

# Earnings Release

The background is a dark, monochromatic composition. On the left, a dark rectangular block sits on a slightly elevated platform. To the right, a dark, square-shaped bottle with a textured, ribbed cap is visible. The cap features a subtle, embossed logo. The lighting is soft, creating gentle shadows and highlights on the surfaces of the objects.

2024 1Q

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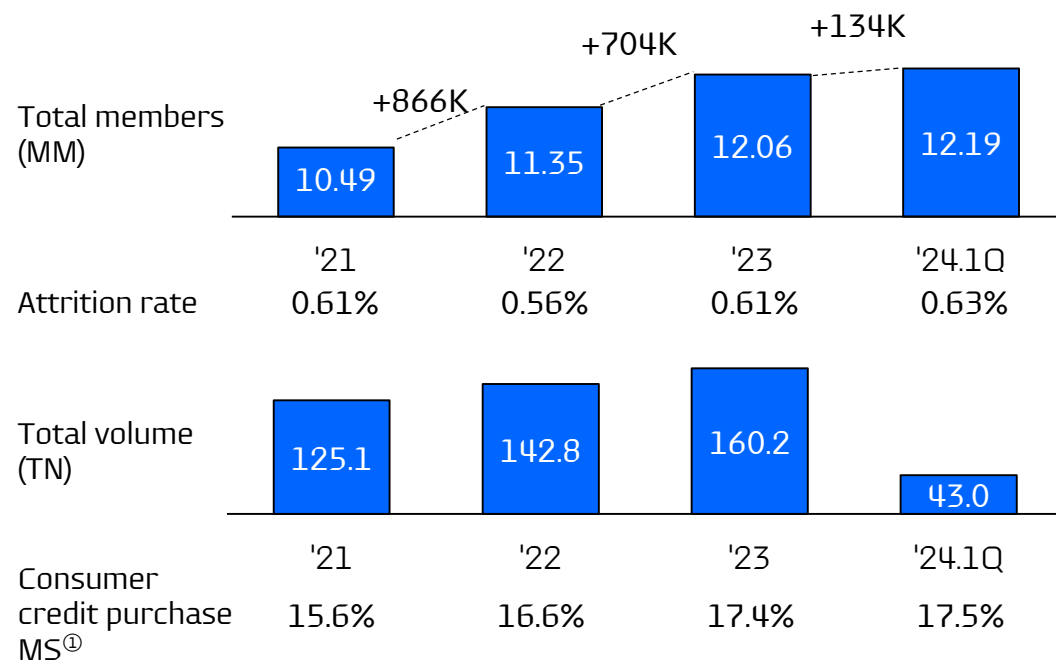
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# Amidst continued volume growth and higher MS from net member increase, resumed prime-centric growth in financial assets

