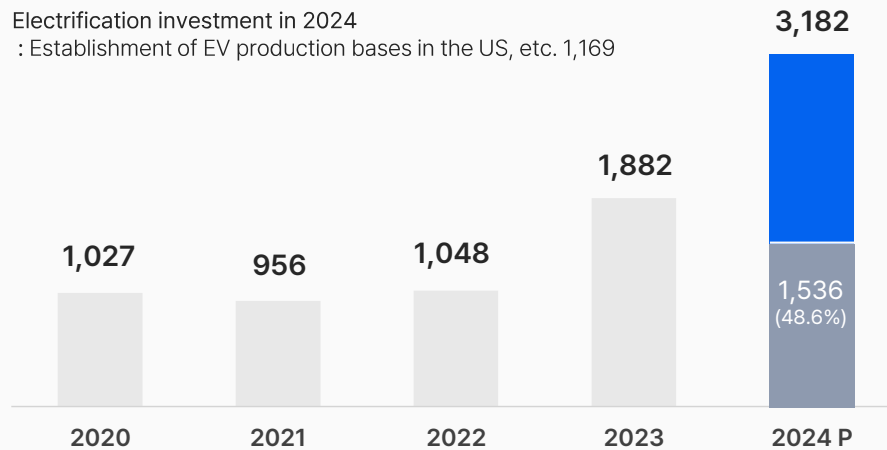
(Unit : person)



CAPEX (Production/R&D)

(KRW bn)

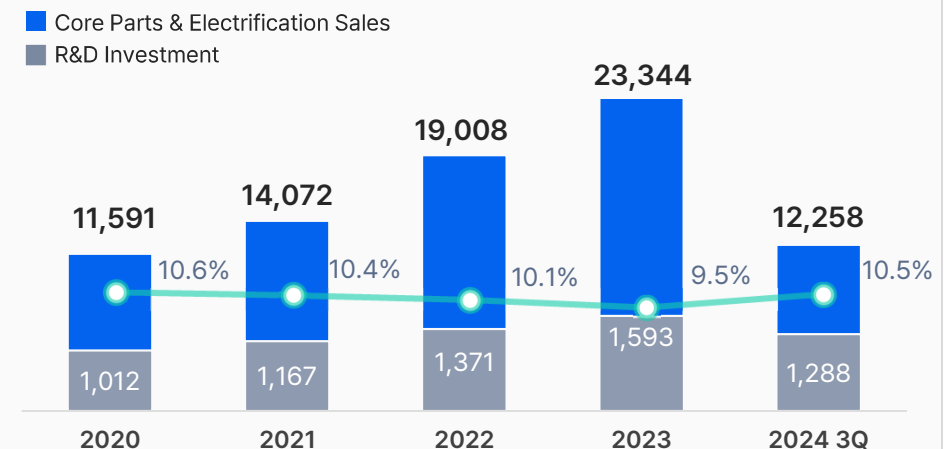
Electrification investment in 2024
: Establishment of EV production bases in the US, etc. 1,169



* R&D facility investment included

Note R&D as % of Core Parts & Electrification Sales

(KRW bn)



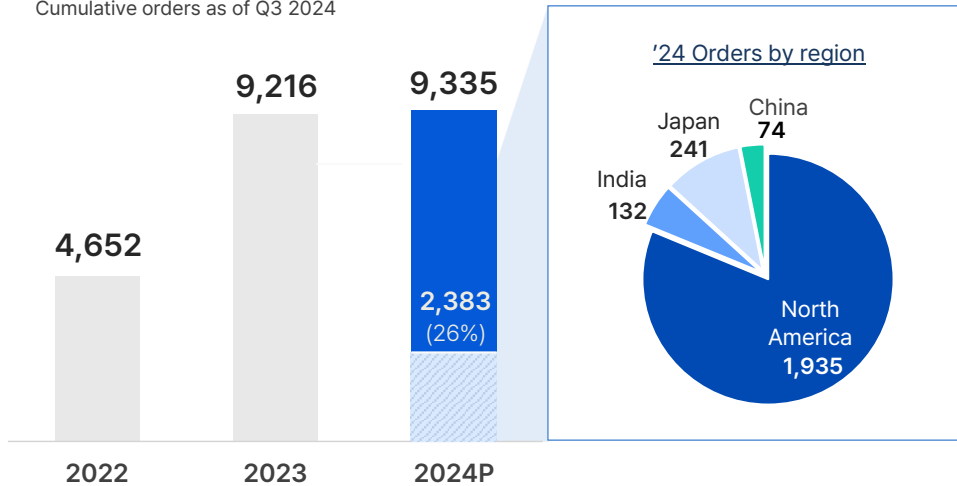
* The R&D as a percentage of Electrification/Core parts sales excludes battery cell value (estimated)

