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)

The hidden star of CES 2026

- HL Mando's announcement of its entry into the robot actuator business highlights the value of Hyundai Mobis's actuator business. At CES 2026, Hyundai Motor Group (HMG) is expected to unveil new robot models and an investment roadmap.
- Hyundai Mobis is scheduled to begin supplying actuators for Boston Dynamics' humanoid robots in 2027. Reducers (which sit inside actuators) are expected to generate recurring after-sales demand.
- HMG's entry into the robotics business should underscore Hyundai Mobis's growth opportunities.

WHAT'S THE STORY?

Hyundai Mobis shares reflect robot actuator growth potential: A new structural growth story, similar to that seen during 2005-2011, is being kindled through Hyundai Mobis's robot actuator business.

- **Raising target price by 12.5% to KRW450,000:** Our new target price is the simple average of our P/E- and P/B-derived target prices (both of which reflect our 2026 earnings forecasts). We raise our target P/E multiple by 10% to 9.6x (a 5% discount to the 10-year average of 10x) and our target P/B multiple by 10% to 0.71x (a 15% discount to the 10-year average of 0.85x). The target-multiple discounts reflect stagnation in global auto demand. However, with Hyundai Motor Group's (HMG) expansion into robotics becoming more visible, we incorporate the growth potential of Hyundai Mobis's robot actuator business into our valuation.

(Continued on the next page)

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	57,237	61,087	66,219	70,311
Operating profit	3,073	3,407	4,022	4,493
Net profit (adj)	4,060	3,889	4,496	4,933
EPS (adj) (KRW)	43,480	42,157	49,492	54,293
EPS (adj) growth (% y-y)	19.6	-3.0	17.4	9.7
EBITDA margin (%)	7.1	7.4	7.9	8.3
ROE (%)	9.4	8.1	8.8	8.9
P/E (adj) (x)	5.4	8.6	7.4	6.7
P/B (x)	0.5	0.7	0.6	0.6
EV/EBITDA (x)	5.1	7.0	5.8	4.9
Dividend yield (%)	2.5	1.8	2.1	2.2

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW450,000	23.5%
Current price	KRW364,500	
Market cap	KRW33.1t/USD22.5b	
Shares (float)	90,732,583 (65.5%)	
52-week high/low	KRW377,500/KRW234,500	
Avg daily trading value (60-day)	KRW72.3b/ USD49.1m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Mobis (%)	22.3	29.3	49.4
Vs Kospi (%pts)	20.0	-8.5	-8.9

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	450,000	400,000	12.5%
2025E EPS	42,157	41,720	1.0%
2026E EPS	49,492	48,767	1.5%

SAMSUNG vs THE STREET

No of estimates	24
Target price	399,792
Recommendation	4.0

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

- **2005-2011—Global expansion of HMC/Kia's auto business:** HMC/Kia simultaneously expanded into China, India, the US, and Europe. Mobis expanded alongside them, benefiting as both a core-parts supplier and an aftermarket services operator. The launch of EV-related components during this period further highlighted its growth potential.
- **2021—Apple Car expectations:** HMG's potential involvement in Apple's car project drove a temporary rally in Hyundai Mobis's share price.
- **From late 2025—HMG's entry into robotics:** Following the announcement of a plan to purchase 50,000 GPUs, HMG has begun unveiling AI devices, including robots and software-defined vehicles.

2026 to mark the first year of humanoid robot production: As self-balancing technologies are internalized, robots gain a critical new role as devices capable of accumulating real-world data. The industry is expected to transition rapidly toward mass-production.

- **Humanoid robots capable of walking and running:** Advances in locomotion intelligence are enabling robots to maintain balance, avoid falling easily, and recover quickly even after a fall, as balance-control policies near completion.
- **Strengths:** Self-balancing robots represent: 1) an AI-ready body—devices that can ingest real-world data, process it, and accumulate meaningful datasets; 2) a hardware platform—once robot manufacturers provide balance-control engines and APIs (application interfaces/SDKs), diverse players can develop and deploy a wide range of functions and services; and 3) readiness for mass-production—the emergence of clear use cases signals that robots are now ready for large-scale manufacturing.
- **HMG expands into robotics:** HMG's Robotics Lab has launched autonomous mobile robots, while Boston Dynamics has unveiled its third-generation humanoid robot and initiated real-world pilot testing.

