

# Earnings Release

2023 2Q

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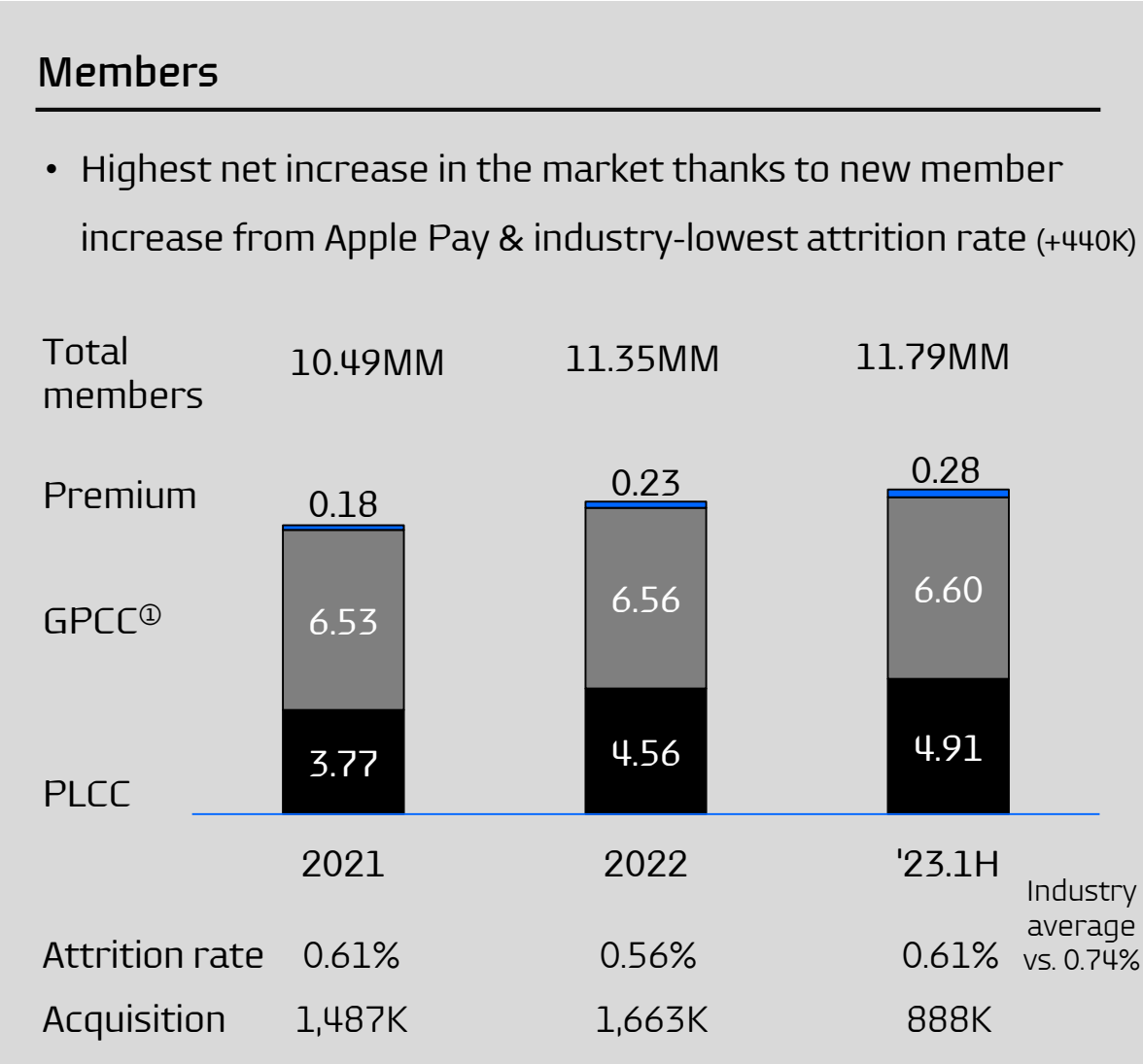
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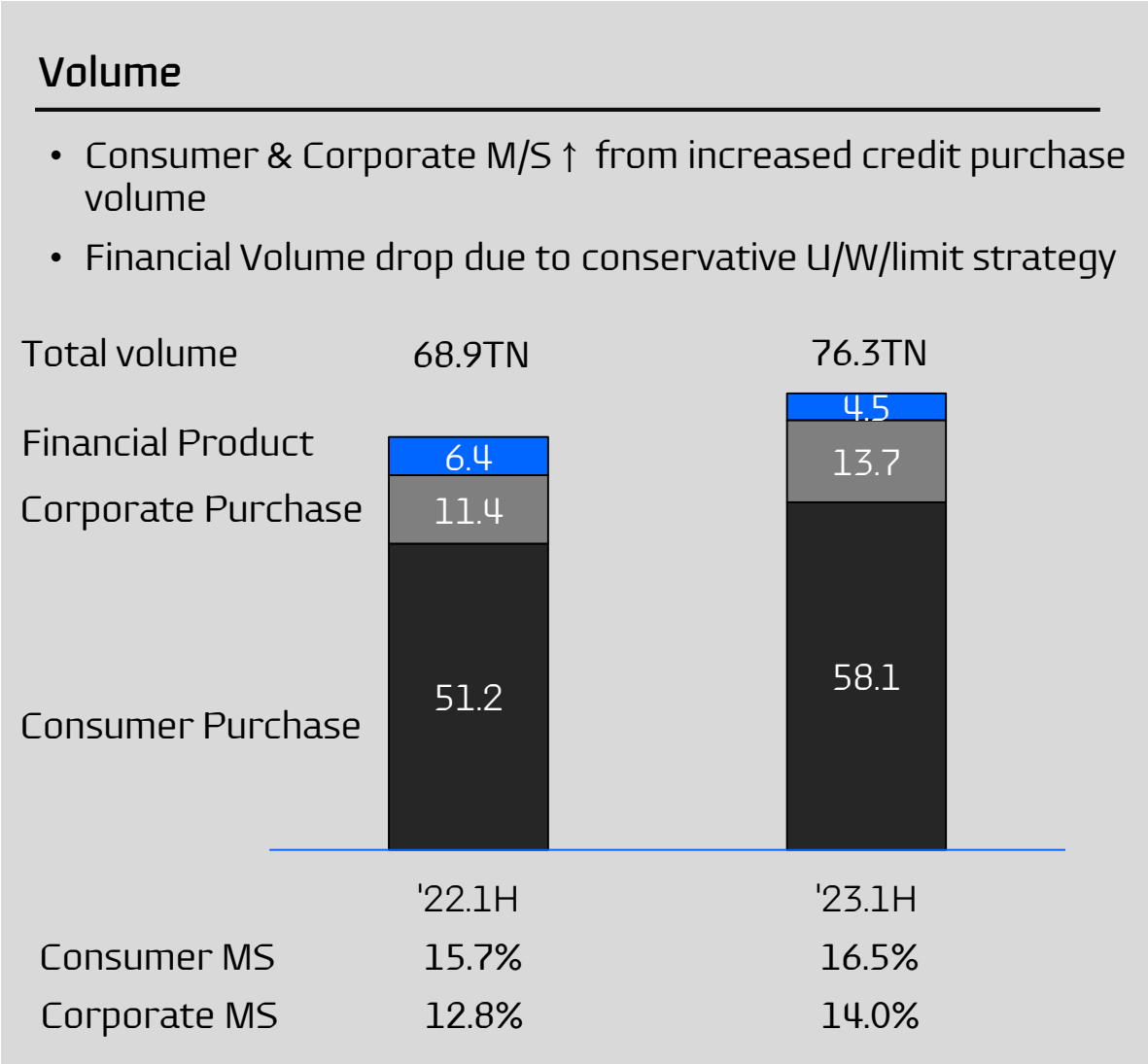
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# Volume increased vs market due to member growth with highest net increase in the market & stronger market position



