

Earnings Release

2022 4Q

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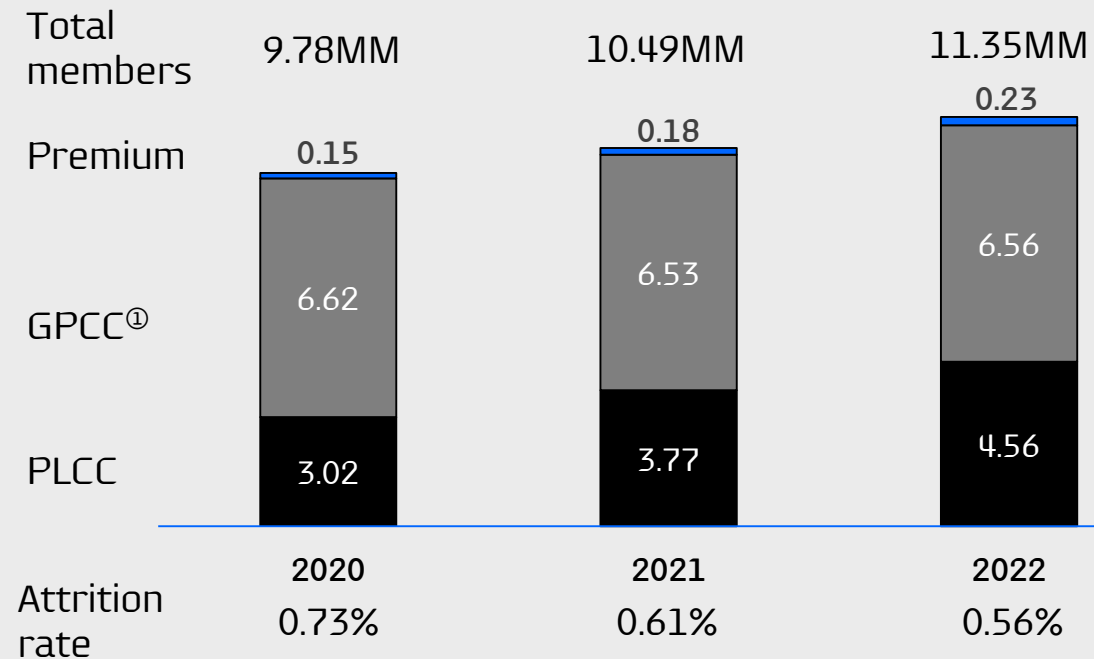
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Purchase/Corporate-centric volume growth based on industry highest member expansion

Members

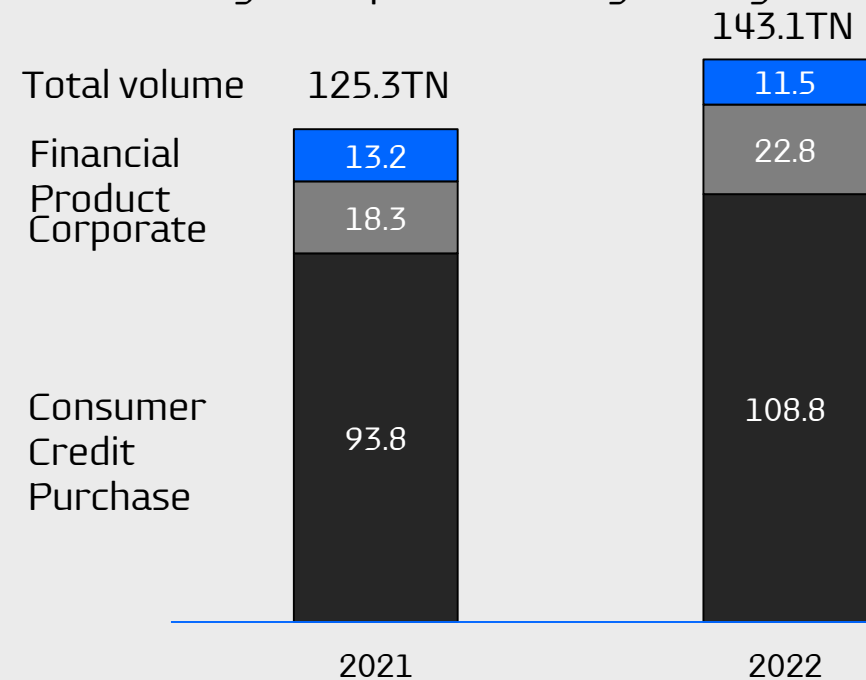
- Recorded highest net increase of members in card sector with industry-lowest attrition rate
- Total members growth fueled by GPCC turnaround and Premium/PLCC products



① Includes CLCC

Volume

- Consumer Purchase: Significant growth from members increase compared to market ('22Y M/S 16.0%, +0.6%p YoY)
- Corporate: Grew to M/S #2 with product renewal and expanding large prime customers
- Financial: Slight drop from risk tightening for recession



