

The Convening Notice of 52nd Annual General Meeting

The Annual General Meeting of Shareholders of Hyundai Motor Company (the “Company”) will be held pursuant to Article 365 of the Korea Commercial Act and Article 14 of the Articles of Incorporation of the Company.

1. Date : March 19, 2020 (Thursday) 09:00 AM
2. Place : Grand Hall, 2nd Floor West Building, Head office of Hyundai Motor Company
12 Heolleung-ro, Seocho-gu, Seoul, Korea (T : 82-2-3464-1114)

3. Purposes of the Meeting

<Issues to report> Independent Auditor’s Report, Annual Report, Internal Accounting Control System Management Report, Corporate Governance and Communication Committee Report

<Agenda> Item 1 : Approval of the Financial Statements for the 52nd Fiscal Year
(1/1/2019 ~ 12/31/2019)
Item 2 : Approval of Partial Amendment of the Articles of Incorporation
Item 3 : Appointment of Director(s)
3-1 : Appointment of an Independent Director
3-2 : Appointment of an Internal Director
Item 4 : Appointment of Audit Committee Member(s)
Item 5 : Approval of Ceiling Amount of Remuneration for Directors

4. Matters regarding the Exercise of Voting Rights (Physical Attendance)

<What to bring to the shareholders’ meeting>
- In-person : An invitation to the AGM and an identification
- Proxy : An invitation to the AGM, a power of attorney (with information of the relevant shareholder and the person with the power of attorney filled in, and duly executed and sealed), and an identification of the agent.

5. Matters regarding the Exercise of Voting Rights by Electronic Means

In accordance with Article 368 Section 4 of Korea Commercial Act, the Company has determined to allow voting introduce exercising shareholders’ voting rights by electronic means, and the overall management of electronic voting system will be consigned to Korea Securities Depository. Shareholders may exercise their voting rights through electronic means, without physical attendance, by referring to the following methods.

- Electronic Voting Website : <https://evote.ksd.or.kr> / Mobile : <https://evote.ksd.or.kr/m>
- Voting Period : March 9, 2020 to March 18, 2020
* You may access the voting website from 9 AM to 10 PM (to 5 PM for the last day)
- If amendment motion on agendas presented at the AGM is submitted, electronic votes will automatically be abstained.

6. Matters regarding the Protection of Rights of Physical Stock Bearers

Electronic stock system, implemented on September 16, 2019, has suspended the effect of physical stock, and physical stock bearers will be electronically classified as special account shareholders of Korea Securities Depository and will be limited from exercising their rights. If you bear physical stocks, please do convert them into electronic stocks by visiting the office of Hanabank agency services for securities.

7. Other matters

In accordance with Article 542 Section 4 of Korean Commercial Act, the reference for our business overview and agendas of AGM are located at the head office of the company, Financial Service Commission, Korea Exchange and the office of Hanabank agency services for securities.

March 2, 2020

Hyundai Motor Company
Representative Director, Won Hee Lee
(Seal omitted)

Item 1: Approval of the Financial Statements for the 52nd Fiscal Year

* Financial statements for the 52nd fiscal year below are presented on a preliminary basis before the audit from an independent auditor. Actual audited results may subject to differ. Audited financial statements for the 52nd fiscal year, including auditor's opinion from the designated independent auditor, will be disclosed on March 4th, 2020.

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018

ASSETS	December 31, 2019		December 31, 2018	
	(In millions of Korean Won)			
Current assets:				
Cash and cash equivalents	₩	8,681,971	₩	9,113,625
Short-term financial instruments		7,292,626		7,936,319
Other financial assets		9,449,913		9,755,725
Trade notes and accounts receivable		3,540,871		3,595,993
Other receivables		3,376,636		3,291,847
Inventories		11,663,848		10,714,858
Other assets		1,790,298		1,770,682
Current tax assets		112,046		97,271
Financial services receivables		30,178,200		25,864,589
Non-current assets classified as held for sales		11,493		867,192
Total current assets		76,097,902		73,008,101
Non-current assets:				
Long-term financial instruments		803,262		112,394
Other financial assets		3,059,526		2,223,358
Long-term trade notes and accounts receivable		127,430		136,777
Other receivables		705,154		755,088
Property, plant and equipment		32,831,524		30,545,608
Investment property		171,494		189,334
Intangible assets		5,266,496		4,921,383
Investments in joint ventures and associates		18,375,290		17,143,239
Deferred tax assets		2,340,096		1,846,330
Financial services receivables		32,080,426		28,637,075
Operating lease assets		21,068,340		20,425,766
Other assets		865,767		711,299
Right-of-use assets		734,542		-
Total non-current assets		118,429,347		107,647,651
Total assets	₩	194,527,249	₩	180,655,752

