KUMHO TIRE

3Q 2025 Earnings Release

Disclaimer

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The business results and financial performance presented herein are provided solely for the convenience of investors and reflect preliminary figures of Kumho Tire Co., Inc. (the “Company”) and its subsidiaries, prior to the completion of the external auditors’ review. Please note that certain details may be subject to change upon the finalization of the audit.

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Contents

1 3Q 2025 Highlights

Sales: KRW 3.54 tn

- **Sustained Growth Driven by N. America, Europe, and China**
  - N. America: KRW 1,217 bn (YoY +19.9%)
  - Europe: KRW 959.9 bn (YoY +9.3%)
  - China: KRW 250.2 bn (YoY +2.1%)

Operating Profit: KRW 430.2 bn

- **≥18" Product Mix: 43.3%**
  - Enhanced portfolio through premium line launches, including the *ECSTA Sport Series*
- **EV Tire Supply Ratio: 22.0%**
  - Continued increase in EV share within global PCR/LTR OE supply

Launch of Premium Line and Expansion of OE Supply

- **Development & Launch of new large-diameter products**
  - Road Venture RT
  - ECSTA Sport Series
- **OE Supply for Large SUVs and Next-Gen Vehicles**
  - Kia pickup truck, *Tasman*
  - Kia's dedicated PBV model, *PV5*

3Q 2025 Financial Results

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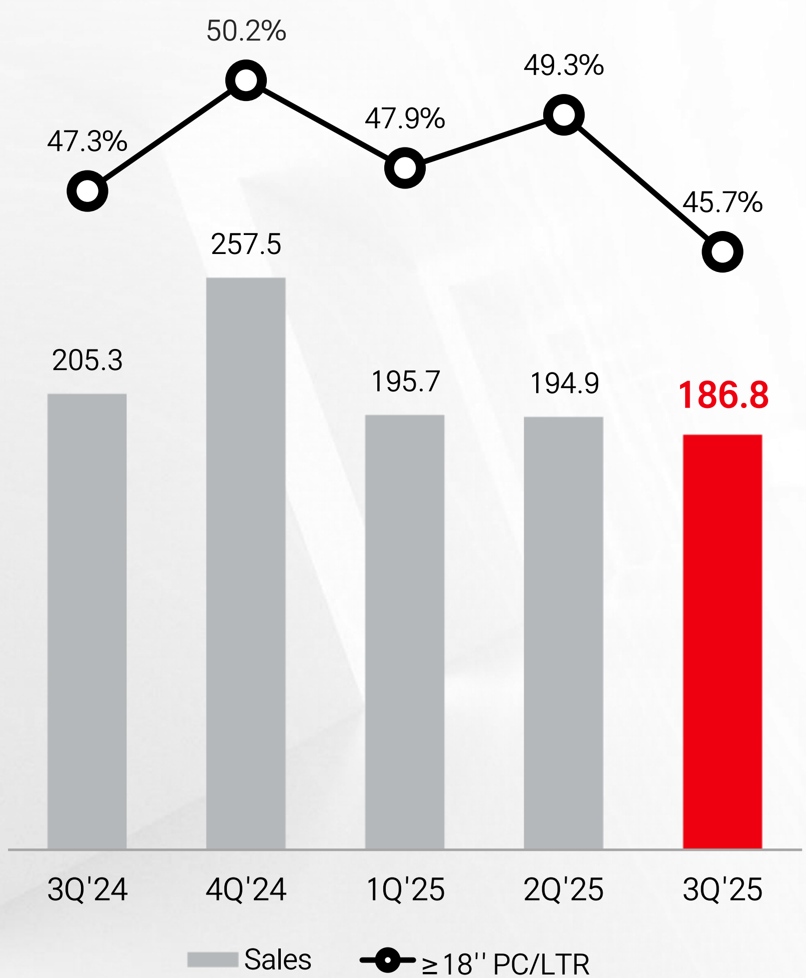
- 3Q sales recorded KRW 1,113.7 bn, driven by growth in key OE markets and North America RE segments, along with higher sales of high-value products
- Strong OP (KRW 108.5 bn) and OPM (9.7%), thanks to increased sales of high-value products, such as premium and large-diameter tires
- Sustained OE Growth, supported by new model supplies (Kia *Tasman* and *PV5*, VW *Tiguan*, etc.) and expanded size specifications

