COMPANY UPDATE

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EV/Mobility Team

Esther Yim
Team Leader
esther.yim@samsung.com

Hyunji Kim
Research Associate
hyunzi.kim@samsung.com

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Hyundai Mobis (012330)

Increasingly attractive

- On May 8, media reports suggested that Boston Dynamics was nearing its IPO, causing Hyundai Mobis's stock to rise 15.29%—double the 7.17% gain of Hyundai Motor.
- While Boston Dynamics' potential IPO is linked to Hyundai Motor Group's governance structure, there is currently no urgent need to rush the listing. Nevertheless, investors expect strength in Mobis's stock price.
- Over the next three years, Mobis's earnings growth outlook is clearly visible, and its role within the group's robotics business is expanding. The governance issue will increasingly become a tailwind for Mobis.

WHAT'S THE STORY?

A stock delivering real growth and big promise: We raise our target price on Hyundai Mobis by 8.3% to KRW650,000.

- **Target multiples unchanged:** We leave our target P/E and P/B multiples for Mobis at 12.5x and 1.05x, respectively. Both represent a 20% premium to the 10-year average in recognition of the growth potential of its new robotics business. But we now base our valuation on the average of 2026 and 2027 earnings forecasts rather than 2026 alone. Our target price is derived as the average of the P/E- and P/B-based valuations.

  Between 2010 and 2012, during Hyundai Motor (HMC) and Kia's global expansion phase, Mobis traded at a P/E of 11-13x and a P/B of 2.0-2.9x.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW650,000	27.7%
Current price	**KRW509,000**	
Market cap	KRW46.2t/USD31.4b	
Shares (float)	89,602,640 (65.4%)	
52-week high/low	KRW529,000/KRW242,000	
Avg daily trading value (60-day)	KRW150.8b/ USD102.5m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Mobis (%)	25.1	75.5	96.5
Vs Kospi (%pts)	-2.1	-7.4	-32.4

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	650,000	650,000	0.0%
2026E EPS	47,061	47,061	0.0%
2027E EPS	52,865	52,865	0.0%

SAMSUNG vs THE STREET

No of estimates	25
Target price	582,000
Recommendation	4.0

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

SUMMARY FINANCIAL DATA

(KRWb)	2025	2026E	2027E	2028E
Revenue	61,118	65,087	68,880	72,946
Operating profit	3,357	3,919	4,404	4,950
Net profit (adj)	3,665	4,255	4,745	5,214
EPS (adj) (KRW)	39,682	47,061	52,865	58,088
EPS (adj) growth (% y-y)	-8.7	18.6	12.3	9.9
EBITDA margin (%)	7.4	8.0	8.4	8.8
ROE (%)	7.7	8.3	8.6	8.8
P/E (adj) (x)	9.4	10.8	9.6	8.8
P/B (x)	0.7	0.8	0.8	0.7
EV/EBITDA (x)	7.2	8.4	7.2	6.2
Dividend yield (%)	1.7	1.3	1.5	1.6

Source: Company data, Samsung Securities estimates

- **Mobis expanding role in robotics; robotics business to achieve profitability from inception:** To prevent technology leakage, critical components are fully managed by Mobis. Leveraging its proprietary control technology, Mobis has developed actuators—reducing R&D costs—while requiring only minimal additional line equipment to begin production, thereby lowering capex. Unlike electrification initiatives, this business can achieve profitability from inception.
- **Clear visibility into earnings growth over next three years:** Amid steady performance in the aftermarket parts division, module division should see increased profitability, led by: 1) E/E parts (eg, ADAS) achieving economies of scale; 2) sales to non-captive clients beginning in 2H (KRW500-600b pa; including BSA for Volkswagen); and 3) divestment of non-core businesses such as lamps and bumpers. The electrification business has seen its path to profitability delayed by more than a year due to stagnating EV sales at HMC/Kia. The module division generated sales of KRW57t in 2025, so a 1%pt increase in operating margin would add KRW500-600b in annual profit.