Despite volume effect, IBT declined due to tighter regulations, rate hike & preemptively set provisions

Summary of Financial Statement

(BN KRW)	2020	2021	2022	YoY	
Product assets	17.2TN	18.9TN	21.2TN	12.7%	①
Op. revenue ^①	2,357.4	2,537.2	2,768.4	9.1%	②
Card income	1,168.9	1,286.5	1,310.8	1.9%	
Interest income	1,078.7	1,122.8	1,277.2	13.8%	
Op. expense ^②	2,030.6	2,144.0	2,463.6	14.9%	
Card expense	720.7	774.3	805.0	4.0%	
Interest expense	263.4	271.2	403.7	48.8%	③
Bad debt expense	284.1	287.1	392.7	36.8%	④
SG&A	698.3	727.1	768.9	5.8%	
Op. income	328.4	406.7	315.3	-22.5%	
IBT	329.0	410.1	330.1	-19.5%	
Net income	244.5	314.1	254.0	-19.2%	
ROA ^③	1.5%	1.7%	1.3%	-0.4%p	

Positive factors

- ① Volume effect
 - Volume: 125.3TN → 143.1TN (+14.2%)

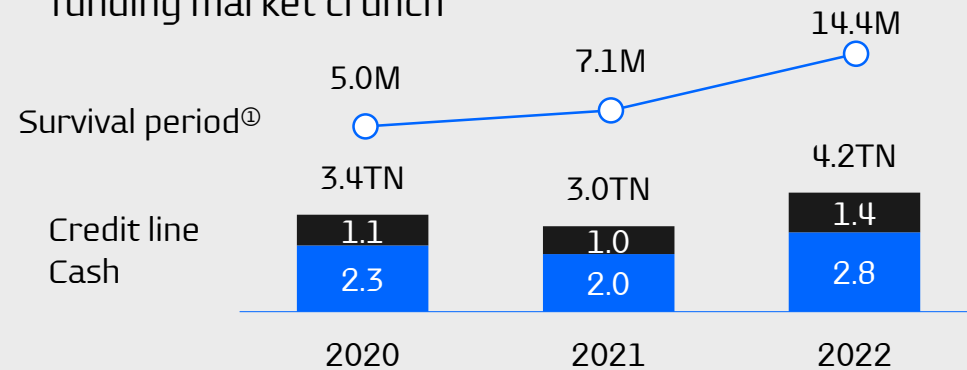
Negative factors

- ② Regulations: MDR cut, tighter DSR, lowered statutory max interest rate
- ③ Interest expense: New CoF 1.70% → 3.93% (+2.23%p)
- ④ Bad debt expense: Impact of preemptively reflected cost (43.7BN) including additionally set forward looking provisions

Stable Financial Quality Maintained

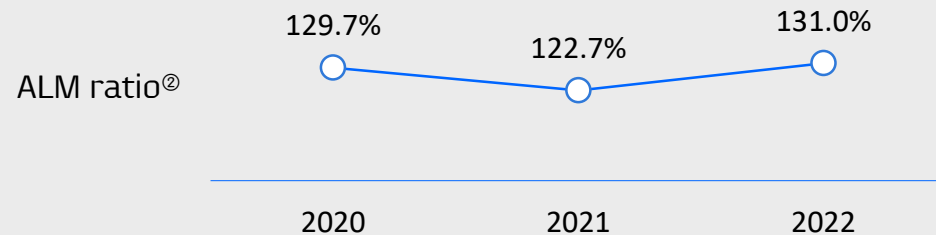
Liquidity

- Secured liquidity mostly in cash to be prepared for possible funding market crunch