(Continued)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018 (CONTINUED)

LIABILITIES AND EQUITY	December 31, 2019	December 31, 2018
	(In millions of Korean Won)	
Current liabilities:		
Trade notes and accounts payable	₩ 7,669,424	₩ 7,655,630
Other payables	6,060,100	5,425,460
Short-term borrowings	12,570,693	12,249,850
Current portion of long-term debt and debentures	15,778,558	14,104,927
Income tax payable	370,100	150,802
Provisions	3,459,882	3,291,868
Other financial liabilities	9,970	44,288
Non-current liabilities classified as held for sale	-	719,396
Lease liabilities	132,388	-
Other liabilities	7,244,824	5,796,193
Total current liabilities	53,295,939	49,438,414
Non-current liabilities:		
Long-term other payables	847,287	20,319
Debentures	41,805,814	36,956,114
Long-term debt	11,217,088	9,985,250
Net defined benefit liabilities	412,598	433,247
Provisions	3,682,895	3,508,036
Other financial liabilities	175,196	297,506
Deferred tax liabilities	3,503,077	3,320,346
Lease liabilities	635,596	-
Other liabilities	2,552,819	2,800,510
Total non-current liabilities	64,832,370	57,321,328
Total liabilities	118,128,309	106,759,742
Equity:		
Capital stock	1,488,993	1,488,993
Capital surplus	4,197,015	4,201,214
Other capital items	(1,516,817)	(1,155,244)
Accumulated other comprehensive loss	(2,353,022)	(3,052,198)
Retained earnings	68,264,021	66,490,082
Equity related to assets classified as held for sale	-	1,122
Equity attributable to the owners of the Company	70,080,190	67,973,969
Non-controlling interests	6,318,750	5,922,041
Total equity	76,398,940	73,896,010
Total liabilities and equity	₩ 194,527,249	₩ 180,655,752

(Concluded)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
	(In millions of Korean Won, except per share amounts)	
Sales	₩ 105,764,784	₩ 96,812,609
Cost of sales	88,089,257	81,670,479
Gross profit	17,675,527	15,142,130
Selling and administrative expenses	14,036,836	12,719,965
Operating profit	3,638,691	2,422,165
Gain on investments in joint ventures and associates, net	542,779	404,541
Finance income	827,120	823,499
Finance expenses	475,218	600,867
Other income	1,120,958	967,281
Other expenses	1,457,425	1,487,037
Profit before income tax	4,196,905	2,529,582
Income tax expense (benefit)	978,120	884,563
Profit for the period	₩ 3,218,785	₩ 1,645,019
Profit attributable to:		
Owners of the Company	2,994,417	1,508,084
Non-controlling interests	224,368	136,935
Earnings per share attributable to the owners of the Company:		
Basic earnings per share:		
Common stock	₩ 11,365	₩ 5,632
1 st preferred stock	₩ 11,409	₩ 5,681
Diluted earnings per share:		
Common stock	₩ 11,365	₩ 5,632
1 st preferred stock	₩ 11,409	₩ 5,681