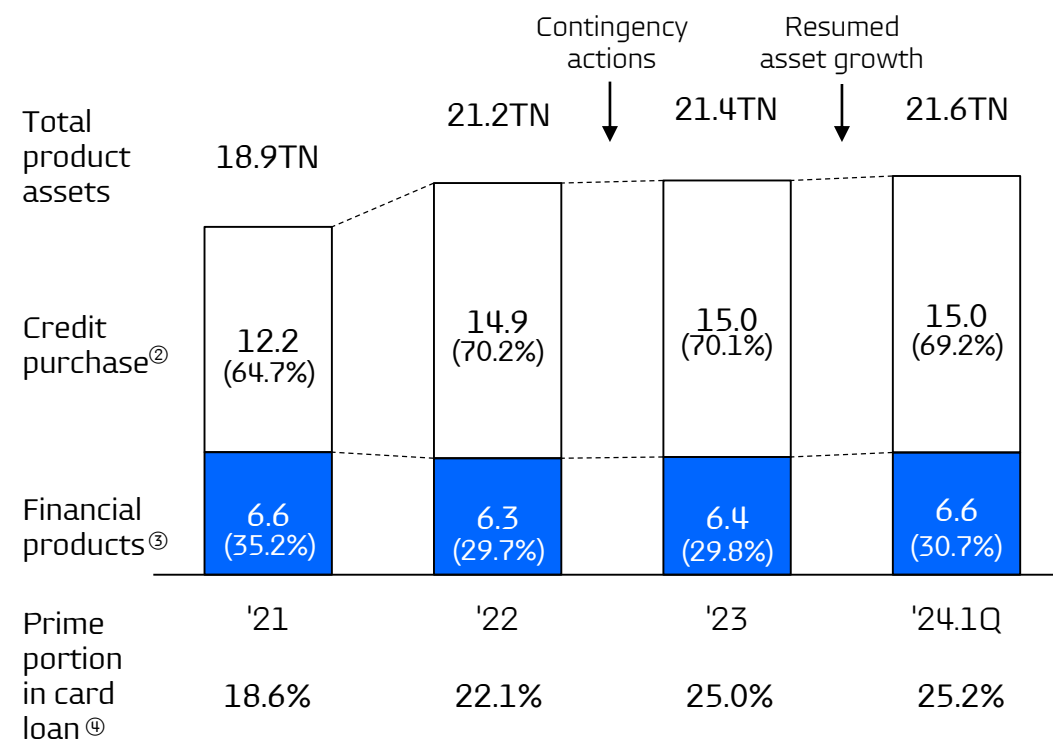
## Members and volume

- Continued net member increase from PLCC-driven acquisition and efficient anti-attrition management
- Rise in consumer credit purchase MS (#2) as member expansion led to total volume growth



## Assets

- After contingency actions in '22.4Q~'23.2Q, resumed growth while keeping mix of financial products at 30%



# Income decrease YoY due to increased provisions since resuming asset growth

## Summary of financial assets

| (unit: KRW BN)                 | 2022    | 2023    | 23.1Q  | 24.1Q  | YoY     |
|--------------------------------|---------|---------|--------|--------|---------|
| Product assets                 | 21.2TN  | 21.4TN  | 19.4TN | 21.6TN | +11.3%  |
| Operating revenue <sup>①</sup> | 2,768.4 | 3,038.1 | 714.3  | 808.3  | +13.2%  |
| Card income                    | 1,310.8 | 1,631.2 | 353.5  | 411.2  | +16.3%  |
| Interest income                | 1,277.2 | 1,249.8 | 371.3  | 351.8  | +10.9%  |
| Operating expense <sup>②</sup> | 2,463.6 | 2,708.9 | 626.2  | 738.2  | +17.9%  |
| Card expense                   | 805.0   | 921.3   | 217.4  | 245.6  | +13.0%  |
| Interest expense               | 403.7   | 568.2   | 132.6  | 170.1  | +28.3%  |
| Bad debt expense               | 391.8   | 369.6   | 61.6   | 89.4   | +45.0%  |
| SG&A                           | 768.9   | 779.7   | 192.2  | 209.7  | +9.1%   |
| Operating income               | 315.3   | 350.1   | 95.7   | 82.3   | -14.0%  |
| IBT                            | 330.1   | 350.8   | 95.9   | 83.0   | -13.4%  |
| Net income                     | 254.0   | 265.1   | 70.8   | 63.8   | -9.9%   |
| ROA <sup>③</sup>               | 1.26%   | 1.32%   | 1.40%  | 1.19%  | -0.21%p |