2026 earnings outlook: At Mobis, the tariff impact (about KRW90b per quarter) should be negated by cost reductions, the AMPC (receiving KRW40b per quarter), and price hikes for key components.

- **Forecasting 2026 sales of KRW66.2t (up 8.4%) and operating profit of KRW4t (up 18%) for margin of 6.1%:** FnGuide consensus has Mobis's 2026 sales at KRW66.1t, operating profit at KRW3.93t, and operating margin at 5.9%.
- **Earnings by division—1. Aftermarket services:** We expect the aftermarket parts division to deliver 2026 sales of KRW13.8t (up 5.1%) and an operating profit of KRW3.4t (up 3.6%), for a margin of 24.8%. The tariff impact (KRW16b-17b per quarter) is expected to be offset by gradual price hikes. And Mobis also plans to recover more than 50% of the tariff costs through negotiations with its customers.
- **Earnings by division—2. Modules:** We expect the module division to contribute 2026 sales of KRW52.3t (up 9.3%) and an operating profit of KRW584b (up 553%), for a margin of 1.1%. Despite the tariff impact, the module division should move deeper into the black thanks to the US AMPC and price hikes for core parts.

- **Electrification business to turn profitable:** Mobis is eligible for the AMPC for battery pack production—its battery systems are supplied to Stellantis (from 2H25) and HMGMA's Savannah plant. With a credit value of USD10/kWh and each EV equipped with a 77 kWh battery, benefits stemming from the AMPC program are about USD7.7m (KRW2b) per 10,000 units. Due to AMPC uncertainty during President Trump's second term, the Korean company has opted for cash benefits, which we estimate will be flat in 2026 at KRW160b (corresponding to 140,000 units), despite full-year shipments to Stellantis, given softening EV demand in the US. Meanwhile, Mobis's electrification business should turn profitable, backed by growing EV sales in Korea and Kia's EV production hike in Europe.

Third-generation E-Atlas to be unveiled in 2026: Boston Dynamics's third-generation E-Atlas is expected to be unveiled at CES 2026. An announcement by HMG to build a manufacturing plant in 2026 would inevitably catalyze HMG's shares.

- **HMG to buy 50,000 GPUs:** Hyundai Motor Group (HMG) will spend USD3b to buy 50,000 Nvidia Blackwell GPUs over 2026-2030. This means data gathering for the purpose of advancing autonomous driving and robotics technologies will begin in 2026.
- **Current E-Atlas (Atlas R1) is for research use:** A commercial version of **E-Atlas** has been in development for the past 18 months, which version is now nearing completion. With the unveiling of the third-generation model, the second-generation version (**Atlas R1**) will be phased out.
- **Third-generation E-Atlas…** The third-generation E-Atlas will be able to replace its battery in 2-3 minutes, allowing for almost continuous operations across three shifts (24 hours). It will feature third-generation grippers (higher degrees of freedom) to perform tasks that require more dexterous movements.
- **…to be tested at HMGMA in 2026:** The third-generation E-Atlas will undergo proof of concept (POC) testing at Hyundai Motor Group Metaplant America (HMGMA), where new machine learning-based behavioral systems will first be applied.
- **Mobis co-developing actuators:** For robot commercialization, not only high-quality data and advanced AI technologies but also hardware reliability are essential. Early-stage design verification must be conducted at an automotive industry-level standard. With over 50 years of experience making auto parts, Mobis is the ideal partner for Boston Dynamics to achieve cost competitiveness.
- **Mobis to supply actuators, sensors, and battery packs for Boston Dynamics's robots:** Mobis seems to be in line to generate sales of USD1.4b per 10,000 humanoids.

