



2025 4Q Financial Results

February 4th, 2026

Hankook Tire & Technology

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The information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

- I. Financial Results
- II. Performance by Business Segment
 - 1) Tire Business
 - 2) Thermal Management Business
- III. 2026 Tire Business Outlook
- IV. Appendix



I. Consolidated Financial Results - Profit Summary



- Consolidated Revenue of KRW 21.2 trillion, Operating Profit of 1.84 trillion, OPM 8.7%
- Tire Business: Revenue of KRW 10.3 trillion, Operating Profit of 1.68 trillion, OPM 16.3%
- Thermal Management Business: Revenue of KRW 10.8 trillion, Operating Profit of 271.8 billion, OPM 2.5%

Financial Results

[Unit: 100 Million KRW]

	2025 4Q			FY 2025		
	Tire Business	Thermal Management Business	Total	Tire Business	Thermal Management Business	Total
Revenue	27,537	27,025	54,562	103,186	108,837	212,023
COGS	17,067 (62.0%)	24,229 (89.7%)	41,483 (76.0%)	66,449 (64.4%)	98,724 (90.7%)	165,359 (78.0%)
Operating Profit	4,850 (17.6%)	912 (3.4%)	5,483 (10.0%)	16,843 (16.3%)	2,718 (2.5%)	18,425 (8.7%)
Ordinary Profit	4,772 (17.3%)	-1,662 (-6.2%)	2,740 (5.0%)	15,932 (15.4%)	-1,181 (-1.1%)	14,557 (6.9%)
EBITDA	6,203 (22.5%)	2,877 (10.6%)	9,081 (16.6%)	22,115 (21.4%)	10,123 (9.3%)	32,238 (15.2%)

※ The Total(Consolidated) figures include partial adjustments for intercompany transactions.

※ PPA depreciation and amortization related to the acquisition of Hanon Systems has been recognized approximately 114.3 billion KRW in FY 2025

I. Consolidated Financial Results - Financial Status



- Following Hanon Systems' rights offering in 4Q 2025, the debt-to-equity ratio decreased significantly (102.2% in 3Q 2025 → 87.5% in 4Q 2025)
- Financial stability will be further strengthened through strong cash generation in the tire business and continued improvement in the thermal management business

Financial Overview

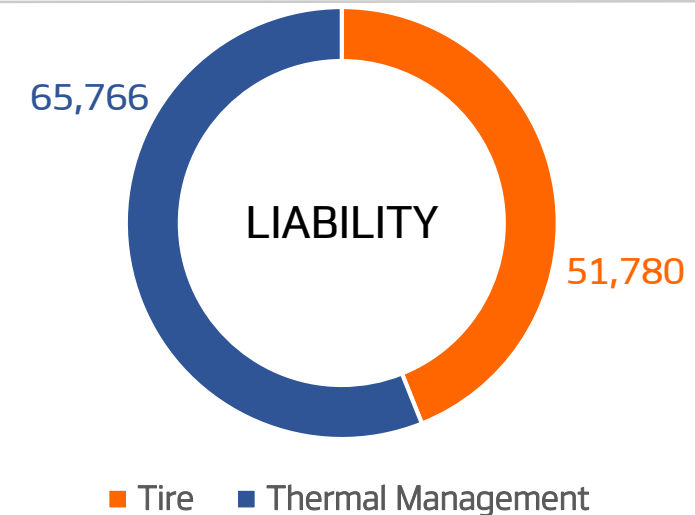
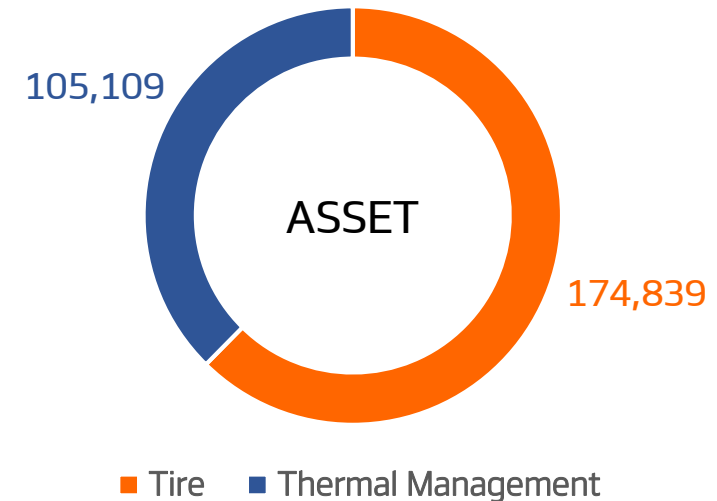
[Unit: 100 Million KRW]

	Tire Business	Thermal Management Business	Total
Assets	174,839	105,109	266,606
Current Assets	71,720	44,029	115,429
Cash, cash equivalents and other short term financial assets	19,155	9,364	28,519
Trade and other receivables	22,845	16,944	38,406
Inventories	25,006	14,047	39,053
Other current assets	4,714	3,673	9,451
Non-current Assets	103,119	61,080	151,177
Tangible, Intangible assets and Investment properties	65,558	5,665	13,196
Other non-current assets	37,561	4,673	11,250
Liabilities	51,780	65,766	124,416
Current Liabilities	28,234	39,464	67,367
Non-Current Liabilities	23,546	26,302	57,050
Shareholder's Equity	123,059	39,343	142,189
Liability Ratio	42.1%	167.2%	87.5%

※ The Total(Consolidated) figures include partial adjustments for intercompany transactions.