① Includes CLCC



# Industry's only IBT increase thanks to member-based growth & utmost priority on stability and quality

## Summary of Financial Statement

(BN KRW)	2021	2022	'22. 1H	'23. 1H	YoY
Product assets	18.9TN	21.2TN	20.0TN	19.4TN	-3.0%
Operating revenue <sup>①</sup>	2,537.2	2,768.4	1,309.7	1,460.3	11.5%
Card income	1,286.5	1,310.8	647.1	757.4	17.1%
Interest income	1,122.8	1,277.2	591.9	616.8	4.2%
Operating expense <sup>②</sup>	2,144.0	2,463.6	1,120.3	1,268.3	13.2%
Card expense	774.3	805.0	375.5	446.9	19.0%
Interest expense	271.2	403.7	160.9	267.0	66.0%
Bad debt expense	287.1	391.8	170.1	118.4	-30.4%
SG&A	727.1	768.9	368.4	399.7	8.5%
Operating income	406.7	315.3	197.6	203.0	2.7%
Income before tax	410.1	330.1	200.3	203.1	1.4%
Net income	314.1	254.0	155.7	157.2	1.0%
ROA <sup>③</sup>	1.7%	1.3%	1.6%	1.6%	0.0%p

①

②

③

### Positive factors

- ① Volume effect
  - Volume: 68.9TN → 76.3TN(+10.6%)
- ③ Bad debt exp.: Decrease w/ improved portfolio
  - Bad debt expense rate ↓ (1.8% → 1.2%)

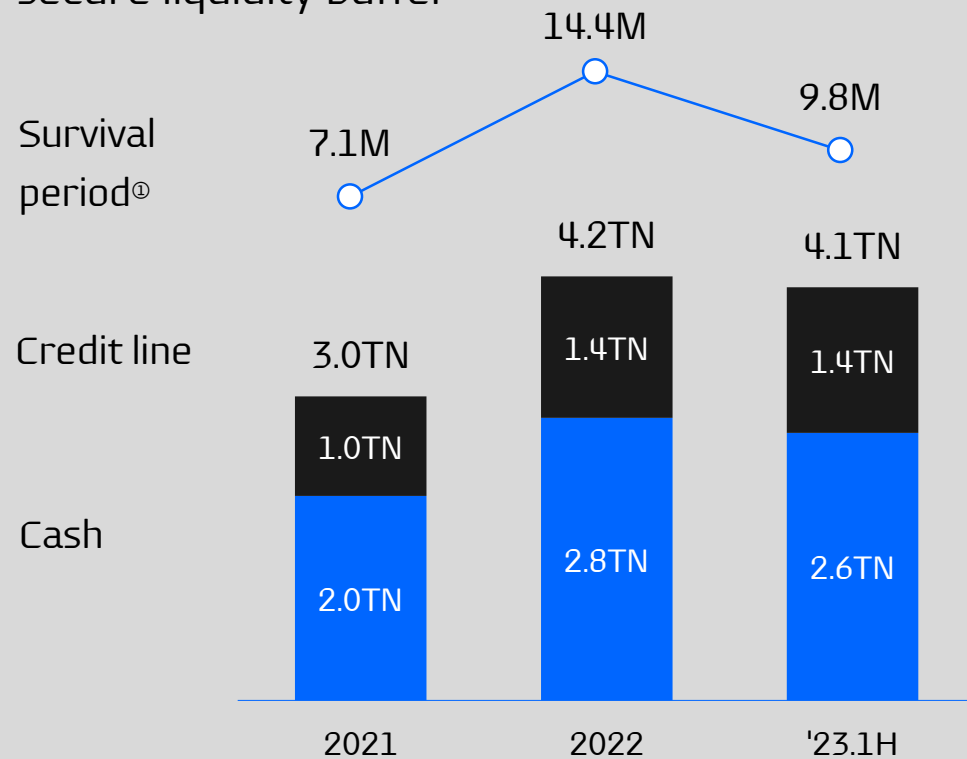
### Negative factors

- ② Interest expense: CoF increase
  - New CoF ↑ (3.15% → 4.62%)
  - Includes excess liquidity cost(33.4BN)