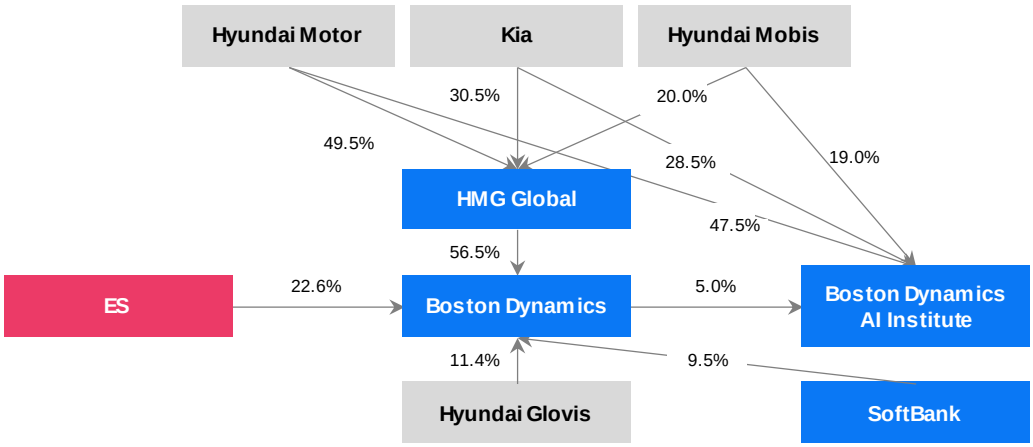
Boston Dynamics' IPO unlikely before 2028: With no CEO in place, an IPO within the next month is unlikely — and Hyundai Motor Group (HMG) has no pressing reason to rush. Still, over time, the governance issue will become a tailwind for Mobis.

- **Boston Dynamics needs to be worth at least KRW50t:** Since the failed 2018 attempt to restructure governance, HMG has signaled its intent to resolve governance issues in a straightforward approach. The only viable path: Chairman Chung Eui-sun would buy the 24.17% stake in Hyundai Mobis currently held by Kia and Hyundai Steel on the open market—using proceeds from selling Boston Dynamics shares. Kia and Hyundai Steel, on their part, would sell their Mobis holdings on the open market. For this transaction to work, Boston Dynamics must be valued at a minimum of KRW50t.
- **Boston Dynamics' IPO expected in 2028 or later:** To reach that value, Boston Dynamics must demonstrate the practical utility of Atlas and diversify customer base.

Catalysts to break governance-driven undervaluation of Mobis: The company is expanding its role in robotics, divesting non-core businesses, and strengthening shareholder returns.