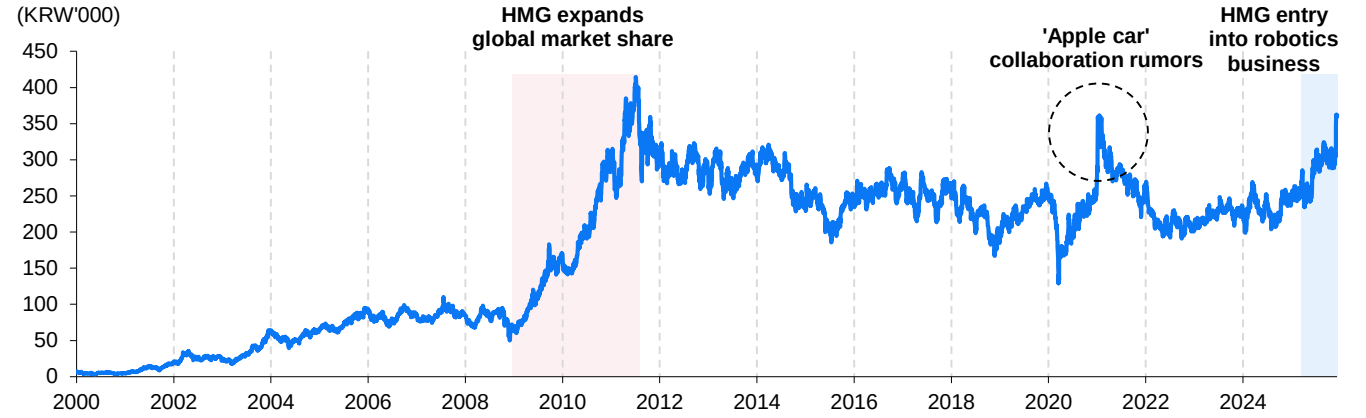
Potential as robot actuator firm: Mobis has ample capital and can mass produce smart chassis (backbone technology for robot actuators). It excels in cutting costs and making quality products.

- **Boston Dynamics's actuator partner:** Actuators make up 60-70% of a robot's manufacturing cost. Mobis is developing 31 types of actuators for use in the body of the third-generation E-Atlas.
- **Actuators designed and engineered by Mobis:** Actuators are in the design and engineering stage, with mass-production expected to begin in 2027. The production of motors, decelerators and sensors may be outsourced.
- **Mobis's core parts business enters market that could become 100x larger than automotive control systems market:** In 2000, Mobis entered the ICE vehicle control systems business. Automotive control systems account for 5-6% of a car's cost. In 2015, the company started

the business of EV battery pack/operation/management, which areas together account for 10-12% of an EV's cost. In 2025, the company expanded into the humanoid actuator business. Actuators (20-30 per humanoid) represent 60-70% of a humanoid's cost. Given that the robot market has the potential to grow to 10x the size of the auto market, the robot actuator market could become 100x bigger than the automotive control systems market.

- **Robot durability limited by gearbox shortcomings within actuators:** The standard warranty period for robots is typically 1-2 years, and around one year for humanoid robots. This is largely due to the limited durability of gear reducers. Gear reducers are the most-critical components enabling high-precision joint control, but continuous 24-hour operation leads to fatigue and impact stress, inevitably reducing efficiency over time. While the adoption of QDD (Quasi-Direct Drive) technology—featuring low gear ratios and simpler structures—is increasing, its low reduction ratio requires larger, higher-output motors to deliver equivalent torque. Larger motors, however, face challenges in terms of size and cost. As a result, a mixed application of harmonic drives and cycloidal reducers is typically used depending on the robot joint. Gear reducer lifespans are currently estimated at 15,000-20,000 operating hours.
- **Gear-reducer replacement demand expected as robots reach mass commercialization:** As robots enter mass-production and commercialization, manufacturers are expected to offer longer warranty periods (5-6 years) while adopting a model in which gear reducers are replaced every 2-3 years. This approach mirrors the automotive industry, where vehicles carry 5-6 years warranties, but consumable components such as engine oil and wipers are replaced every 1-2 years. Gear reducers account for roughly 30% of actuator costs and approximately 20% of total manufacturing costs, suggesting meaningful aftermarket replacement demand over the robot lifecycle.

Hyundai Mobis: Long-term share-price performance



Source: QuantiWise, Samsung Securities

Tesla/Figure AI: A robot that runs naturally like a human

Source: Tesla, Figure AI, Samsung Securities

Unitree: A robot that boxes

Source: Samsung Securities

Rare-earth magnet usage: EVs vs Humanoid robots

	Rare-earth magnet usage (kg/unit)	Notes
EVs	0.5-2.0	Depends on motor specification, number of motors, trim level BYD uses ~1.5kg.
Humanoid robots	0.9-4.0	Varies by actuator count and design. Optimus (Tesla): Estimated 3.4-3.5kg.