# Stable treasury index

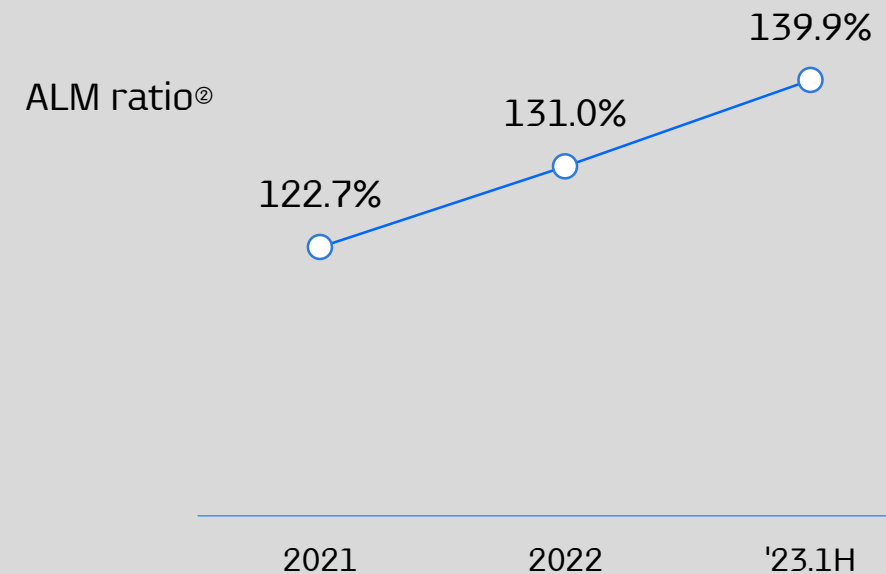
## Liquidity

- Longer survival period than normal times (7M) to secure liquidity buffer



## Maturity

- Reinforced funding stability by lengthening maturity of liabilities

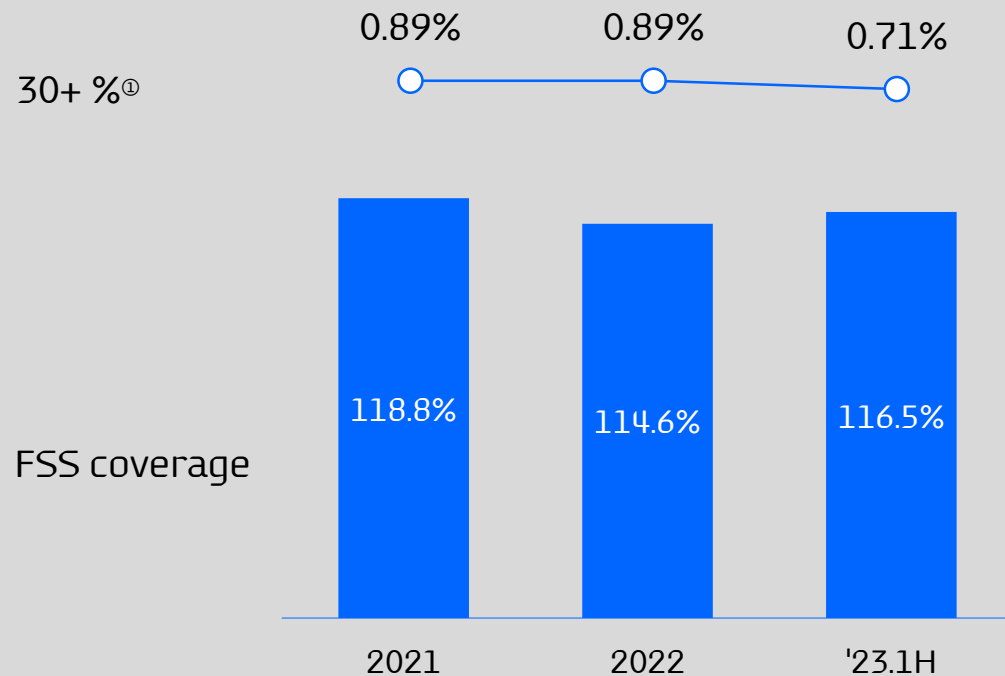


① When normal operations and funding is impossible, period feasible of survival with current liquidity holdings ② Ratio of average maturity of liabilities over average maturity of financial assets

# Stable treasury index

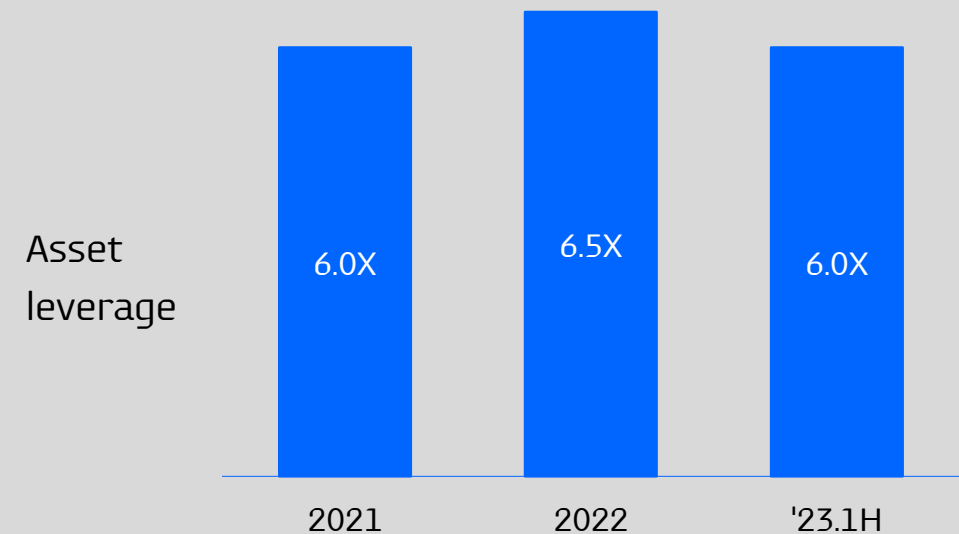
## Asset quality

- DQ showing downward stabilization, maintaining conservative provisioning policy



## Capital adequacy

- Stable management within regulations (8X)



<sup>①</sup> Based on FSS disclosure (Excludes restructuring loan repayment ability unimproved amount)