Financial Position

[Unit: 100 Million KRW]



II. Performance by business Segment

1) Tire business FY 2025



Market Environment

- The global OE market grew mainly in China, supported by government subsidies and solid exports, while other regions were affected by tariff uncertainty and weakened consumer purchasing power due to inflation.
- The global RE market showed varying demand trends depending on regional economic and political conditions, but overall demand remained stable.

Financial Highlights

- Revenue of KRW 10,318.6 billion, operating profit of KRW 1,684.3 billion, OPM 16.3%.
- OE sales volume increased YoY, supported by strong performance in Europe and China.
- RE sales volume increased YoY, driven by solid performance in Europe, Korea, and other regions.
- Maintained a strong profitability structure driven by improved product mix, price increases, favorable forex, and a stable cost environment

[Unit: 100 Million KRW]

	FY 2023	FY 2024	FY 2025	YoY
Revenue	89,396	94,119	103,186	+9.6%
COGS	60,436 (67.6%)	59,439 (63.2%)	66,449 (64.4%)	+11.8%
Operating Profit	13,279 (14.9%)	17,623 (18.7%)	16,843 (16.3%)	-4.4%
Ordinary Profit	11,713 (13.1%)	15,738 (16.7%)	15,932 (15.4%)	+1.2%
EBITDA	18,337 (20.5%)	22,773 (24.2%)	22,115 (21.4%)	-2.9%

II. Performance by business Segment

1) Tire business 2025 4Q



Financial Highlights

- Revenue of KRW 2,753.7 billion, operating profit of KRW 485.0 billion, and an operating margin of 17.6%, marking the highest quarterly revenue on record.
- Sales volume declined slightly; however, revenue increased 8.8% YoY, driven by price increases, improved product mix, and favorable forex.
- Despite a high base in '24 4Q due to antidumping duty refunds, strong profitability was achieved through lower raw materials and logistics costs, and an improved product mix.

Sales Performance

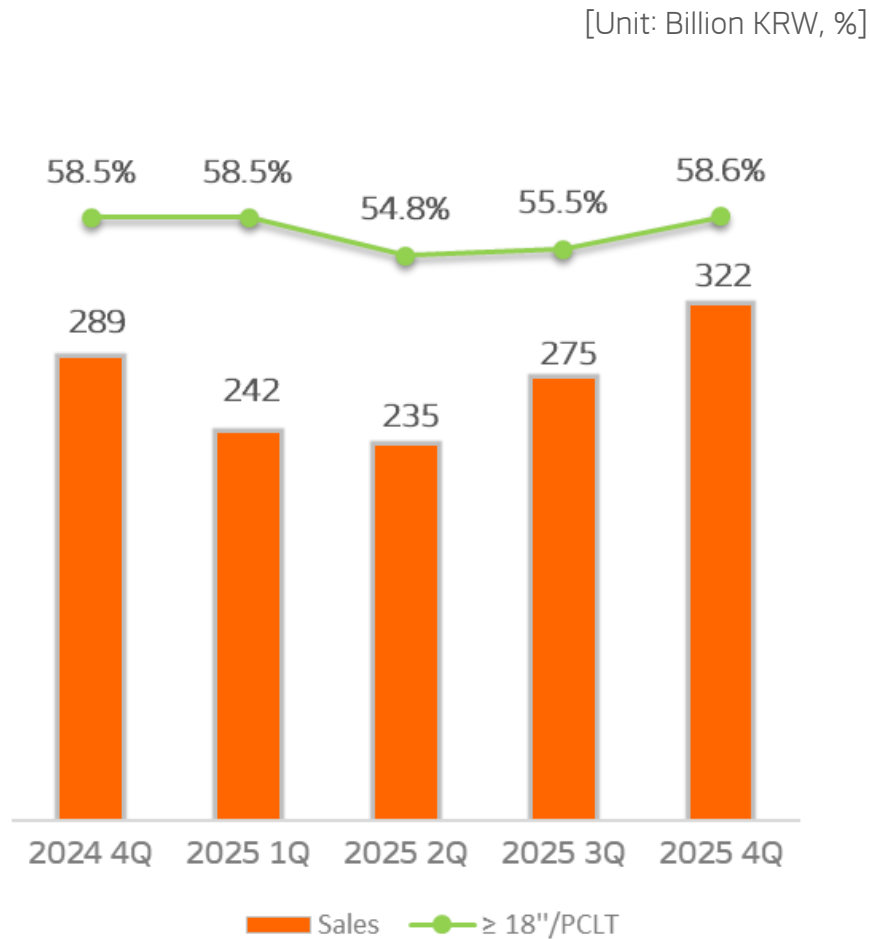
- The global OE market continued to grow in China, supported by the subsidy programs, and the Company recorded improved OE sales YoY, mainly in China and Europe.
- The global RE market continued to show regional demand divergence, while the Company achieved YoY growth in RE sales across Korea, China, North America, and other markets.
- Sales ratio of ≥18-inch tires within PCLT reached 49.2%, up 1.3%p YoY in 4Q 2025
- EV sales ratio of PCLT OE reached 32% up 9%p YoY in 4Q 2025