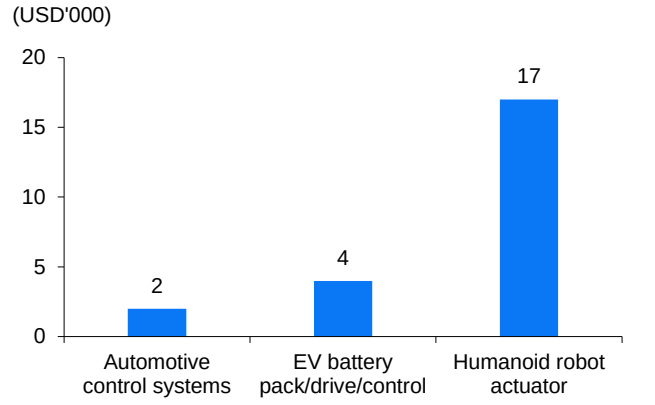
Source: Thunder Said Energy, High Magnets, Samsung Securities

Total number of motors in humanoid robots vs in their hands alone

	Total	Per hand	
Optimus	28	6-10	PMSM-based, underactuated linkage
Figure 02	30	10	Hybrid (direct drive and cable actuation)
Apptronik Apollo	25	6	Series-elastic actuator (SEA)+linkage
Agility	20	6	Simple structure; hands do not support fine manipulation
E-Atlas	20	6	Simple structure; 7-DoF hands

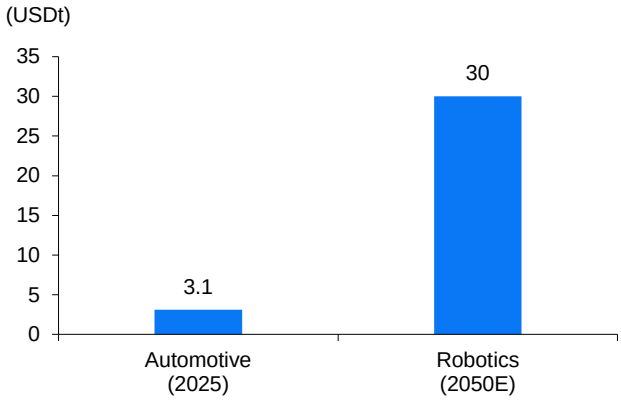
Source: Company data, Samsung Securities