4. Non-Captive Orders

Results & Plans for Core Parts Orders

(Unit: USD million)

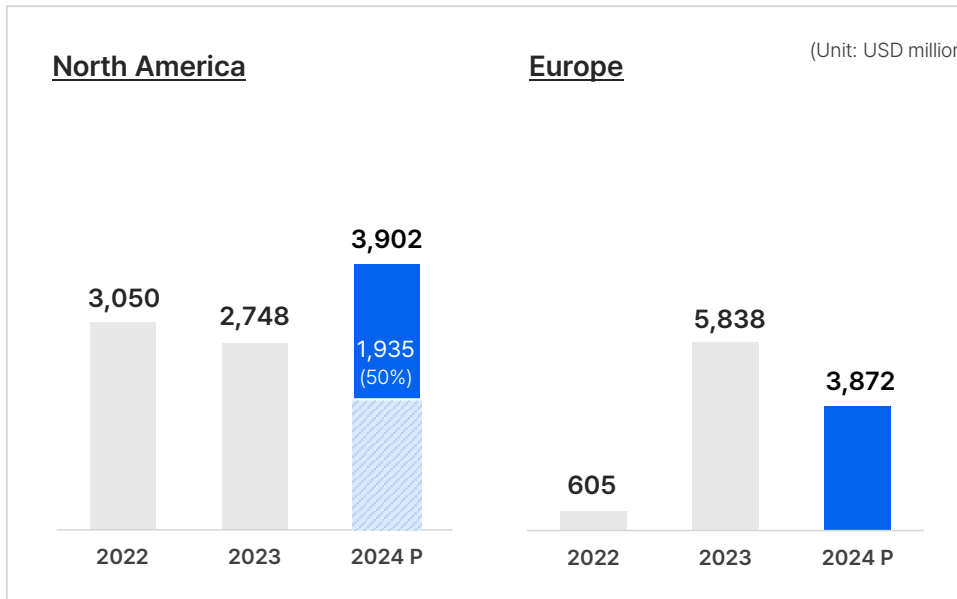
Cumulative orders as of Q3 2024



North America

Europe

(Unit: USD million)



Highlights from 3Q24 Non-Captive Orders

Brake products orders received from Japanese OE

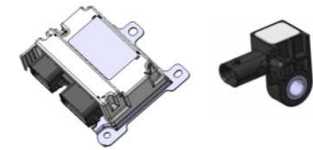
Production MWX(China)



EPB¹

Safety products orders received from Chinese OE

Production MTJ(China)



ACU² Sensor

1. Electronic Parking Brake 2. Airbag Control Unit

Background of the Weak 3Q & Prospects Going Forward

- Expected delays in major EV projects to 2025 due to EV chasm and uncertainties regarding US presidential election
- Increased order performance volatility due to the larger scale of order projects
- Continuously promoting sales activities to achieve yearly Core Parts target

5. MOBIS R&D Tech Day

Promoting R&D capabilities by sharing new technology and product development achievements with Captive customers and global clients

- Exhibition of 65 new technologies including automotive electronics, electrification, chassis, lamps, modules, etc

Continuously pursuing R&D strategies to proactively secure future competitiveness in the rapidly changing global automotive industry



(Next-gen bi-directional charging system, ICCU)



(Prototype with in-wheel system)



(Holographic windshield display)



(Next-gen integrated cockpit concept)

Category	Electronics	Electrification	Braking/Steering	Lamp
Key New Products and Technologies	Infotainment System, ADAS driving/parking Integrated Controller, High-Performance Front Radar	Battery System with Fire Suppression, High-performing ICCU ¹ , Direct-Drive In-Wheel Motor	EMB ² , Next-gen iMEB ³ , Rear-wheel Steering System	Communication Headlamps, Next-Generation Headlamp System