[Unit: 100 Million KRW]

	24. 4Q	25. 3Q	25. 4Q	YoY	QoQ
Revenue	25,315	27,070	27,537	+8.8%	+1.7%
COGS	15,848 (62.6%)	16,979 (62.7%)	17,067 (62.0%)	+7.7%	+0.5%
Operating Profit	4,733 (18.7%)	5,192 (19.2%)	4,850 (17.6%)	+2.5%	-6.6%
Ordinary Profit	2,035 (8.0%)	4,932 (18.2%)	4,772 (17.3%)	+134.5%	-3.3%
EBITDA	6,072 (24.0%)	6,410 (23.7%)	6,203 (22.5%)	+2.2%	-3.2%

1) Tire Business - Performance by region (Korea)

KOREA



Market Environment

- RE : Stable demand was maintained, supported by recovering consumer sentiment and peak seasonal tire demand.
- OE : New vehicle sales declined year-on-year.

Sales Performance

- RE : Sales volume outperformed market demand.
- OE : Sales volume declined due to weak new vehicle sales.

Forward-Looking Strategy

- Strengthened competitiveness through expanded sales of high value-added products and the development of competitive products.
- Continued reinforcement of the distribution downstream through new channel expansion

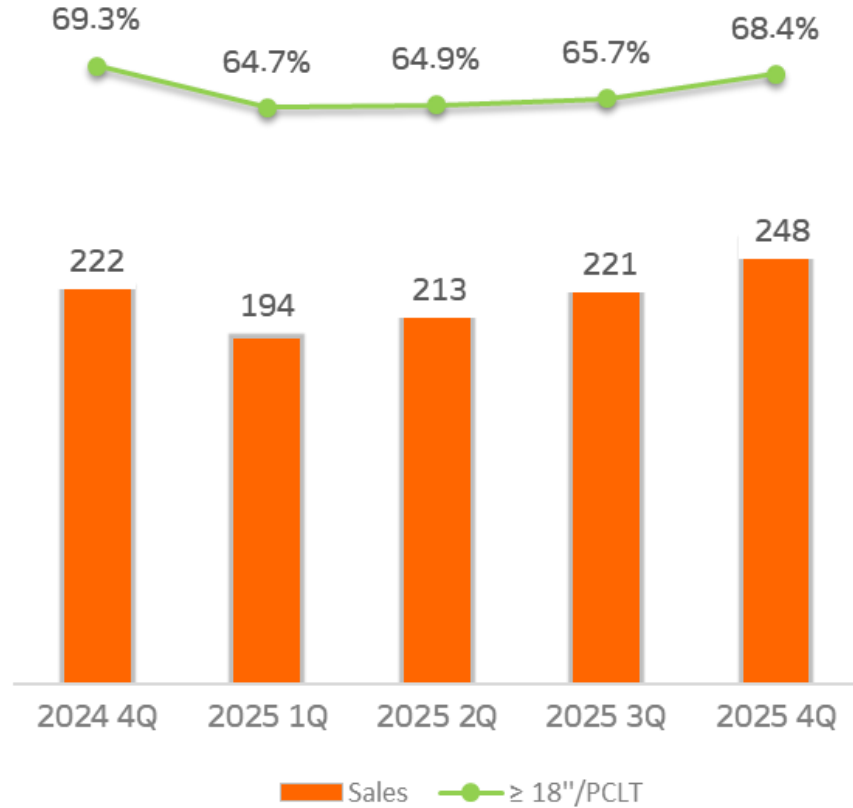
II. Performance by Business Segment

1) Tire Business - Performance by region (China)



CHINA

[Unit: Billion KRW, %]



Market Environment

- RE : Despite weakness in domestic demand, demand recovered slightly due to a low base in the prior year.
- OE : Growth was driven by NEVs (New Energy Vehicles), supported by government subsidies and solid exports