Hyundai Mobis: Core parts business ASP



Source: Company data, Samsung Securities

Market size: Automotive vs robotics



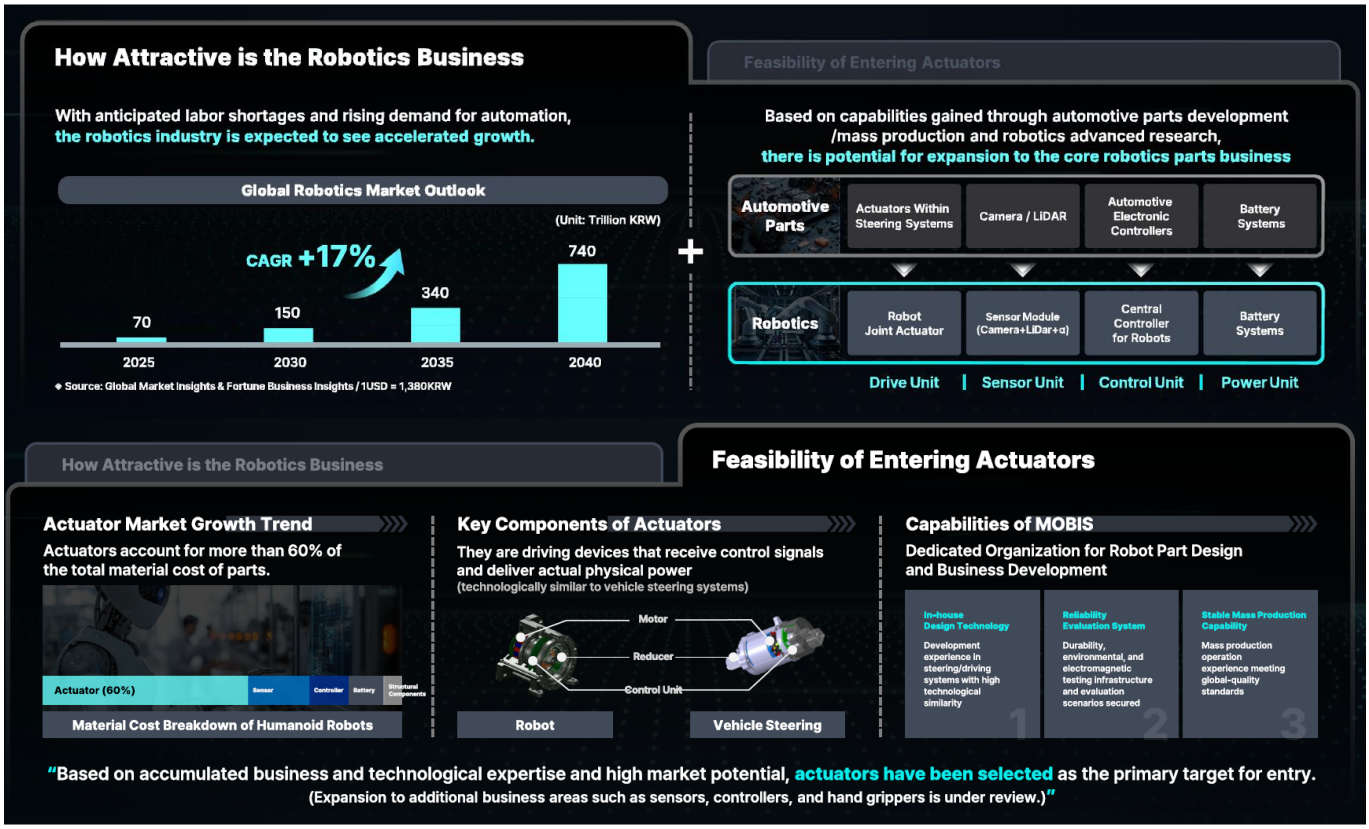
Source: Samsung Securities

Hyundai Mobis: Estimated revenue from Boston Dynamics

(USD)	Production cost	Actuator	Battery pack	Revenue per unit	Amount (units)	Mobis sales
E-Atlas	200,000	130,000	10,000	140,000	20,000	2,800
Spot	100,000	65,000	5,000	70,000	5,000	-
Stretch	100,000	65,000	5,000	70,000	5,000	350
Total (USDm)						3,150
Total (KRWb)*						4,410
Yearly ('26~'30)						1,103

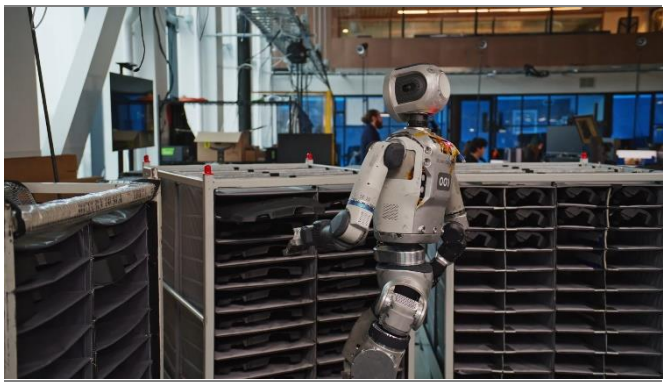
Note: Estimated to account for 70% of robot manufacturing costs. Spot is estimated to use dual sourcing.
Source: Samsung Securities estimates