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
	(In millions of Korean Won)	
Profit for the year	₩ 3,218,785	₩ 1,645,019
Other comprehensive income (loss):		
Items that will not be reclassified subsequently to profit or loss:		
Profit (loss) on financial assets measured at FVOCI, net	(37,965)	(99,125)
Remeasurements of defined benefit plans	(53,144)	(439,508)
Changes in retained earnings of equity-accounted investees, net	(108,962)	(67,347)
Changes in share of earnings of equity-accounted investees, net	16,966	(25,826)
	<u>(183,105)</u>	<u>(631,806)</u>
Items that may be reclassified subsequently to profit or loss:		
Profit (loss) on financial assets measured at FVOCI, net	15,906	(6,534)
Gain (loss) on valuation of cash flow hedge derivatives, net	45,051	(124,121)
Changes in share of earnings of equity-accounted investees, net	271,568	(237,547)
Gain (loss) on foreign currency translation difference for foreign operation, net	481,848	3,626
	<u>814,373</u>	<u>(364,576)</u>
Total other comprehensive income (loss)	<u>631,268</u>	<u>(996,382)</u>
Total comprehensive income (loss)	<u>₩ 3,850,053</u>	<u>₩ 648,637</u>
Comprehensive income (loss) attributable to:		
Owners of the Company	3,535,326	553,869
Non-controlling interests	314,727	94,768
Total comprehensive income (loss)	<u>₩ 3,850,053</u>	<u>₩ 648,637</u>

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive income (loss)	Retained earnings	Total equity attributable to the owners of the Company	Non- controlling interests	Total equity
	(In millions of Korean Won)							
Balance at January 1, 2018	₩ 1,488,993	₩ 4,201,214	₩ (1,640,096)	₩ (2,278,955)	₩ 67,332,328	₩ 69,103,484	₩ 5,653,870	₩ 74,757,354
Changes in accounting standards	-	-	-	(340,268)	188,665	(151,603)	(71,337)	(222,940)
Balances after adjustments	1,488,993	4,201,214	(1,640,096)	(2,619,223)	67,520,993	68,951,881	5,582,533	74,534,414
Comprehensive income:								
Profit for the period	-	-	-	-	1,508,084	1,508,084	136,935	1,645,019
Gain (loss) on financial assets measured at FVOCI, net	-	-	-	(93,248)	(11,510)	(104,758)	(901)	(105,659)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	(69,896)	-	(69,896)	(54,225)	(124,121)
Changes in valuation of equity-accounted investees, net	-	-	-	(261,658)	(67,347)	(329,005)	(1,715)	(330,720)
Remeasurements of defined benefit plans	-	-	-	-	(443,505)	(443,505)	3,997	(439,508)
Gain (loss) on foreign currency translation difference for foreign operation, net	-	-	-	(7,051)	-	(7,051)	10,677	3,626
Total comprehensive Income	-	-	-	(431,853)	985,722	553,869	94,768	648,637
Transactions with owners, recorded directly in equity:								
Payment of cash Dividends	-	-	-	-	(1,076,734)	(1,076,734)	(50,727)	(1,127,461)
Increase in paid-in capital of subsidiaries by issuing stock	-	-	-	-	-	-	10	10
Acquisitions of investment of subsidiaries	-	-	-	-	-	-	3,181	3,181
Purchases of treasury stocks	-	-	(454,734)	-	-	(454,734)	-	(454,734)
Retirement of treasury stocks	-	-	939,586	-	(939,586)	-	-	-
Issue of hybrid bond	-	-	-	-	-	-	299,240	299,240
Others	-	-	-	-	(313)	(313)	(6,964)	(7,277)
Total transactions with owners, recorded directly in equity	-	-	484,852	-	(2,016,633)	(1,531,781)	244,740	(1,287,041)
Balance at December 31, 2018	₩ 1,488,993	₩ 4,201,214	₩ (1,155,244)	₩ (3,051,076)	₩ 66,490,082	₩ 67,973,969	₩ 5,922,041	₩ 73,896,010

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HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (CONTINUED)