Sales & Earnings (KRW bn)

	2024					2025				QoQ	YoY
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total		
Sales	1,044.5	1,131.9	1,115.0	1,240.7	4,532.2	1,206.2	1,221.3	1,113.7	3,541.2	-8.8%	-0.1%
COGS	726.0	785.9	789.0	849.0	3,149.9	854.4	825.3	791.6	2,471.3	-4.1%	0.3%
OP	145.6	151.5	140.2	151.2	588.6	146.6	175.2	108.5	430.2	-38.1%	-22.6%
Margin (%)	*13.9%*	*13.4%*	*12.6%*	*12.2%*	*13.0%*	*12.1%*	*14.3%*	*9.7%*	*12.1%*		
Income BT	105.6	119.2	108.5	99.9	433.3	132.3	0.2	102.0	234.6	41,611.8%	-6.0%
Margin (%)	*10.1%*	*10.5%*	*9.7%*	*8.1%*	*9.6%*	*11.0%*	*0.02%*	*9.2%*	*6.6%*		
EBITDA	216.8	223.9	205.5	218.4	849.1	216.0	239.4	172.9	628.3	-27.8%	-15.9%
Margin (%)	*20.8%*	*19.8%*	*18.4%*	*17.6%*	*18.7%*	*17.9%*	*19.6%*	*15.5%*	*17.7%*		

Financial Results | Sales by Region

Korea (KRW bn)



Market

Record-high EV Sales and Continued Growth in Demand for Eco-friendly Vehicles

- 3Q new car sales: 1.24 mn units (YoY +5.2%, vs. 1.18 mn units in 3Q '24)
- Tire market: PC +0.7%, LT -6.2%, TB +3.7% (YTD Aug.)

OE

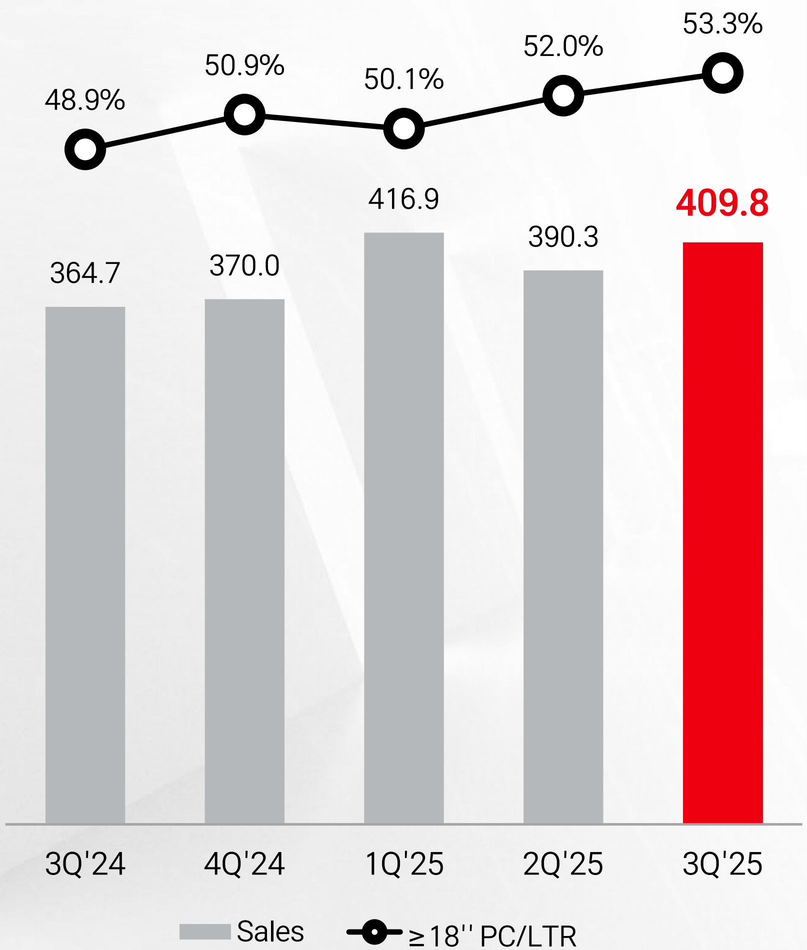
- EV recovery lags (Kia *EV6*, Hyundai *Kona EV*, etc.); hybrid & large ICE demand picking up