Hyundai Mobis: Robotics actuator business



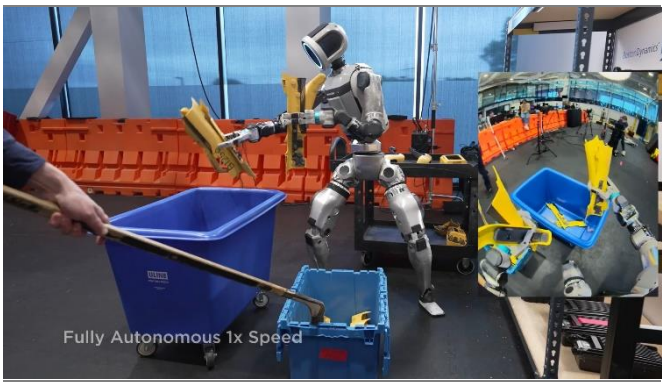
Source: Company data

Boston Dynamics: E-Atlas



Source: Company data

Boston Dynamics: E-Atlas



Source: Company data

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**59,254**	**57,237**	**61,087**	**66,219**	**70,311**
Cost of goods sold	52,492	49,174	53,037	57,165	60,474
Gross profit	**6,762**	**8,063**	**8,050**	**9,054**	**9,836**
Gross margin (%)	11.4	14.1	13.2	13.7	14.0
SG&A expenses	4,467	4,989	4,643	5,033	5,344
Operating profit	**2,295**	**3,073**	**3,407**	**4,022**	**4,493**
Operating margin (%)	3.9	5.4	5.6	6.1	6.4
Non-operating gains (losses)	**2,150**	**2,191**	**2,067**	**2,311**	**2,454**
Financial profit	825	812	482	498	553
Financial costs	605	486	138	127	122
Equity-method gains (losses)	1,845	1,788	1,656	1,885	2,012
Other	85	78	67	55	12
Pre-tax profit	**4,445**	**5,264**	**5,474**	**6,333**	**6,947**
Taxes	1,022	1,204	1,586	1,837	2,015
Effective tax rate (%)	23.0	22.9	29.0	29.0	29.0
Profit from continuing operations	3,423	4,060	3,889	4,496	4,933
Profit from discontinued operations	0	0	0	0	0
Net profit	**3,423**	**4,060**	**3,889**	**4,496**	**4,933**
Net margin (%)	5.8	7.1	6.4	6.8	7.0
Net profit (controlling interests)	3,423	4,056	3,884	4,491	4,926
Net profit (non-controlling interests)	1	5	5	6	6
EBITDA	3,221	4,058	4,532	5,254	5,820
EBITDA margin (%)	5.4	7.1	7.4	7.9	8.3
EPS (parent-based) (KRW)	36,340	43,480	42,157	49,492	54,293
EPS (consolidated) (KRW)	36,347	43,528	42,210	49,554	54,361
Adjusted EPS (KRW)*	36,340	43,480	42,157	49,492	54,293

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**25,565**	**28,424**	**29,586**	**31,943**	**35,043**
Cash & equivalents	5,079	4,788	4,754	5,517	7,345
Accounts receivable	9,737	9,914	10,581	11,470	12,179
Inventories	5,512	6,763	7,218	7,824	8,308
Other current assets	5,237	6,958	7,033	7,132	7,211
Fixed assets	**33,021**	**38,173**	**41,056**	**43,933**	**46,308**
Investment assets	19,900	23,438	24,946	26,955	28,557
Tangible assets	10,481	12,003	13,363	14,303	15,138
Intangible assets	1,034	1,167	1,183	1,110	1,048
Other long-term assets	1,605	1,564	1,564	1,564	1,564
Total assets	**58,586**	**66,597**	**70,642**	**75,876**	**81,350**
Current liabilities	**12,053**	**12,745**	**13,151**	**13,985**	**14,809**
Accounts payable	6,504	6,748	7,201	7,806	8,289
Short-term debt	558	648	648	648	648
Other current liabilities	4,991	5,350	5,302	5,531	5,872
Long-term liabilities	**5,878**	**7,733**	**8,096**	**8,580**	**8,966**
Bonds & long-term debt	692	1,927	1,927	1,927	1,927
Other long-term liabilities	5,186	5,806	6,169	6,653	7,039
Total liabilities	**17,931**	**20,479**	**21,248**	**22,565**	**23,775**
Owners of parent equity	**40,634**	**46,081**	**49,352**	**53,263**	**57,521**
Capital stock	491	491	491	491	491
Capital surplus	1,363	1,367	1,367	1,367	1,367
Retained earnings	39,640	42,911	46,212	50,123	54,381
Other	-859	1,311	1,282	1,282	1,282
Non-controlling interests' equity	**21**	**37**	**42**	**48**	**54**
Total equity	**40,655**	**46,118**	**49,394**	**53,311**	**57,575**
Net debt	-2,394	-1,236	-1,571	-2,534	-4,362