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive income (loss)	Retained earnings	Total equity attributable to the owners of the Company	Non-controlling interests	Total equity
	(In millions of Korean Won)							
Balance at January 1, 2019	₩ 1,488,993	₩ 4,201,214	₩ (1,155,244)	₩ (3,051,076)	₩ 66,490,082	₩ 67,973,969	₩ 5,922,041	₩ 73,896,010
Comprehensive income:								
Profit for the period	-	-	-	-	2,994,417	2,994,417	224,368	3,218,785
Gain (loss) on financial assets measured at FVOCI, net	-	-	-	(26,426)	(1,294)	(27,720)	5,661	(22,059)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	34,570	-	34,570	10,481	45,051
Changes in valuation of equity-accounted investees, net	-	-	-	276,430	(108,962)	167,468	12,104	179,572
Remeasurements of defined benefit plans	-	-	-	-	(46,889)	(46,889)	(6,255)	(53,144)
Gain on foreign currency translation difference for foreign operation, net	-	-	-	413,480	-	413,480	68,368	481,848
Total comprehensive income	-	-	-	698,054	2,837,272	3,535,326	314,727	3,850,053
Transactions with owners, recorded directly in equity:								
Payment of cash dividends	-	-	-	-	(1,063,331)	(1,063,331)	(58,503)	(1,121,834)
Increase in paid-in capital of subsidiaries by issuing stock	-	-	-	-	-	-	4,806	4,806
Acquisitions of investment of subsidiaries	-	-	-	-	-	-	13,004	13,004
Disposals of investment of subsidiaries	-	-	-	-	-	-	(19,637)	(19,637)
Purchases of treasury stocks	-	-	(458,031)	-	-	(458,031)	-	(458,031)
Disposal of treasury stocks	-	2,163	96,458	-	-	98,621	-	98,621
Issue of hybrid bond	-	-	-	-	-	-	150,323	150,323
Others	-	(6,362)	-	-	(2)	(6,364)	(8,011)	(14,375)
Total transactions with owners, recorded directly in equity	-	(4,199)	(361,573)	-	(1,063,333)	(1,429,105)	81,982	(1,347,123)
Balance at December 31, 2019	₩ 1,488,993	₩ 4,197,015	₩ (1,516,817)	₩ (2,353,022)	₩ 68,264,021	₩ 70,080,190	₩ 6,318,750	₩ 76,398,940

(Concluded)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
	(In millions of Korean Won)	
Cash flows from operating activities:		
Cash generated from operations:		
Profit for the period	₩ 3,218,785	₩ 1,645,019
Adjustments	15,130,447	14,036,476
Changes in operating assets and liabilities	<u>(14,711,173)</u>	<u>(9,592,809)</u>
	3,638,059	6,088,686
Interest received	672,283	696,134
Interest paid	(2,073,310)	(1,950,392)
Dividend received	204,455	206,323
Income tax paid	<u>(1,070,958)</u>	<u>(1,276,486)</u>
Net cash provided by operating activities	<u>1,370,529</u>	<u>3,764,265</u>
Cash flows from investing activities:		
Changes in short-term financial instruments	(5,610)	(232,528)
Decreases in other financial assets (current), net	495,541	2,596,564
Decreases in other financial assets (non-current)	7,189	141,979
Collection of other receivables	51,417	79,241
Disposals of long-term financial instruments	2,861	47
Proceeds from disposals of property, plant and equipment	85,901	105,116
Proceeds from disposals of intangible assets	2,605	4,714
Proceeds from disposals of investments in joint ventures and associates	1,404	-
Proceeds from acquisition of investment of subsidiaries	13,004	5,271
Increases in other financial assets (non-current)	(679,741)	(125,123)
Increases in other receivables	(49,631)	(56,755)
Purchases of long-term financial instruments	(18,759)	(16,691)
Acquisitions of property, plant and equipment	(4,537,461)	(3,226,486)
Acquisitions of intangible assets	(1,716,680)	(1,632,711)
Acquisitions of investments in joint ventures and associates	(588,541)	(61,772)
Others	<u>56,572</u>	<u>4,070</u>
Net cash used in investing activities	<u>(6,879,929)</u>	<u>(2,415,064)</u>

(Continued)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (CONTINUED)