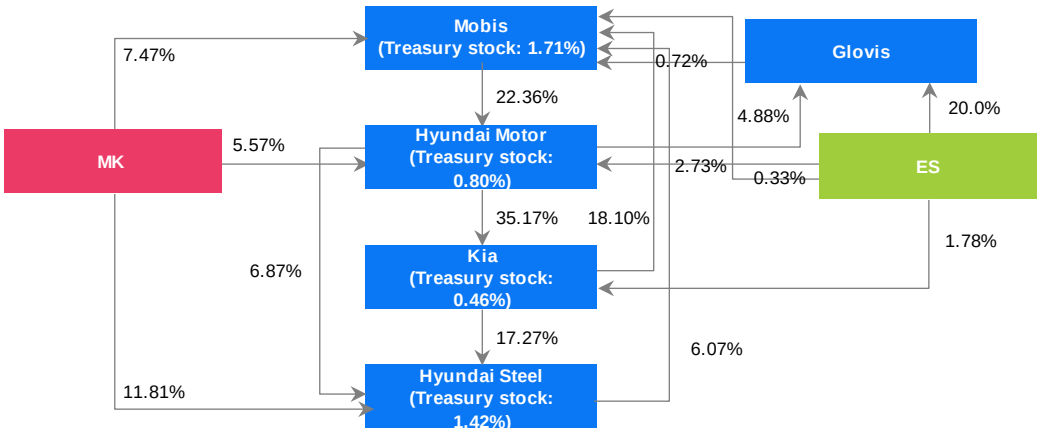
- **Mobis to supply over 60% of Atlas's manufacturing costs:** HMC plans to deploy the E-Atlas at the Hyundai Motor Group Metaplant America in 2026 to begin real-world testing. Actuators account for 50-60% of a robot's cost. Mobis is responsible for not only the robot's actuators but also grippers, sensors, battery modules, and the head module.
- **Mobis's sales to Boston Dynamics:** Mobis's sales to Boston Dynamics is likely to grow to KRW600b in 2027 and to KRW1t in 2029.
- **Divestment of non-core businesses:** Mobis has signed an MOU with OPmobility to sell its lamp business. It is also looking to sell its bumper business abroad. The businesses targeted for divestment are selected not simply based on profitability, but based on efficiency considering investment (capex and R&D) and market position.
- **Share buyback of KRW 500b (equivalent to 1.3% of market cap) in 2026:** The company intends to repurchase shares between late April and July, with cancellation planned for early August. Existing treasury shares—1.3m shares, or 1.4% of total outstanding shares—should be cancelled before Sep 2027. The 2026 dividend should remain unchanged y-y at KRW6,500 per share.

Boston Dynamics: Governance structure



Source: Company data, Samsung Securities estimates

Hyundai Motor Group: Governance structure



Source: Company data, Samsung Securities

Value of stakes if Boston Dynamics goes public with a market cap of US39b

(USDm)	Stake (%)	Stake value (USDm)	Stake value (KRWb)
HMC	27.97	10,907	15,816
Kia	17.23	6,721	9,745
Mobis	11.30	4,407	6,390
ES	22.60	8,814	12,780
Glovis	11.40	4,446	6,447
SoftBank	9.50	3,705	5,372
Total	100	39,000	56,550

Note: Assumes exchange rate of USD/KRW1,450;
USD39b valuation based on Figure AI's implied value
Source: Samsung Securities estimates

HMG's stake in Hyundai Mobis

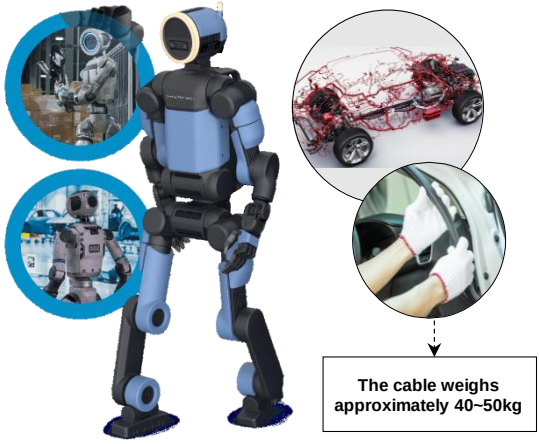
(KRWb)	Stake (%)	Stake value	After tax*
Kia	18.1	8,359	6,269
Hyundai Steel	6.07	2,803	2,102
Total	24.17	11,162	8,372
Share buyback and cancellation over 15 years		2,232	

Note: *Assuming a tax rate of 25%
Source: FnGuide, Samsung Securities

Hyundai Mobis: Cableless actuator structure

Source: Company data

Atlas Gen3: Employs cableless actuator structure



Source: Company data

Atlas: Cost breakdown (estimates)

Item	Unit cost (USD)	Quantity	Total cost (USD)
Rotary actuator	561	31	17,391
Vision sensor	41	3	123
Nvidia Thor chip	800	1	800
Gripper	800	2	1,600
Battery pack	200	4 kWh	200
Body			2,000
Subtotal			**22,114**
Data center depreciation*			26,666
Factory depreciation			442
Other operating costs			1,769
Total			**50,991**