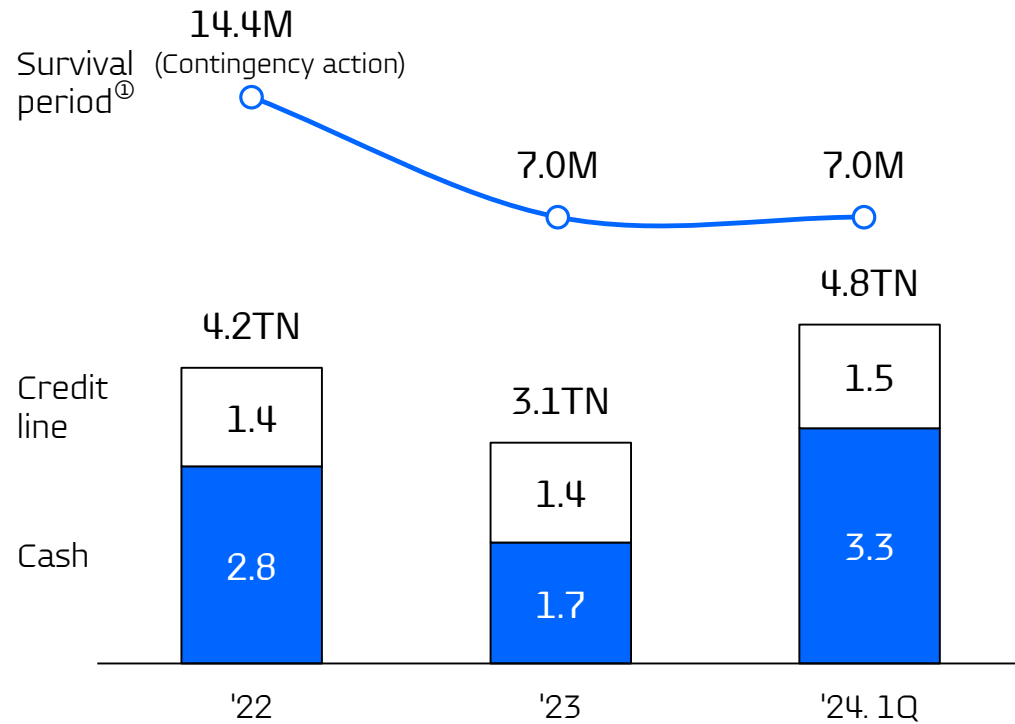
## Key notes

- Revenue enhanced through member expansion and MS growth
- Interest expense rise due to rate hike  
- Total CoF: '23.1Q 3.18% → '24.1Q 3.68%
- Despite higher provisions set from resuming growth, bad debt expense rate maintained lower than '23  
- Bad debt expense rate<sup>④</sup>  
: '23Y 1.84% → '24.1Q 1.67% (-0.17%p)