	2019		2018
	(In millions of Korean Won)		
Cash flows from financing activities:			
Proceeds from (Repayment of) short-term borrowings, net	₩	1,418,012	₩ 2,167,765
Proceeds from long-term debt and debentures		25,557,933	18,561,982
Proceeds from capital contribution from non-controlling interest		4,806	10
Repayment of long-term debt and debentures		(20,433,457)	(20,228,806)
Repayment of lease liabilities		(159,604)	-
Purchases of treasury stocks		(458,031)	(454,734)
Dividends paid		(1,121,820)	(1,127,452)
Issue of hybrid bond		150,323	299,240
Others		(83,236)	(98,787)
Net cash provided by (used in) financing activities		<u>4,874,926</u>	<u>(880,782)</u>
Decrease due to transfer to assets classified as held for sale		-	(97,050)
Effect of exchange rate changes on cash and cash equivalents		202,820	(79,273)
Net increase in cash and cash equivalents		<u>(431,654)</u>	<u>292,096</u>
Cash and cash equivalents, beginning of the period	₩	9,113,625	₩ 8,821,529
Cash and cash equivalents, end of the period	₩	<u>8,681,971</u>	<u>₩ 9,113,625</u>

(Concluded)

HYUNDAI MOTOR COMPANY

SEPARATE STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018

ASSETS	December 31, 2019	December 31, 2018
	(In millions of Korean Won)	
Current assets:		
Cash and cash equivalents	₩ 382,000	₩ 194,203
Short-term financial instruments	5,793,630	6,478,598
Other financial assets	6,983,208	7,444,315
Trade notes and accounts receivable	4,733,426	3,868,219
Other receivables	1,118,882	1,163,329
Inventories	3,065,329	2,863,652
Non-current assets classified as held for sale	-	45,386
Other assets	270,317	267,367
Total current assets	22,346,792	22,325,069
Non-current assets:		
Long-term financial instruments	682,334	186
Other financial assets	2,359,601	1,795,026
Long-term trade notes and accounts receivable	20,449	13,858
Other receivables	475,659	498,246
Property, plant and equipment	24,413,350	22,904,948
Investment property	143,237	156,206
Intangible assets	4,270,089	3,915,129
Investments in subsidiaries, joint ventures and associates	18,416,453	17,533,271
Deferred tax assets	862,064	593,437
Right-of-use assets	148,128	-
Other assets	19,063	7,132
Total non-current assets	51,810,427	47,417,439
Total assets	₩ 74,157,219	₩ 69,742,508

(Continued)

HYUNDAI MOTOR COMPANY

SEPERATE STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018 (CONTINUED)

LIABILITIES AND EQUITY	December 31, 2019	December 31, 2018
	(In millions of Korean Won)	
Current liabilities:		
Trade notes and accounts payable	₩ 4,349,005	₩ 4,134,287
Other payables	3,275,483	3,016,119
Short-term borrowings	3,293,370	2,283,963
Current portion of long-term debt and debentures	648,368	323,129
Income tax payable	207,081	55,426
Provisions	1,936,640	1,855,748
Other financial liabilities	12	785
Lease liabilities	49,478	-
Other liabilities	1,389,431	1,067,856
Total current liabilities	15,148,868	12,737,313
Non-current liabilities:		
Long-term other payables	825,824	-
Debentures	299,617	299,405
Long-term debt	676,957	971,688
Net defined benefit liabilities	320,843	329,919
Provisions	2,521,136	2,522,362
Other financial liabilities	2,546	33
Lease liabilities	90,213	-
Other liabilities	352,206	306,001
Total non-current liabilities	5,089,342	4,429,408
Total liabilities	20,238,210	17,166,721
Equity:		
Capital stock	1,488,993	1,488,993
Capital surplus	4,012,033	4,009,870
Other capital items	(1,516,817)	(1,155,244)
Accumulated other comprehensive loss	64,476	94,617
Retained earnings	49,870,324	48,137,551
Total equity	53,919,009	52,575,787
Total liabilities and equity	₩ 74,157,219	₩ 69,742,508

(Concluded)