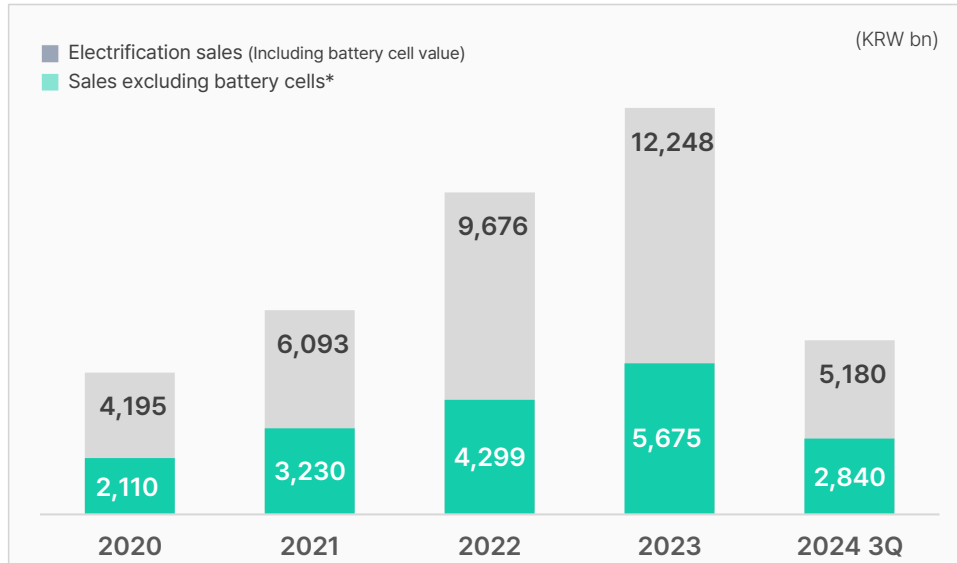
6. In-organic Growth & Global Tie-up

투자 및 협업 내용				
2020	Mar	Motional (US)	Equity Investment (\$400mn)	Software platform for level 4 ~ 5 autonomous driving
	Jun	ACVC Partners & MOTUS Ventures (US)	Equity Investment(\$20mn)	Tech fund based in US Silicon Valley (ACVC \$12.4mn, MOTUS \$4.5mn)
	Nov	HMGICS (Singapore)	Equity Investment(SGD 76mn)	Hyundai Motor Group Innovation Center ('20 : \$23mn, '21 ~'23 : \$33mn)
2021	Jan	Hyundai Autron (Korea)	Business Transfer (₩130.0bn)	Semiconductor technologies for electronic control units
	Jan	Participation in Zero One No.2 Fund	Equity Investment (₩5.0bn)	Investments in startups for future growth engines (mobility, EV, etc)
	Apr	Supernal (US)	Equity Investment (\$310mn)	Investments in AAM(Advanced Air Mobility)('21~'23 : \$310mn, '24 : \$178mn)
	Jun	Boston Dynamics (US)	Equity Investment(\$220mn)	Robotics & synergy with future business (e.g. autonomous driving)
	Aug	Sonatus (US)	Equity Investment(\$3.5mn)	2 nd Gen vehicle electronics platform development
	Sep	Joint battery cell plant (Indonesia)	Equity Investment (\$89mn)	Battery cell production JV with LG ES
	Dec	Zendar (US)	Equity Investment (\$4mn)	Imaging radar for autonomous driving
2022	Jun	Equity investment in holding company (US)	Equity Investment (\$231mn)	Investments and management of new businesses
	Aug	LightlC (US)	Equity Investment (\$8.7mn)	LiDAR technologies
	Oct	AI R&D Center (US)	Equity Investment (\$85mn)	Robotics business
	Nov	Envisics (UK)	Equity Investment (\$30mn)	Augmented reality-based HUD (head up display) ('20 : \$25mn)
2023	Jun	Joint battery cell plant* (US)	Equity Investment(₩324.0bn)	Battery cell production JV with SK On
			Equity Investment(₩286.1bn)	Battery cell production JV with LG ES
	Nov	SPb Audio Lab (Bulgaria)	Equity investment (\$1 mn)	Development of a special audio procedure
2024	Mar	Supernal (US)	Equity Investment (\$178mn)	Additional investment in AAM (Advanced Air Mobility)
	May	Motional (US)	Equity Investment (\$185mn)	Additional capital increase for internalizing autonomous driving
	May	HMGICS (Singapore)	Equity Investment (SGD16.4mn)	Additional investment in adding production equipment
	May	Boston Dynamics* (US)	Equity investment (\$43mn)	Additional investment in Robotics