# Stable financial quality

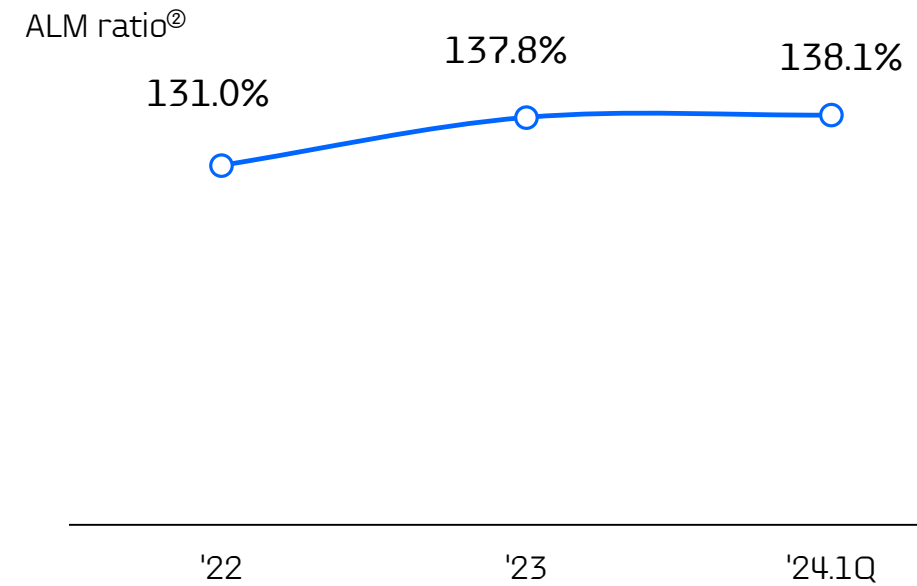
## Liquidity

- Securing at least 7M survival period in normal times



## Maturity

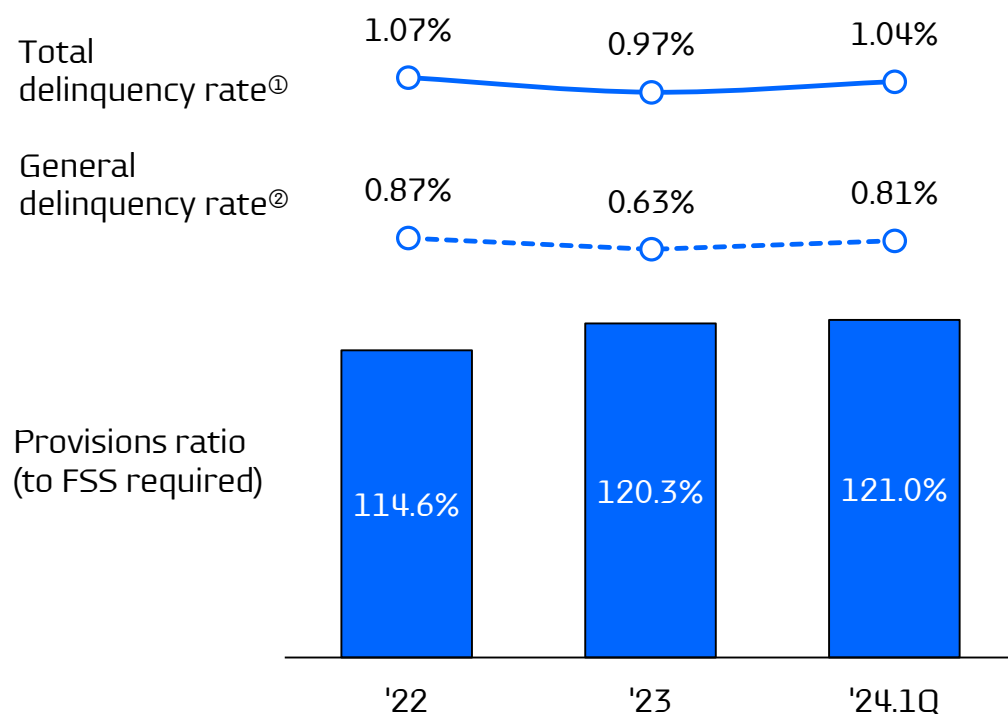
- Stable funding with at least 130% ALM ratio