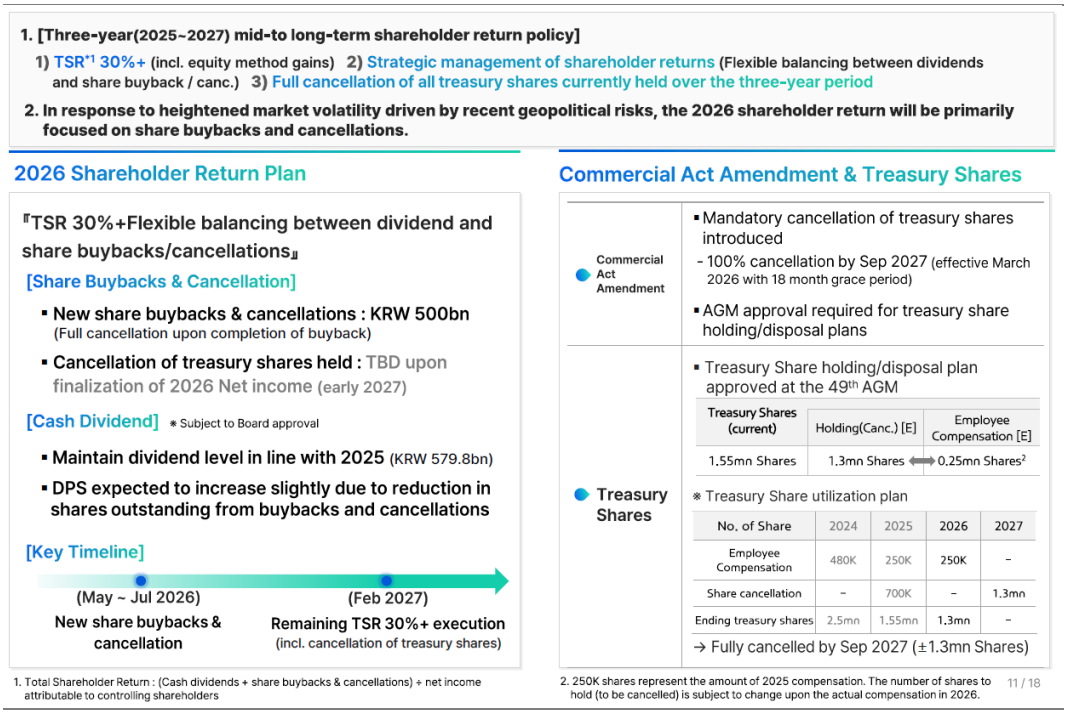
Note: Assumes 10,000 units produced;
*Assumes usage of one-third of 50,000 Blackwell GPUs
Source: Samsung Securities estimates

Hyundai Mobis: Estimated revenue from Boston Dynamics Atlas

Timeline	Volume (units)	Production cost (USD)	Mobis portion	Unit cost (USD)	Mobis sales* (USDm)	Mobis sales** (KRWb)
2027	5,000	130,000	60%	78,000	425	617
2028	10,000	50,992	60%	30,595	321	466
	20,000	37,659	60%	22,595	475	688
2029	30,000	33,214	60%	19,929	628	910
	40,000	30,992	60%	18,595	781	1,132
2030	50,000	29,659	60%	17,795	934	1,355

Note: *Sales figures inflated by 5% to account for aftermarket services revenue;
**Assumes exchange rate of USD/KRW1,450
Source: Samsung Securities estimates