Sales Performance

- RE : Sales volume increased as the share of O2O (Online-to-Offline) sales gradually expanded
- OE : Supply expanded, mainly to major EV brands

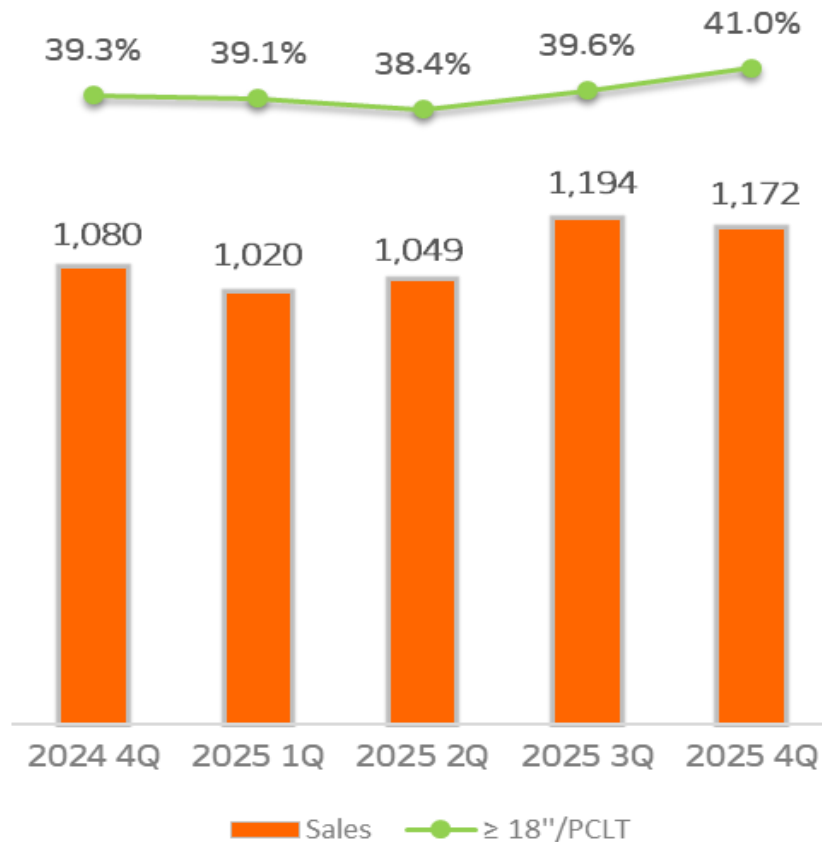
Forward-Looking Strategy

- Strengthened O2O channel coverage by supplying online-exclusive products focused on high inch tires
- Expanded distribution of EV-exclusive iON tires to target the EV market

1) Tire Business - Performance by region (Europe)

EUROPE

[Unit: Billion KRW, %]



Market Environment

- RE : Sales volume softened slightly as the peak season effect for winter tires faded.
- OE : New vehicle sales increased as easing inflation improved consumer purchasing power

Sales Performance

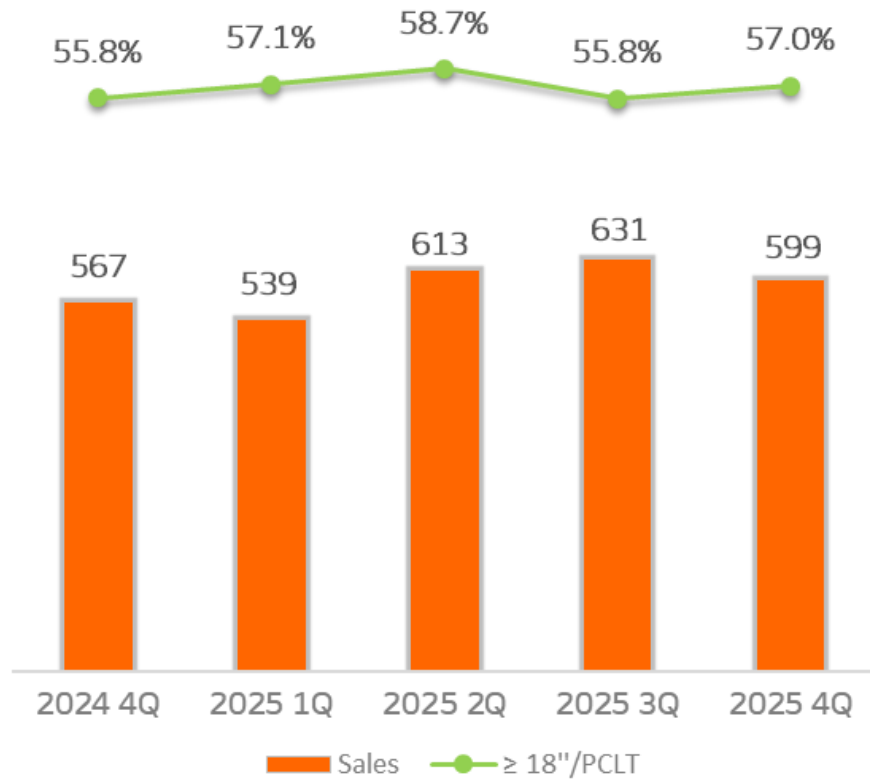
- RE : Sales volume declined due to a high base in the prior year; however, revenue increased YoY, supported by an improved P-mix and favorable Forex
- OE : Revenue increased YoY, driven by an expanded lineup of supplied vehicle models and higher new vehicle sales.