RE

- Profit-driven sales management focused on high-margin products
- Strengthening the sales infrastructure to increase winter tire sales and ensure consistent quantitative growth

2 Financial Results | Sales by Region

North America (KRW bn)



Market

EV Sales Growth and Rising Share of NA Car Markets

- 3Q new car sales: 13.89 mn units (YoY +2.7%, vs. 13.52 mn units in 3Q'24)
- Tire market: OE -3%, RE -1% (YTD Sep.)

OE

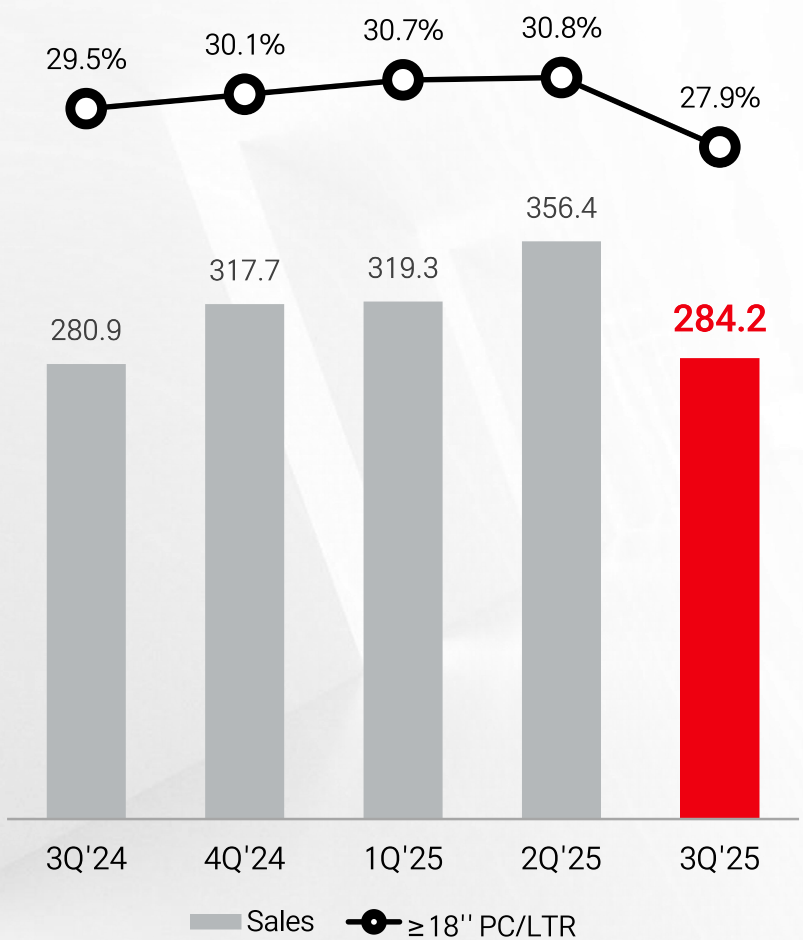
- Profitability gains through expanded supply to N. America's Big 3
  - Targeting greater sourcing for large sedans, SUVs, and strategic models (EV/Performance)

RE

- Enhanced SOW with major accounts and strengthened project-based sales
- Driving both quantitative and qualitative growth through new product launches and reinforced marketing activities

Financial Results | Sales by Region

Europe (KRW bn)



Market

Rising Share of Chinese Brands and Strong EV Demand

- 3Q new car sales 12.77 mn units (YoY -2.9%, vs. 13.15 mn units in 3Q'24)
- Tire market: OE -6%, RE +4% (YTD Sep.)