Hyundai Mobis: Shareholder return policy



Source: Company data

Mobis: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
KRW/USD (avg)	1,453	1,401	1,387	1,452	1,467	1,450	1,430	1,420	1,365	1,423	1,442	1,390
Revenue	14,752	15,936	15,032	15,398	15,561	16,776	16,374	16,376	57,237	61,118	65,087	68,880
Chg (% y-y)	6.4	8.7	7.4	4.7	5.5	5.3	8.9	6.4	-3.4	6.8	6.5	5.8
Simple modules	6,799	7,403	6,849	7,181	7,149	7,891	7,632	7,241	25,633	28,232	29,913	31,488
Core parts & electrification	4,675	5,204	4,826	4,863	4,892	5,303	5,151	5,372	19,518	19,568	20,718	22,288
After-sales service	3,278	3,330	3,357	3,354	3,519	3,583	3,591	3,763	12,085	13,318	14,456	15,104
Gross profit	2,062	2,198	2,129	2,440	2,149	2,113	2,190	2,414	8,063	8,830	8,866	9,639
Operating profit	777	870	780	930	803	922	1,027	1,167	3,073	3,357	3,919	4,404
Chg (% y-y)	43.1	36.8	-14.1	-5.6	3.3	6.0	31.7	25.5	33.9	9.2	16.7	12.4
Modules	-100	42	-37	171	-121	-11	100	195	-42	76	163	509
After-sales service	877	828	817	760	924	933	927	972	3,116	3,282	3,756	3,895
Net profit	1,032	934	931	768	883	1,053	1,094	1,225	4,060	3,665	4,255	4,745
Controlling profit	1,031	932	929	763	882	1,051	1,092	1,223	4,056	3,656	4,248	4,737
Chg (% y-y)	19.7	-6.4	1.1	-40.3	-14.5	12.7	17.5	60.3	18.5	-9.9	16.2	11.5
Margins (%)												
Gross profit	14.0	13.8	14.2	15.8	13.8	12.6	13.4	14.7	14.1	14.4	13.6	14.0
Operating profit	5.3	5.5	5.2	6.0	5.2	5.5	6.3	7.1	5.4	5.5	6.0	6.4
Modules	-0.9	0.3	-0.3	1.4	-1.0	-0.1	0.8	1.5	-0.1	0.2	0.3	0.9
After-sales service	26.7	24.9	24.3	22.7	26.3	26.0	25.8	25.8	25.8	24.6	26.0	25.8
Net profit	7.0	5.9	6.2	5.0	5.7	6.3	6.7	7.5	7.1	6.0	6.5	6.9
Controlling net profit	7.0	5.9	6.2	5.0	5.7	6.3	6.7	7.5	7.1	6.0	6.5	6.9

Source: Company data, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**57,237**	**61,118**	**65,087**	**68,880**	**72,946**
Cost of goods sold	49,174	52,288	56,221	59,241	62,453
Gross profit	**8,063**	**8,830**	**8,866**	**9,639**	**10,494**
Gross margin (%)	14.1	14.4	13.6	14.0	14.4
SG&A expenses	4,989	5,472	4,947	5,235	5,544
Operating profit	**3,073**	**3,357**	**3,919**	**4,404**	**4,950**
Operating margin (%)	5.4	5.5	6.0	6.4	6.8
Non-operating gains (losses)	**2,191**	**1,758**	**2,056**	**2,186**	**2,292**
Financial profit	812	606	455	503	581
Financial costs	486	355	167	154	154
Equity-method gains (losses)	1,788	1,400	1,720	1,838	1,931
Other	78	107	48	-1	-66
Pre-tax profit	**5,264**	**5,115**	**5,976**	**6,590**	**7,242**
Taxes	1,204	1,450	1,720	1,845	2,028
Effective tax rate (%)	22.9	28.4	28.8	28.0	28.0
Profit from continuing operations	4,060	3,665	4,255	4,745	5,214
Profit from discontinued operations	0	0	0	0	0
Net profit	**4,060**	**3,665**	**4,255**	**4,745**	**5,214**
Net margin (%)	7.1	6.0	6.5	6.9	7.1
Net profit (controlling interests)	4,056	3,656	4,248	4,737	5,205
Net profit (non-controlling interests)	5	9	7	8	9
EBITDA	4,058	4,525	5,200	5,781	6,384
EBITDA margin (%)	7.1	7.4	8.0	8.4	8.8
EPS (parent-based) (KRW)	43,480	39,682	47,061	52,865	58,088
EPS (consolidated) (KRW)	43,528	39,779	47,142	52,955	58,187
Adjusted EPS (KRW)*	43,480	39,682	47,061	52,865	58,088