# Stable financial quality

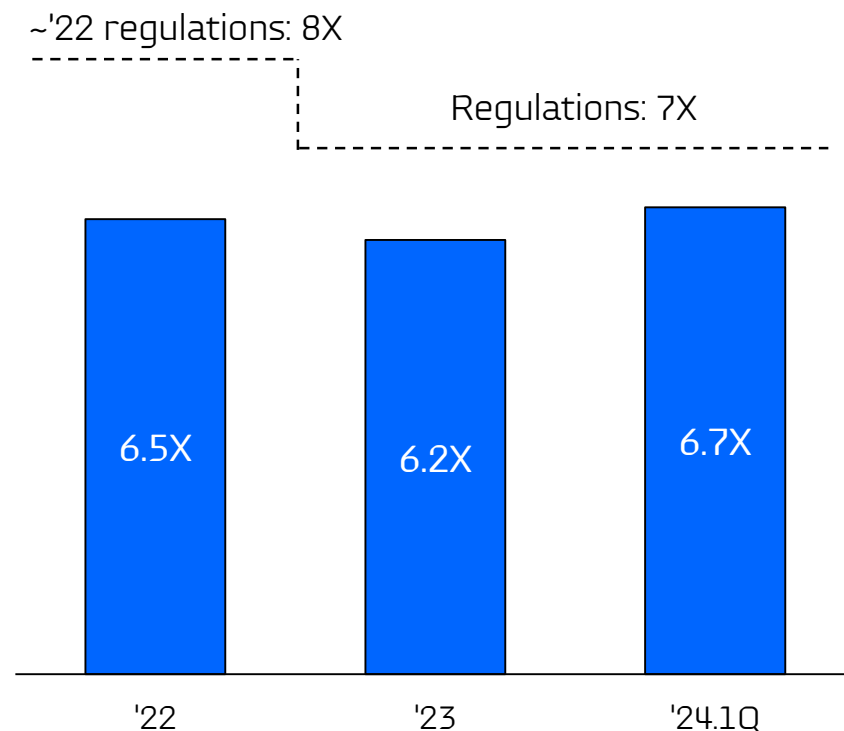
## Asset quality

- Industry-lowest delinquency rate with quality-centric management



## Capital adequacy (leverage)

- Stable management within regulations



※ Regulated at 7X if dividend payout ratio is 30% or higher

# Financial Statement

## Consolidated Statement of Income

| (BN KRW)   | 2022           | 2023           | 23.1Q        | 24.1Q        |
|--|----------------|----------------|--------------|--------------|
| <b>Operating revenue<sup>①</sup></b>               | <b>2,768.4</b> | <b>3,038.1</b> | <b>714.3</b> | <b>808.3</b> |
| Card income  | 1,310.8        | 1,631.2        | 353.5        | 411.2        |
| Interest income                                    | 1,277.2        | 1,249.8        | 317.3        | 351.8        |
| Gain on valuation and disposal of financial assets | 12.9           | 19.6           | 7.7          | 3.4          |
| Other  | 167.5          | 137.5          | 35.8         | 41.9         |
| <b>Operating expense<sup>②</sup></b>               | <b>2,463.6</b> | <b>2,708.9</b> | <b>626.2</b> | <b>738.2</b> |
| Card expense                                       | 805.0          | 921.3          | 217.4        | 245.6        |
| Interest expense                                   | 403.7          | 568.2          | 132.6        | 170.1        |
| Bad debt expense                                   | 391.8          | 369.6          | 61.6         | 89.4         |
| SG&A   | 768.9          | 779.7          | 192.2        | 209.7        |
| Other  | 94.2           | 70.1           | 22.4         | 23.4         |
| <b>Operating income</b>                            | <b>315.3</b>   | <b>350.1</b>   | <b>95.7</b>  | <b>82.3</b>  |
| <b>IBT</b>   | <b>330.1</b>   | <b>350.8</b>   | <b>95.9</b>  | <b>83.0</b>  |
| <b>Net income</b>                                  | <b>254.0</b>   | <b>265.1</b>   | <b>70.8</b>  | <b>63.8</b>  |

## Consolidated Statement of Financial Position

| (BN KRW)                 | 2022            | 2023            | 23.1Q           | 24.1Q           |
|--------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Assets</b>            | <b>25,102.4</b> | <b>23,937.2</b> | <b>23,618.7</b> | <b>25,786.9</b> |
| Cash and deposits        | 2,364.5         | 1,126.8         | 2,326.0         | 2,447.2         |
| Securities               | 488.0           | 684.3           | 1,051.2         | 982.1           |
| Card assets <sup>③</sup> | 20,605.1        | 20,763.6        | 18,839.7        | 20,958.6        |
| Tangible assets          | 379.9           | 632.3           | 377.2           | 633.2           |
| Other                    | 1,264.9         | 730.2           | 1,024.6         | 765.8           |
| <b>Liabilities</b>       | <b>21,256.8</b> | <b>20,106.8</b> | <b>19,806.5</b> | <b>21,877.9</b> |
| Borrowings               | 18,228.4        | 16,817.4        | 17,066.0        | 18,643.8        |
| Other                    | 3,028.4         | 3,289.4         | 2,740.5         | 3,234.2         |
| <b>Equity</b>            | <b>3,845.6</b>  | <b>3,830.5</b>  | <b>3,812.2</b>  | <b>3,908.9</b>  |
| Capital                  | 802.3           | 802.3           | 802.3           | 802.3           |
| Capital surplus          | 57.7            | 57.7            | 57.7            | 57.7            |
| Hybrid securities        | 299.2           | 159.6           | 299.2           | 299.2           |
| Retained earnings        | 2,613.2         | 2,805.6         | 2,619.4         | 2,732.4         |
| Other <sup>④</sup>       | 73.2            | 5.3             | 33.6            | 17.3            |

①,② Excluding FX and derivatives effect. Gain on disposal of loan receivables included in bad debt expense ③ Includes loan receivables ④ Includes capital adjustment