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**5,343**	**4,253**	**3,299**	**3,767**	**4,187**
Net profit	3,423	4,060	3,889	4,496	4,933
Non-cash profit and expenses	205	515	-22	82	168
Depreciation	852	903	1,040	1,160	1,265
Amortization	74	82	84	73	63
Other	-721	-469	-1,146	-1,151	-1,159
Changes in A/L from operating activities	1,748	-712	-58	-77	-61
Cash flow from investments	**-2,541**	**-4,589**	**-2,500**	**-2,100**	**-2,100**
Change in tangible assets	-1,764	-2,088	-2,400	-2,100	-2,100
Change in financial assets	19	65	-0	-0	-0
Other	-797	-2,566	-100	0	0
Cash flow from financing	**-1,889**	**-255**	**-952**	**-779**	**-669**
Change in debt	-892	804	-369	-200	0
Change in equity	1	4	0	0	0
Dividends	-367	-406	-583	-579	-669
Other	-631	-657	0	0	0
Change in cash	991	-291	-34	763	1,828
Cash at beginning of year	4,088	5,079	4,788	4,754	5,517
Cash at end of year	5,079	4,788	4,754	5,517	7,345
Gross cash flow	**3,628**	**4,575**	**3,867**	**4,578**	**5,101**
Free cash flow	**3,541**	**2,049**	**899**	**1,667**	**2,087**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	14.2	-3.4	6.7	8.4	6.2
Operating profit	13.3	33.9	10.9	18.0	11.7
Net profit	37.6	18.6	-4.2	15.6	9.7
Adjusted EPS**	38.2	19.6	-3.0	17.4	9.7
Per-share data (KRW)					
EPS (parent-based)	36,340	43,480	42,157	49,492	54,293
EPS (consolidated)	36,347	43,528	42,210	49,554	54,361
Adjusted EPS**	36,340	43,480	42,157	49,492	54,293
BVPS	448,144	509,212	553,685	597,567	645,336
DPS (common)	4,500	6,000	6,500	7,500	8,000
Valuations (x)					
P/E***	6.5	5.4	8.6	7.4	6.7
P/B***	0.5	0.5	0.7	0.6	0.6
EV/EBITDA	6.2	5.1	7.0	5.8	4.9
Ratios (%)					
ROE	8.7	9.4	8.1	8.8	8.9
ROA	6.0	6.5	5.7	6.1	6.3
ROIC	9.2	11.3	10.5	11.5	12.2
Payout ratio	11.9	13.3	14.9	14.9	14.5
Dividend yield (common)	1.9	2.5	1.8	2.1	2.2
Net debt to equity	-5.9	-2.7	-3.2	-4.8	-7.6
Interest coverage (x)	15.3	23.8	24.7	31.8	36.7

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 12/16 2025, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 12/16 2025, 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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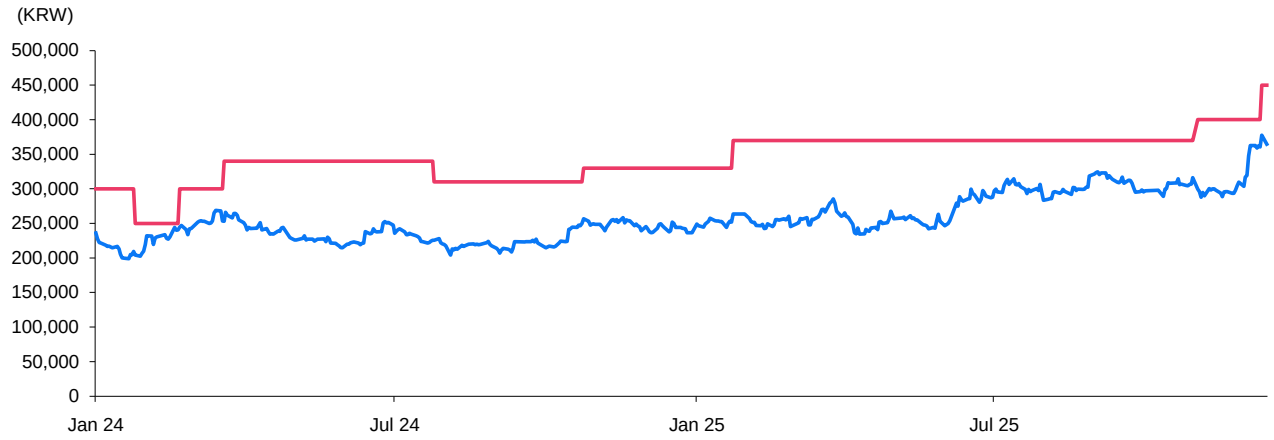
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/11/14	2024/1/26	2/22	3/20	7/26	10/25	2025/1/24	11/3	12/12
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	300000	250000	300000	340000	310000	330000	370000	400000	450000
Gap* (average)	-25.70	-9.38	-16.07	-30.85	-28.56	-24.95	-24.53	-22.07	
(max or min)**	-21.00	-2.40	-10.33	-21.76	-19.35	-21.67	-12.30	-9.38	

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 2025.09.30

BUY(83.5%)·HOLD(16.5%)·SELL(0%)

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General

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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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