HYUNDAI MOTOR COMPANY

SEPERATE STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019		2018
	(In millions of Korean Won, except per share amounts)		
Sales	₩	49,155,693	₩ 43,160,108
Cost of sales		<u>40,324,396</u>	<u>36,403,490</u>
Gross profit		8,831,297	6,756,618
Selling and administrative expenses		<u>7,251,133</u>	<u>6,815,940</u>
Operating profit		1,580,164	(59,322)
Gain on investments in joint ventures and associates, net		181,110	(191,079)
Finance income		1,562,521	1,076,260
Finance expenses		144,315	198,306
Other income		866,840	913,634
Other expenses		<u>856,427</u>	<u>831,239</u>
Profit before income tax		3,189,893	709,948
Income tax expense (benefit)		<u>357,604</u>	<u>295,007</u>
Profit for the period	₩	<u><u>2,832,289</u></u>	₩ <u><u>414,941</u></u>
Earnings per share			
Basic earnings per share:			
Common stock	₩	10,749	₩ 1,536
1 st preferred stock	₩	10,793	₩ 1,586
Diluted earnings per share:			
Common stock	₩	10,749	₩ 1,536
1 st preferred stock	₩	10,793	₩ 1,586

HYUNDAI MOTOR COMPANY

SEPERATE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
	(In millions of Korean Won)	
Profit for the year	₩ 2,832,289	₩ 414,941
Other comprehensive income (loss):		
Items that will not be reclassified subsequently to profit or loss:		
Profit (loss) on financial assets measured at FVOCI, net	(44,270)	(102,669)
Remeasurements of defined benefit plans	(34,891)	(428,426)
	<u>(79,161)</u>	<u>(531,095)</u>
Items that may be reclassified subsequently to profit or loss:		
Gain (loss) on valuation of cash flow hedge derivatives, net	12,835	(1,008)
	<u>12,835</u>	<u>(1,008)</u>
Total other comprehensive income (loss)	<u>(66,326)</u>	<u>(532,103)</u>
Total comprehensive income (loss)	<u>₩ 2,765,963</u>	<u>₩ (117,162)</u>

HYUNDAI MOTOR COMPANY

SEPERATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance at January 1, 2018	₩ 1,488,993	₩ 4,009,870	₩ (1,640,095)	₩ 480,092	₩ 49,885,558	₩ 54,224,418
Changes in accounting standards	-	-	-	(293,309)	293,309	-
Balances after adjustments	1,488,993	4,009,870	(1,640,095)	186,783	50,178,867	54,224,418
Payment of cash dividends	-	-	-	-	(1,076,734)	(1,076,734)
Purchases of treasury stocks	-	-	(454,735)	-	-	(454,735)
Retirement of treasury stocks	-	-	939,586	-	(939,586)	-
Gain (loss) on financial assets measured at FVOCI, net	-	-	-	(91,158)	(11,511)	(102,669)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	(1,008)	-	(1,008)
Remeasurements of defined benefit plans	-	-	-	-	(428,426)	(428,426)
Profit for the year	-	-	-	-	414,941	414,941
Balance at December 31, 2018	<u>₩ 1,488,993</u>	<u>₩ 4,009,870</u>	<u>₩ (1,155,244)</u>	<u>₩ 94,617</u>	<u>₩ 48,137,551</u>	<u>₩ 52,575,787</u>
Balance at January 1, 2019	₩ 1,488,993	₩ 4,009,870	₩ (1,155,244)	₩ 94,617	₩ 48,137,551	₩ 52,575,787
Payment of cash dividends	-	-	-	-	(1,063,331)	(1,063,331)
Purchases of treasury stocks	-	-	(458,031)	-	-	(458,031)
Disposal of treasury stocks	-	2,163	96,458	-	-	98,621
Gain (loss) on financial assets measured at FVOCI, net	-	-	-	(42,976)	(1,294)	(44,270)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	12,835	-	12,835
Remeasurements of defined benefit plans	-	-	-	-	(34,891)	(34,891)
Profit for the year	-	-	-	-	2,832,289	2,832,289
Balance at December 31, 2019	<u>₩ 1,488,993</u>	<u>₩ 4,012,033</u>	<u>₩ (1,516,817)</u>	<u>₩ 64,476</u>	<u>₩ 49,870,324</u>	<u>₩ 53,919,009</u>

(Concluded)