## Key Figure

| (BN KRW)                  | 2022             | 2023             | '23.1Q          | '24.1Q          |
|---------------------------|------------------|------------------|-----------------|-----------------|
| <b>Total members</b>      | <b>11,352K</b>   | <b>12,056K</b>   | <b>11,577K</b>  | <b>12,189K</b>  |
| Net Addition              | 866K             | 704K             | 225K            | 133K            |
| <b>Cumulative volume</b>  | <b>142,782.7</b> | <b>160,167.3</b> | <b>35,851.4</b> | <b>42,975.2</b> |
| Credit Purchase           | 131,377.5        | 150,202.6        | 33,805.2        | 39,740.5        |
| Lump sum                  | 107,488.5        | 126,469.7        | 28,607.4        | 33,572.7        |
| Installment               | 23,889.0         | 23,732.9         | 5,197.8         | 6,167.9         |
| Financial product         | 11,405.2         | 9,964.7          | 2,046.2         | 3,234.7         |
| Cash Advance              | 5,128.4          | 4,499.3          | 907.9           | 1,559.2         |
| Card Loan <sup>①</sup>    | 6,276.8          | 5,465.4          | 1,138.3         | 1,675.6         |
| <b>Product assets</b>     | <b>21,248.6</b>  | <b>21,378.2</b>  | <b>19,427.8</b> | <b>21,618.1</b> |
| Credit Purchase           | 14,908.5         | 14,981.0         | 13,627.0        | 14,969.6        |
| Lump sum <sup>②</sup>     | 7,609.6          | 8,429.8          | 7,521.4         | 8,473.1         |
| Installment               | 7,299.0          | 6,551.2          | 6,105.6         | 6,496.5         |
| Financial product         | 6,315.6          | 6,381.3          | 5,771.7         | 6,636.8         |
| Cash Advance <sup>③</sup> | 437.2            | 592.6            | 385.2           | 635.8           |
| Card Loan <sup>④</sup>    | 4,583.8          | 4,776.2          | 4,349.3         | 4,993.4         |
| Revolving loan            | 1,294.7          | 1,012.5          | 1,037.2         | 1,007.7         |
| Loan receivables          | 24.4             | 15.9             | 29.1            | 11.7            |

| (BN KRW)               |                                     | 2022     | 2023     | '23.1Q   | '24.1Q   |
|------------------------|-------------------------------------|----------|----------|----------|----------|
| Quality                | Total delinquency rate <sup>⑤</sup> | 1.07%    | 0.97%    | 1.24%    | 1.04%    |
|                        | Substandard and below assets        | 0.70%    | 0.66%    | 0.72%    | 0.70%    |
|                        | Regulatory reserves overage         | 114.6%   | 120.3%   | 115.1%   | 121.0%   |
| Leverage <sup>⑥</sup>  |                                     | 6.5x     | 6.2x     | 6.1x     | 6.7x     |
|                        | Total assets                        | 24,977.0 | 23,883.0 | 23,501.7 | 25,722.7 |
|                        | Total capital (previous quarter)    | 3,822.5  | 3,859.7  | 3,846.6  | 3,856.6  |
| Funding <sup>⑦</sup>   |                                     | 18,219.1 | 16,944.2 | 17,182.7 | 18,702.7 |
|                        | Domestic funding                    | 16,338.9 | 15,397.2 | 15,779.7 | 16,718.1 |
|                        | Offshore funding                    | 1,880.2  | 1,547.0  | 1,403.0  | 1,984.6  |
| Liquidity <sup>⑧</sup> | ALM                                 | 131.0%   | 137.8%   | 131.2%   | 138.1%   |
|                        | Liabilities maturity                | 2.1y     | 2.2y     | 2.1y     | 2.2y     |
|                        | Assets maturity                     | 1.6y     | 1.6y     | 1.6y     | 1.6y     |
|                        | Total liquidity                     | 4,198.5  | 3,136.2  | 4,724.0  | 4,815.3  |
|                        | Cash                                | 2,796.8  | 1,714.5  | 3,322.3  | 3,343.6  |
|                        | Credit Line                         | 1,401.7  | 1,421.7  | 1,401.7  | 1,471.7  |

①, ④ Includes restructuring/credit recovery ② Includes corporate, revolving payment ③ Includes revolving loan ⑤ Denominator: Total receivables, Numerator: Receivables delinquent at least 1M + amount of restructuring loans without improved repayment ability ⑥ Based on non-consolidated financial statements ⑦,⑧ Managerial accounting basis