* Indirect investment through the US holding company

[Note] Details on 3Q24 revenue decrease in Electrification

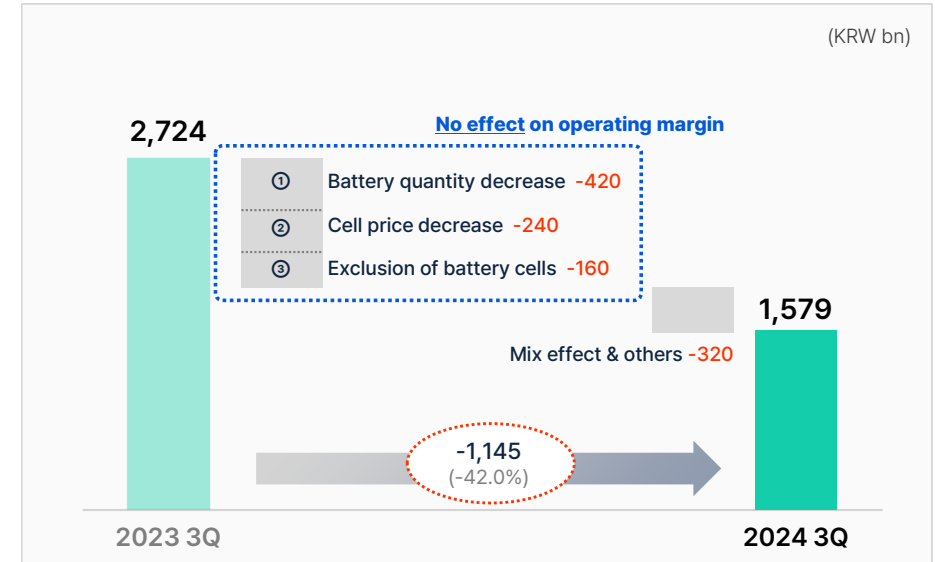
Annual Electrification Sales*



- Accounting rule changed to recognize net sales excluding battery cells

* Sales excluding battery cells are internal estimates for analysis

Key factors that led the sales decrease in Electrification in 3Q24



- Key factors that led the yoy decrease in Electrification top-line (No effect on margin)
 - ① Battery cell quantity decrease
 - ② Cell price decrease (-39.4%)
 - ③ Mix effect (xEV +13.1%, BEV -16.0%, HEV +30.9%)

[Note] The accounting rule in Electrification has been modified to exclude battery cell value from the revenue.

* Overseas: Has been applied to Europe since the new models in 3Q23 (Tucson HEV, Sportage HEV, Kona EV)

New factories in N. America/India plan to adopt the new rule as they begin mass production

Domestic (Korea): Has been applied since the new models in 4Q23 (EV9, Santa Fe HEV)

✖ Appendix

Balance sheet

(KRW bn)	2022	2023	2024 3Q	Change	%
Current Assets	25,660	25,565	26,401	835	3.3%
(Cash & Equivalents)	(9,731)	(9,203)	(9,956)	(753)	(8.2%)
Non-current Assets	29,747	33,021	35,825	2,804	8.5%
Total Assets	55,407	58,586	62,225	3,640	6.2%
Current Liabilities	11,476	12,053	11,480	-573	-4.8%
(Short-term Borrowings)	(1,782)	(1,540)	(946)	(-594)	(-38.6%)
Non-current Liabilities	6,123	5,878	7,449	1,571	26.7%
(Long-term Borrowings)	(1,462)	(692)	(1,720)	(1,028)	(148.5%)
Total Liabilities	17,599	17,931	18,929	998	5.6%
(Capital Stock)	(491)	(491)	(491)		
Total Equity	37,808	40,655	43,297	2,642	6.5%
L/E Ratio	46.5%	44.1%	43.7%	(-0.4%P)	(-0.9%)