Forward-Looking Strategy

- Sales softened following the end of the winter peak season, but are recovering due to heavy snowfall and cold waves in certain regions
- In line with continued demand in the all-weather segment, the Company plans to strengthen product competitiveness and marketing efforts

NORTH AMERICA

[Unit: Billion KRW, %]



Market Environment

- RE : Overall demand softened amid an uncertain external environment, including tariff
- OE : EV sales declined following the expiration of EV subsidies (end-September 2025)

Sales Performance

- RE : Sales volume and revenue improved YoY, driven by strong sales in Canada.
- OE : Sales volume declined YoY due to weaker new vehicle sales conditions.

Forward-Looking Strategy

- The expansion of the Tennessee plant is progressing as planned (initial PCLT production scheduled for December 2025).
- Plans to strengthen sales of high-inch tires and focus on strategic products, while enhancing marketing efforts in line with the expansion schedule.

Daejeon Plant Obtains “ISCC PLUS”



- Daejeon plant obtained the global sustainable materials certification ISCC PLUS, marking its third achievement following the Geumsan and the Hungary Plants
- By expanding sustainable material-based production systems across key global manufacturing sites, the Company's ESG management efforts have been recognized.
- The Company supplies iON evo tires featuring the ISCC PLUS certification logo as original equipment for the Porsche Taycan
- Starting from the 2025 WRC season, the Company will supply racing tires developed with up to 31% sustainable materials, including ISCC PLUS-certified materials

Achieved the Highest Rating in the CDP



- Received the highest A rating in the Climate Change category from the Carbon Disclosure Project (CDP) for the second consecutive year.
- Demonstrated strong climate change management capabilities across all evaluation criteria, including climate governance, greenhouse gas reduction targets and performance, and transparency of disclosures.
- In particular, the Company received high recognition for its systematic and advanced greenhouse gas reduction efforts across the entire value chain—from raw material sourcing and tire manufacturing to transportation, use, disposal, and reuse.

II. Performance by business Segment

1) Thermal Management Business



- Revenue increased by 8.9% YoY, driven by increased sales volume, tariff recovery from customers, and favorable FX impact
- OPM recorded 2.5%, supported by disciplined cost management, despite changes in R&D capitalization scope
- 4Q xEV revenue ratio reached 27% with FY2025 at 28%; expecting 2026 xEV revenue growth by European customers and HEV sales

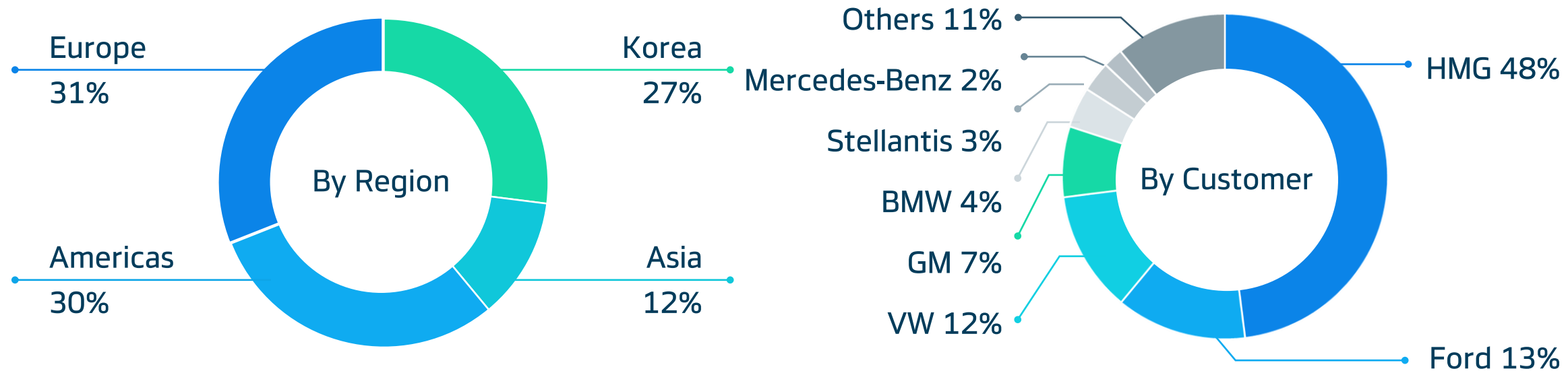
Financial Results

[Unit: 100 Million KRW]