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**28,424**	**30,366**	**32,337**	**35,405**	**39,084**
Cash & equivalents	4,788	4,922	5,688	7,605	10,050
Accounts receivable	9,914	10,221	10,885	11,519	12,199
Inventories	6,763	6,862	7,307	7,733	8,190
Other current assets	6,958	8,361	8,457	8,548	8,646
Fixed assets	**38,173**	**40,034**	**42,392**	**44,584**	**46,626**
Investment assets	23,438	24,789	26,327	27,796	29,372
Tangible assets	12,003	12,347	13,254	14,051	14,580
Intangible assets	1,167	1,266	1,178	1,104	1,041
Other long-term assets	1,564	1,633	1,633	1,633	1,633
Total assets	**66,597**	**70,401**	**74,728**	**79,990**	**85,710**
Current liabilities	**12,745**	**13,058**	**13,310**	**14,040**	**14,822**
Accounts payable	6,748	6,691	7,126	7,541	7,986
Short-term debt	648	796	796	796	796
Other current liabilities	5,350	5,570	5,388	5,702	6,039
Long-term liabilities	**7,733**	**8,130**	**8,504**	**8,862**	**9,246**
Bonds & long-term debt	1,927	1,819	1,819	1,819	1,819
Other long-term liabilities	5,806	6,311	6,686	7,044	7,428
Total liabilities	**20,479**	**21,188**	**21,815**	**22,902**	**24,068**
Owners of parent equity	**46,081**	**49,168**	**52,861**	**57,027**	**61,573**
Capital stock	491	491	491	491	491
Capital surplus	1,367	1,377	1,377	1,377	1,377
Retained earnings	42,911	45,225	48,895	53,061	57,607
Other	1,311	2,075	2,098	2,098	2,098
Non-controlling interests' equity	**37**	**45**	**52**	**61**	**69**
Total equity	**46,118**	**49,213**	**52,914**	**57,087**	**61,642**
Net debt	-1,236	-1,256	-2,532	-4,450	-6,894

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**4,253**	**4,473**	**3,749**	**4,220**	**4,648**
Net profit	4,060	3,665	4,255	4,745	5,214
Non-cash profit and expenses	625	1,841	326	369	437
Depreciation	903	1,065	1,193	1,303	1,371
Amortization	82	102	87	74	63
Other	-360	674	-954	-1,008	-997
Changes in A/L from operating activities	-822	-708	-67	-64	-69
Cash flow from investments	**-4,589**	**-3,234**	**-2,100**	**-2,100**	**-1,900**
Change in tangible assets	-2,088	-1,281	-2,100	-2,100	-1,900
Change in financial assets	65	1	-0	-0	-0
Other	-2,566	-1,953	0	0	0
Cash flow from financing	**-255**	**-1,205**	**-1,088**	**-571**	**-659**
Change in debt	804	114	-511	0	0
Change in equity	4	10	0	0	0
Dividends	-406	-583	-578	-571	-659
Other	-657	-745	0	0	0
Change in cash	-291	134	766	1,917	2,445
Cash at beginning of year	5,079	4,788	4,922	5,688	7,605
Cash at end of year	4,788	4,922	5,688	7,605	10,050
Gross cash flow	**4,685**	**5,506**	**4,581**	**5,114**	**5,651**
Free cash flow	**2,049**	**3,125**	**1,649**	**2,120**	**2,748**

Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	-3.4	6.8	6.5	5.8	5.9
Operating profit	33.9	9.2	16.7	12.4	12.4
Net profit	18.6	-9.7	16.1	11.5	9.9
Adjusted EPS**	19.6	-8.7	18.6	12.3	9.9
Per-share data (KRW)					
EPS (parent-based)	43,480	39,682	47,061	52,865	58,088
EPS (consolidated)	43,528	39,779	47,142	52,955	58,187
Adjusted EPS**	43,480	39,682	47,061	52,865	58,088
BVPS	509,212	551,325	601,380	648,772	700,488
DPS (common)	6,000	6,500	6,500	7,500	8,000
Valuations (x)					
P/E***	5.4	9.4	10.8	9.6	8.8
P/B***	0.5	0.7	0.8	0.8	0.7
EV/EBITDA	5.1	7.2	8.4	7.2	6.2
Ratios (%)					
ROE	9.4	7.7	8.3	8.6	8.8
ROA	6.5	5.4	5.9	6.1	6.3
ROIC	11.3	10.7	11.8	12.7	13.6
Payout ratio	13.3	15.9	13.4	13.9	13.5
Dividend yield (common)	2.5	1.7	1.3	1.5	1.6
Net debt to equity	-2.7	-2.6	-4.8	-7.8	-11.2
Interest coverage (x)	23.8	19.0	23.5	28.5	32.1

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Compliance notice

- As of 5/8 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 5/8 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
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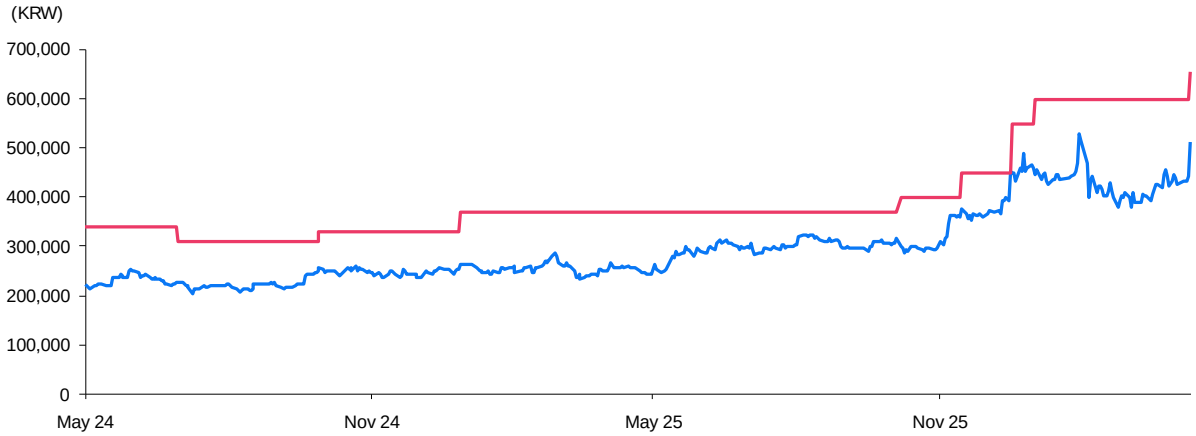
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2024/3/20	7/26	10/25	2025/1/24	11/3	12/12	2026/1/14	1/28	5/11
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	340000	310000	330000	370000	400000	450000	550000	600000	650000
Gap* (average)	-30.85	-28.56	-24.95	-24.53	-22.07	-16.66	-16.89	-28.76	
(max or min)**	-21.76	-19.35	-21.67	-12.30	-9.38	0.22	-11.36	-11.83	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

Samsung Securities uses the following investment ratings*

Company

BUY	Expected to increase in value by 15% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2026.03.31

BUY (85.2%)·HOLD (14.8%)·SELL (0%)

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Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochodae-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

For more information,
please call our sales representatives:

LONDON

Samsung Securities Europe Limited
1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited
1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited
Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office
Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office
#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953

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