# Appendix

# Financial Statement

## Consolidated Statement of Income

(BN KRW)	2021	2022	'23.1H
Operating revenue <sup>①</sup>	2,537.2	2,768.4	1,460.3
Card income	1,286.5	1,310.8	757.4
Interest income	1,122.8	1,277.2	616.8
Gain on valuation and disposal of financial assets	4.2	12.9	15.5
Other	123.7	167.5	70.6
Operating expense <sup>②</sup>	2,144.0	2,463.6	1,268.3
Card expense	774.3	805.0	446.9
Interest expense	271.2	403.7	267.0
Bad debt expense	287.1	391.8	118.4
SG&A	727.1	768.9	399.7
Other	84.3	94.2	36.3
Operating income	406.7	315.3	203.0
Income before tax	410.1	330.1	203.1
Net income	314.1	254.0	157.2

## Consolidated Statement of Financial Position

(BN KRW)	2021	2022	'23.1H
Assets	21,654.6	25,102.4	22,942.1
Cash and deposits	696.5	2,364.5	1,770.0
Securities	1,362.7	488.0	942.8
Card assets <sup>③</sup>	18,286.7	20,605.1	18,866.9
Tangible assets	375.4	379.9	616.1
Other	933.3	1,264.9	746.3
Liabilities	18,026.3	21,256.8	19,030.9
Borrowings	15,711.5	18,228.4	16,788.2
Other	2,314.7	3,028.4	2,242.7
Equity	3,628.4	3,845.6	3,911.2
Capital	802.3	802.3	802.3
Capital surplus	57.7	57.7	57.7
Hybrid bond	299.2	299.2	299.2
Retained earnings	2,463.3	2,613.2	2,702.3
Other	5.8	73.1	49.6

①, ② Excluding FX an derivatives effect. Gain on disposal of loan receivables reflected in bad debt expense ③ Includes loan receivables ('21 6.1BN, '22 22.9BN, '23 1H 29.7BN)



## Appendix

# Financial Statement

(BN KRW)		2021	2022	'23.1H
Total members		10.49MM	11.35MM	11.79MM
	Acquisition	1.49MM	1.66MM	0.89MM
Volume		125,265.1	143,060.0	76,271.3
	Credit purchase	112,104.6	131,608.5	71,769.6
	Lump sum <sup>①</sup>	90,899.5	107,766.5	60,902.8
	Installment	21,205.1	23,842.1	10,866.8
	Financial product	13,160.6	11,451.5	4,501.6
	Cash advance	5,617.2	5,127.7	1,908.7
	Card loan <sup>②</sup>	7,543.3	6,323.8	2,593.0
Product assets		18,856.9	21,248.6	19,409.5
	Credit purchase	13,572.0	16,176.7	14,466.4
	Lump sum <sup>③</sup>	7,177.2	8,877.8	8,631.0
	Installment	6,394.8	7,299.0	5,835.4
	Financial product	5,278.3	5,047.4	4,912.0
	Cash advance <sup>④</sup>	633.6	463.7	444.1
	Card loan <sup>⑤</sup>	4,644.7	4,583.8	4,467.9
	Loan receivables	6.6	24.4	31.1

(BN KRW)			2021	2022	'23.1H
Quality	30+ % <sup>⑥</sup>		0.89%	0.89%	0.71%
	Substandard and below assets		0.88%	0.70%	0.70%
	FSS coverage		118.8%	114.6%	116.5%
Leverage <sup>⑦</sup>			6.0X	6.5X	6.0X
	Total assets		21,597.8	24,977.0	22,830.2
	Total capital (previous quarter)		3,572.0	3,822.5	3,823.3
Funding <sup>⑧</sup>			15,701.6	18,219.1	16,888.2
	Domestic funding		14,182.3	16,338.9	14,955.6
	Offshore funding		1,519.2	1,880.2	1,932.6
Liquidity <sup>⑨</sup>	ALM		122.7%	131.0%	139.9%
		Liabilities maturity	2.0Y	2.1Y	2.2Y
		Assets maturity	1.6Y	1.6Y	1.6Y
	Total liquidity		3,010.1	4,198.5	4,110.7
		Cash	2,025.7	2,796.8	2,649.0
		Credit Line	984.4	1,401.7	1,461.7

①, ③ Includes Corporate, revolving payment    ②, ⑤ Including restructuring/credit recovery    ④ Includes revolving loan    ⑥ Based on FSS disclosure (Excludes restructuring loan repayment ability unimproved amount)    ⑦ Based on non-consolidated financial statement  
 ⑧, ⑨ Managerial accounting basis