	2024 4Q	2025 3Q	2025 4Q	YoY	QoQ	FY 2024	FY 2025	YoY
Revenue	25,356	27,057	27,025	+6.6%	-0.1%	99,987	108,837	+8.9%
COGS	24,282 (95.8%)	24,180 (89.4%)	24,229 (89.7%)	-0.2%	+0.2%	91,865 (91.9%)	98,724 (90.7%)	+7.5%
Operating Profit	-1,376 (-5.4%)	953 (3.5%)	912 (3.4%)	Turned profitable	-4.3%	955 (1.0%)	2,718 (2.5%)	+184.5%
Ordinary Profit	-3,112 (-12.3%)	911 (3.4%)	-1,662 (-6.2%)	Continued losses	Turned to a loss	-3,297 (-3.3%)	-1,181 (-1.1%)	Continued losses
EBITDA	344 (1.4%)	2,827 (10.4%)	2,877 (10.6%)	+736.3%	+1.8%	7,467 (7.5%)	10,123 (9.3%)	+35.6%

II. Performance by business Segment

1) Thermal Management Business

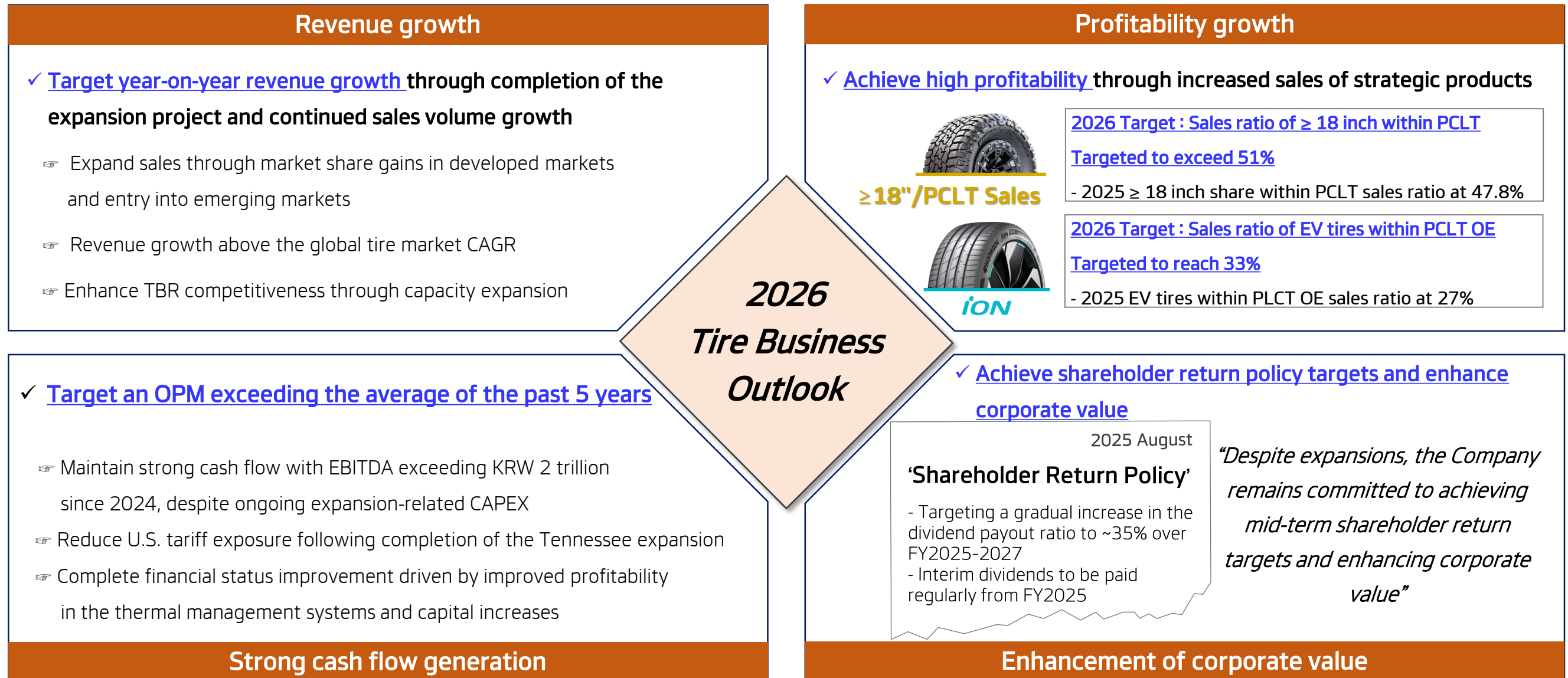


Comments

- Performance by region: Increase in Americas (+8%), Europe (+7%), and Decrease in China (-6%)
- Performance by customer: Increase in Mercedes-Benz (+35%), VW (+28%), BMW (+18%), GM (+16%), Stellantis (+10%), Ford (+6%), HMG(+5%)
- Revenue Growth driven by Favorable FX, Increased Sales Volume and Recovery Performance
- In 2026, Lower COGS Expected due to Continued Cost Reductions and Operational Efficiency
- SG&A Cost Discipline Drives Profit Structure Enhancement Despite R&D Expense Increase
- Drive 2026 Growth and Advance Profit Structure via Life Cycle Extension
- Strategic CapEx/R&D Efficiency Achieved; Drive Profitability via Cost Optimization in 2026
- Enhance Financial Stability via Capital Expansion; Accelerate Free Cash Flow Growth Cycle

III. 2026 Tire Business Outlook

- Tire business aims to continue qualitative growth focused on profitability beyond volume growth
- Despite changes in the trade environment, the Company plans to maintain strong cash generation by completing the Tennessee and Hungary expansions as scheduled and improving subsidiary profitability.