HYUNDAI MOTOR COMPANY

SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
	(In millions of Korean Won)	
Cash flows from operating activities:		
Cash generated from operations:		
Profit for the year	₩ 2,832,289	₩ 414,941
Adjustments	3,449,795	4,094,850
Changes in operating assets and liabilities	(1,521,506)	(3,142,766)
	4,760,578	1,367,025
Interest received	277,444	360,805
Interest paid	(132,884)	(142,051)
Dividend received	1,150,356	691,099
Income tax paid	(450,238)	(617,659)
Net cash provided by operating activities	5,605,256	1,659,219
Cash flows from investing activities:		
Proceeds from purchases of short-term financial instruments, net	3,360	44,893
Proceeds from disposals (purchases) of other financial assets (current), net	487,320	2,603,653
Receipts from other receivables	30,066	70,027
Proceeds from disposals of other financial assets (non-current)	1,261	82,823
Proceeds from disposals of property, plant and equipment	57,168	79,133
Proceeds from disposals of intangible assets	1,683	1,140
Disposal of assets classified as held for sale	43,830	-
Acquisitions of other financial assets (non-current)	(555,791)	(74,760)
Increases in other receivables	(31,902)	(39,961)
Acquisitions of property, plant and equipment	(2,727,245)	(1,993,920)
Acquisitions of intangible assets	(1,491,369)	(1,442,606)
Acquisitions of investments in subsidiaries, joint ventures and associates	(701,466)	(100,097)
Net cash used in investing activities	(4,879,282)	(769,633)
Cash flows from financing activities:		
Proceeds from short-term borrowings, net	1,042,608	728,055
Repayment of lease liabilities	(59,438)	-
Purchase of treasury stock	(458,031)	(454,735)
Dividends paid	(1,063,316)	(1,076,725)
Net cash used in financing activities	(538,177)	(803,405)
Net decrease in cash and cash equivalents	187,797	86,181
Cash and cash equivalents, beginning of the year	194,203	108,022
Cash and cash equivalents, end of the year	₩ 382,000	₩ 194,203

Item 2: Partial Amendment of the Articles of Incorporation

Agenda	Pre-amended Provision	Post-amended Provision	Purpose of Amendment
Article 2 (Business Purpose)	(1) To manufacture and sell all kinds of vehicles and component parts thereof	(1) To manufacture and sell all kinds of vehicles <u>and other means of transportation</u> and component parts thereof	To pursue various types of new future mobility business as outlined during Strategy 2025 Presentation in order to transform into a smart mobility solution provider
	<Newly Established>	<u>(31) To engage in charging business applicable to all types of vehicle including electrified vehicles, and all other related business</u>	To pursue new business, such as building charging stations for electrified vehicles
	(31) To operate all related business with above purposes	<u>(32) To operate all related business with above purposes</u>	
Addendum	<Newly Established>	<u>Addendum (2020.3.19) Article 1. (Effective Date) The amended articles of Incorporation shall become effective on the resolution date of the annual general meeting of shareholders for the 52nd fiscal year</u>	

Item 3: Appointment of Director(s)

● Item 3-1 : Appointment of an Independent Director

*Nominee (1 person)

Name	Date of birth	Major Career	Transaction with the Company
	Recommended by		
Choi, Eun Soo	July, 1954	· Legal advisor of DR & AJU Law Firm (current) · President of Daejeon High Court and Patent Court (former)	None
	IDCRC ¹		

● Item 3-2 : Appointment of an Internal Director

*Nominee (1 person)

Name	Date of birth	Major Career	Transaction with the Company
	Recommended by		
Kim, Sang Hyun	December, 1968	· CFO, Head of Finance & Accounting Division (current) · Head of Finance & Accounting Sub-Division (former)	Owns 135 common shares of the Company
	BOD ²		

Item 4: Appointment of Audit Committee Member(s)

*Nominee (1 person)

Name	Date of birth	Major Career	Transaction with the Company
	Recommended by		
Choi, Eun Soo	July, 1954	· Legal advisor of DR & AJU Law Firm (current) · President of Daejeon High Court and Patent Court (former)	None
	IDCRC ¹		

1. Independent Director Candidate Recommendation Committee
2. Board of Directors

Item 5: Approval of Ceiling Amount of Remuneration for Directors

Year	Number of BOD	Ceiling Amount
2020	11 persons	13.5 billion Korean Won