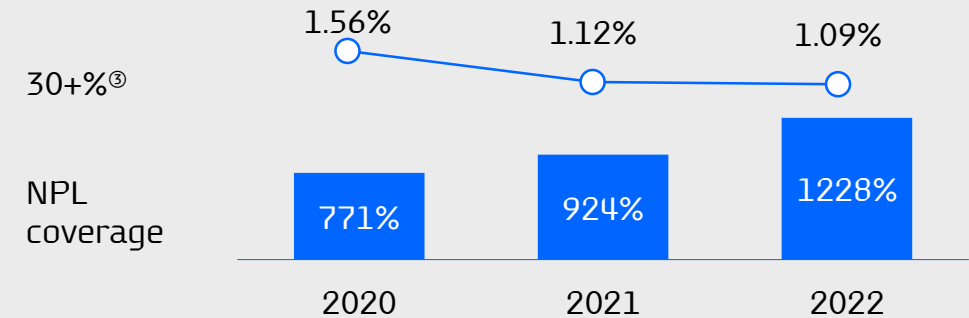
Maturity

- Reinforced funding stability by lengthening maturity of liabilities



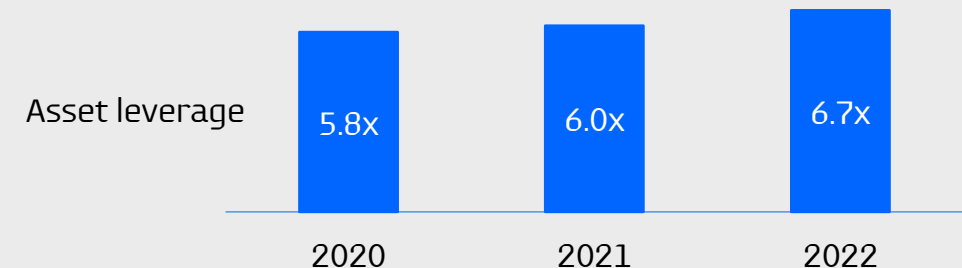
Asset quality

- Delinquency dropping and stabilizing, maintaining conservative provisions policy



Capital adequacy

- Stable management within regulations (8x)



① When normal operations and funding are impossible, period feasible of survival with current liquidity holdings ② Ratio of average maturity of liabilities over average maturity of financial assets ③ Based on excluding other assets

Appendix

Financial Statement

Consolidated Statement of Income

(BN KRW)	2020	2021	2022
Operating revenue^①	2,357.4	2,537.2	2,768.4
Card income	1,168.9	1,286.5	1,310.8
Interest income	1,078.8	1,122.8	1,277.2
Gain on valuation and disposal of financial assets	4.0	4.2	12.9
Other	105.8	123.7	167.5
Operating expense^②	2,030.6	2,144.0	2,463.6
Card expense	720.7	774.3	805.0
Interest expense	263.4	271.2	403.7
Bad debt expense	284.1	287.1	392.7
SG&A	698.3	727.1	768.9
Other	64.1	84.3	93.3
Operating income	328.4	406.7	315.3
IBT	329.0	410.1	330.1
Net income	244.5	314.1	254.0

Consolidated Statement of Financial Position

(BN KRW)	2020	2021	2022
Assets	19,941.9	21,654.6	25,102.4
Cash and deposits	830.1	696.5	2,364.5
Securities	1,531.7	1,362.7	488.0
Card assets ^③	16,589.3	18,286.7	20,606.7
Tangible assets	323.8	375.4	379.9
Other	667.0	933.3	1,263.3
Liabilities	16,500.5	18,026.3	21,256.8
Borrowings	14,084.1	15,711.5	18,228.4
Other	2,416.4	2,314.7	3,028.4
Equity	3,441.3	3,628.4	3,845.6
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	2,307.9	2,463.3	2,613.2
Other	-25.8	5.8	73.1

①, ② Excluding FX and derivatives effect. Gain on disposal of loan receivables reflected in bad debt expense ('21 45.7BN KRW, '22 50.2BN KRW) ③ Includes loan receivables ('20 5.3BN KRW, '21 6.1BN KRW, '22 22.9BN KRW)

Key Figure

(BN KRW)		2020	2021	2022
Total members		9.78MM	10.49MM	11.35MM
	Acquisition	1.40MM	1.44MM	1.60MM
Volume		112,708.5	125,265.1	143,060.0
	Credit Purchase	99,807.4	112,104.6	131,608.5
	Lump sum ^①	81,166.8	90,899.5	107,766.5
	Installment	18,640.6	21,205.1	23,842.1
	Financial Product	12,901.2	13,160.6	11,451.5
	Cash Advance	5,631.7	5,617.2	5,127.7
	Card Loan ^②	7,269.5	7,543.3	6,323.8
Product assets		17,193.7	18,856.9	21,248.6
	Credit Purchase	12,159.3	13,572.0	16,176.7
	Lump sum ^③	6,320.6	7,177.2	8,877.8
	Installment	5,838.8	6,394.8	7,299.0
	Financial Product	5,028.5	5,278.3	5,047.4
	Cash Advance ^④	607.6	633.6	463.7
	Card Loan ^⑤	4,421.0	4,644.7	4,583.8
	Loan receivables	5.8	6.6	24.4

(BN KRW)		2020	2021	2022
Quality	30+%	1.56%	1.12%	1.09%
	Substandard and below assets	1.16%	0.88%	0.30%
	NPL coverage	771%	924%	1,228%
Leverage ^⑥		5.8x	6.0x	6.5x
	Total assets	19,928.4	21,597.8	24,977.0
	Total capital (previous quarter)	3,440.9	3,572.0	3,822.5
Funding ^⑦		14,203.7	15,701.6	18,219.1
	Domestic funding	12,472.3	14,182.3	16,338.9
	Offshore funding	1,731.3	1,519.2	1,880.2
Liquidity ^⑧	ALM	129.7%	122.7%	131.0%
		Liabilities maturity	2.0Y	2.0Y
		Assets maturity	1.6Y	1.6Y
	Total liquidity		3,414.2	3,010.1
	Cash	2,329.2	2,025.7	2,796.8
	Credit line	1,085.0	984.4	1,401.7