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The company aims to allocate capital across strategic growth, shareholder returns, and financial resilience, while building trust through a transparent and predictable dividend policy.

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Targeting ~35% Dividend Payout Ratio Over the Mid-Term

- Targeting a gradual increase in the dividend payout ratio to ~35% over FY2025-2027
- Payout to be based on adjusted net income, excluding non-recurring items from the Tire Business
- Capex to be concentrated in 2025 due to ongoing expansions in U.S. and Hungary; investments expected to unlock future growth and support payout expansion over time

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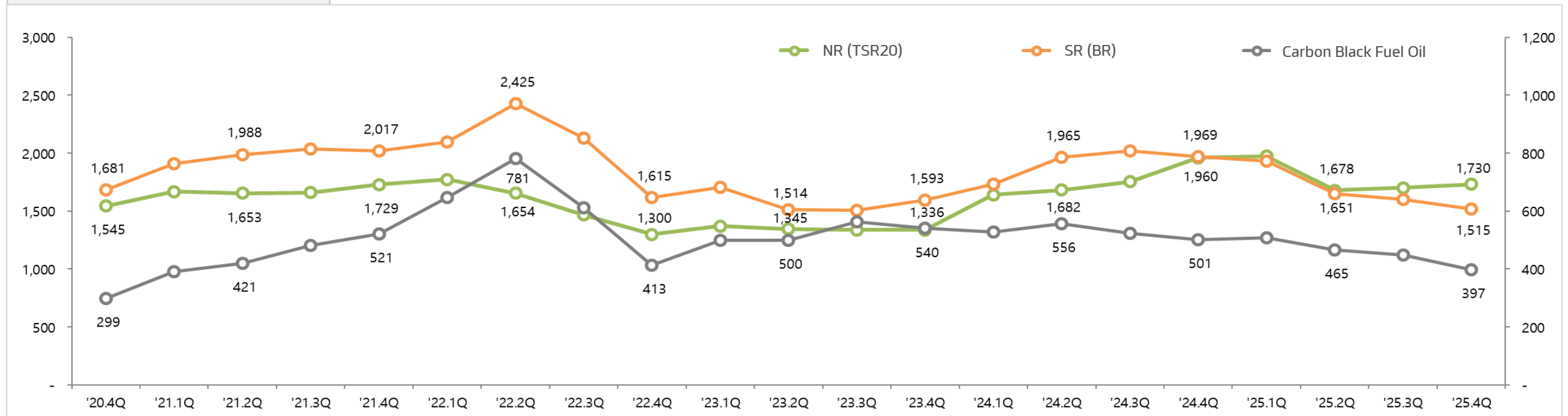
Interim Dividend Payment

- Following shareholder approval at the 13th AGM, Articles of Incorporation were amended to allow interim dividends by board resolution
- Interim dividends to be paid regularly from FY2025 to provide stable cash returns to shareholders

IV. Appendix - Raw Material Price Trend

- N/R : TSR20 prices were strong at around \$1,900 in 1Q25, fell sharply to the \$1,600 range in 2Q25 amid global trade uncertainty, and trended upward in 2H25 due to weather-related supply disruptions and rising geopolitical tensions in Southeast Asia. In 1Q26, prices are expected to edge up modestly on continued supply instability from adverse weather
- S/R : Prices continued to decline in 4Q25 amid oversupply from new capacity additions and year-end inventory adjustments. In 1H 26, inventory restocking demand around Lunar New Year and maintenance season is expected to ease oversupply, supporting a gradual price recovery.
- C/B : Prices declined in 4Q25 due to seasonal weakness and inventory buildup from non-OPEC supply recovery. In 1Q26, prices are expected to rise modestly as OPEC+ pauses production increases and Middle East geopolitical risks partially alleviate oversupply.