Income Statement (Quarterly)

(KRW bn)	2023					2024			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Sales	14,667	15,685	14,230	14,672	59,254	13,869	14,655	14,002	42,526
Gross Profit	1,430	1,741	1,765	1,826	6,762	1,619	1,828	2,303	5,750
Operating Profit	418	664	690	523	2,295	543	636	909	2,087
Margin	2.9%	4.2%	4.9%	3.6%	3.9%	3.9%	4.3%	6.5%	4.9%
Pre-tax Profit	1,041	1,252	1,322	830	4,445	1,223	1,412	1,307	3,941
Net Profit	842	932	998	651	3,423	862	998	921	2,781
Margin	5.7%	5.9%	7.0%	4.4%	5.8%	6.2%	6.8%	6.6%	6.5%

Earnings by Business Division (Quarterly)

(KRW bn)		2023					2024			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Module / Core Parts	Electrifi- cation	3,327	3,744	2,724	2,454	12,248	1,876	1,725	1,579	5,180
	Core Parts	2,526	2,759	2,761	3,050	11,096	2,988	3,347	3,084	9,418
	Module	6,183	6,485	5,972	6,387	25,028	6,073	6,619	6,279	18,972
	Sales	12,036	12,988	11,457	11,890	48,371	10,937	11,691	10,941	33,570
	Operating Profit	-117	96	15	-69	-76	-185	-124	93	-216
	Margin	-1.0%	0.7%	0.1%	-0.6%	-0.2%	-1.7%	-1.1%	0.8%	-0.6%
A/S	Sales	2,631	2,697	2,773	2,782	10,883	2,932	2,964	3,061	8,957
	Operating Profit	535	568	676	592	2,371	728	760	816	2,304
	Margin	20.3%	21.1%	24.4%	21.3%	21.8%	24.8%	25.6%	26.7%	25.7%
Total	Sales	14,667	15,685	14,230	14,672	59,254	13,869	14,655	14,002	42,526
	Operating Profit	418	664	690	523	2,295	543	636	909	2,087
	Margin	2.9%	4.2%	4.9%	3.6%	3.9%	3.9%	4.3%	6.5%	4.9%

Earnings by Region (Quarterly)

(KRW bn)		2023					2024			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Korea ¹	Sales	7,980	8,725	7,323	7,852	31,880	6,846	7,250	6,523	20,619
	Operating Profit	186	363	361	275	1,186	167	261	518	946
	Margin	2.3%	4.2%	4.9%	3.5%	3.7%	2.4%	3.6%	7.9%	4.6%
America	Sales	3,239	3,338	3,429	3,150	13,157	3,395	3,638	3,738	10,772
	Operating Profit	96	129	132	43	400	122	122	146	391
	Margin	3.0%	3.9%	3.9%	1.4%	3.0%	3.6%	3.4%	3.9%	3.6%
Europe	Sales	2,069	2,146	1,807	1,994	8,016	2,016	2,144	1,980	6,141
	Operating Profit	72	103	99	121	395	137	150	119	406
	Margin	3.5%	4.8%	5.5%	6.1%	4.9%	6.8%	7.0%	6.0%	6.6%
China	Sales	512	603	690	727	2,533	649	683	722	2,053
	Operating Profit	-6	-8	0.0	2.6	-11	16	10	10	35
	Margin	-1.2%	-1.3%	0.0%	0.4%	-0.4%	2.4%	1.4%	1.3%	1.7%
Others	Sales	867	872	980	950	3,669	963	940	1,039	2,942
	Operating Profit	71	76	98	81	326	100	93	116	309
	Margin	8.2%	8.7%	10.0%	8.5%	8.9%	10.4%	9.8%	11.2%	10.5%

An aerial photograph of a winding asphalt road cutting through a dense, lush green forest. A small white bus is driving on the road, and a large white drone with four rotors is flying above it. In the background, a body of water is visible under a bright sky with a lens flare.

MOBIS Thank You

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