Raw Material Price Trend



Note 1) TSR20 : SICOM Price (Natural Rubber)

Note 2) BR(Butadiene Rubber) : ICIS CFR NE/SE Asia Average Price

Note 3) Carbon Black Fuel Oil: Index Price of refined Oil

IV. Appendix - Consolidated B/S



[100 Million KRW]

2025 4Q	Tire Business		Thermal Mgmt Business		Total	
	Amt	%	Amt	%	Amt	%
Assets	174,839	100.0%	105,109	100.0%	266,606	100.0%
Current Assets	71,720	41.0%	44,029	41.9%	115,429	43.3%
Cash and cash equivalents	16,783	9.6%	9,239	8.8%	26,022	9.8%
Short term financial assets	2,372	1.4%	125	0.1%	2,497	0.9%
Trade and other receivables	22,845	13.1%	16,944	16.1%	38,406	14.4%
Inventories	25,006	14.3%	14,047	13.4%	39,053	14.6%
Other current assets	4,714	2.7%	3,673	3.5%	9,451	3.5%
Non-current Assets	103,119	59.0%	61,080	58.1%	151,177	56.7%
Tangible, Intangible assets and Investment properties	65,558	37.5%	55,415	52.7%	137,981	51.8%
Investments in associates	954	0.5%	992	0.9%	1,946	0.7%
Other non-current assets	36,607	20.9%	4,673	4.4%	11,250	4.2%
Liabilities	51,780	29.6%	65,766	62.6%	124,416	46.7%
Current Liabilities	28,234	16.1%	39,464	37.5%	67,367	25.3%
Non-Current Liabilities	23,546	13.5%	26,302	25.0%	57,050	21.4%
Shareholder's Equity	123,059	70.4%	39,343	37.4%	142,189	53.3%
Debt	25,736		38,645		64,173	
Net Debt	4,753		29,280		33,825	
Liability Ratio		42.1%		167.2%		87.5%
Net Worth to Assets		70.4%		37.4%		53.3%
Net debt Ratio		3.9%		74.4%		23.8%

※ The Total(Consolidated) figures include partial adjustments for intercompany transactions.

IV. Appendix - 2025 4Q Consolidated P/L



[100 Million KRW]

2025 4Q	Tire Business		Thermal Mgmt Business		Total	
	Amt	%	Amt	%	Amt	%
Revenue	27,537	100.0%	27,025	100.0%	54,562	100.0%
COGS	17,067	62.0%	24,229	89.7%	41,483	76.0%
Gross Profit	10,470	38.0%	2,796	10.3%	13,079	24.0%
SG&A	5,620	20.4%	1,884	7.0%	7,596	13.9%
Operating Profit	4,850	17.6%	912	3.4%	5,483	10.0%
Other non-operating income/expense	131	0.5%	-2,232	-8.3%	-2,201	-4.0%
Financial income/cost	-204	-0.7%	-382	-1.4%	-576	-1.1%
Equity-method gain(loss)	-6	0.0%	40	0.1%	34	0.1%
Income before income tax	4,772	17.3%	-1,662	-6.2%	2,740	5.0%
E B I T D A	6,203	22.5%	2,877	10.6%	9,081	16.6%
Depreciation	1,353	4.9%	1,965	7.3%	3,598	6.6%

※ The Total(Consolidated) figures include partial adjustments for intercompany transactions.

※ Approximately KRW 28.1 billion in PPA-related depreciation and amortization was recognized in 2025 4Q following the acquisition of Hanon Systems.

IV. Appendix - FY 2025 Consolidated P/L



[100 Million KRW]

FY 2025	Tire Business		Thermal Mgmt Business		Total	
	Amt	%	Amt	%	Amt	%
Revenue	103,186	100.0%	108,837	100.0%	212,023	100.0%
COGS	66,449	64.4%	98,724	90.7%	165,359	78.0%
Gross Profit	36,737	35.6%	10,113	9.3%	46,664	22.0%
SG&A	19,894	19.3%	7,395	6.8%	28,239	13.3%
Operating Profit	16,843	16.3%	2,718	2.5%	18,425	8.7%
Other non-operating income/expense	-636	-0.6%	-2,875	-2.6%	-2,809	-1.3%
Financial income/cost	-931	-0.9%	-1,130	-1.0%	-1,820	-0.9%
Equity-method gain(loss)	656	0.6%	105	0.1%	761	0.4%
Income before income tax	15,932	15.4%	-1,181	-1.1%	14,557	6.9%
E B I T D A	22,115	21.4%	10,123	9.3%	32,238	15.2%
Depreciation	5,272	5.1%	7,405	6.8%	13,813	6.5%

※ The Total(Consolidated) figures include partial adjustments for intercompany transactions.

※ Approximately KRW 114.3 billion in PPA-related depreciation and amortization was recognized in 2025 following the acquisition of Hanon Systems.