OE

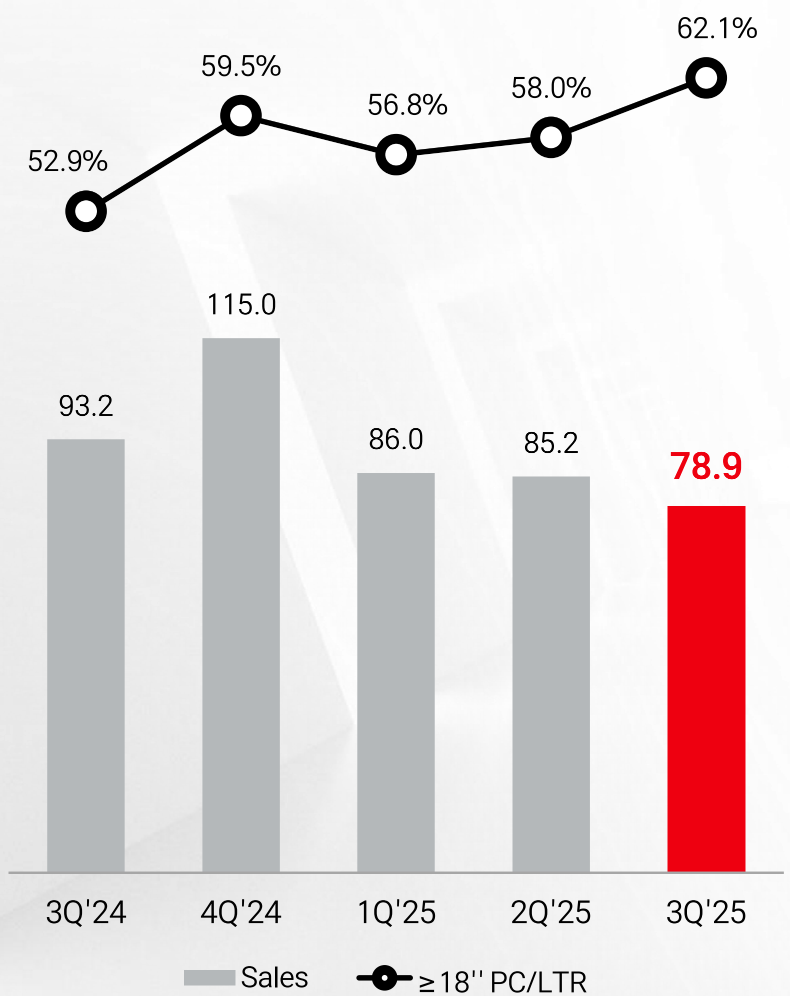
- Expanding supply to overseas carmakers (Mercedes-Benz, VW, SEAT, SKODA, etc.)
- QoQ sales decline due to production plan adjustments by carmakers and the Gwangju plant fire

RE

- Maximizing seasonal product orders in Europe
- Expanding dealer network through enhanced strategic distribution support

2 Financial Results | Sales by Region

China (KRW bn)



Market

Slower Domestic Market Growth amid Eased Price Competition and Product Adjustments

- 3Q new care sales : 19.56 mn units (YoY 8.4%, vs. 18.05 mn units in 3Q'24)
- Tire market : OE +9%, RE +1% (YTD, Sep.)

OE

- Expanded supply for new projects (FAW-VW's *Sagitar A8*, SAIC's *EP39*)
- Increased share of high-margin high-value product (HVP) supply (BYD, FAW-VW, Geely)

RE

- Expanding dealer sales share and developing strategies to grow the distribution network
- Enhancing profitability through new large-diameter product launches

3 2025 Business Outlook

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Sales Target: KRW 5 tn

- 2024 Sales: KRW 4.5 tn → 2025 Sales Target: KRW 5.0 tn
- YTD 3Q Sales: KRW 3,541.2 bn → achieved 70.8% of 2025 target (KRW 5 tn)

Target Sales Ratio of ≥18” Products in PCLT: 46%

- ≥18” sales mix in PCLT: 38.1% in ‘23 → 41.8% in ’24 → target 46% in ‘25
- 3Q sales mix of large-diameter (≥18”) products: 43.3%
- Enhanced premium large-diameter product portfolio with Road Venture RT, ECSTA Sport series etc.

EV Tire Supply Target Ratio: 26%

- EV share in PCLT OE supply: 9.8% in ‘23 → 16.3% in ‘24 → target 26% in ‘25
- 3Q EV share: 22.0% → 14 additional EV-dedicated tire models added vs. 2024

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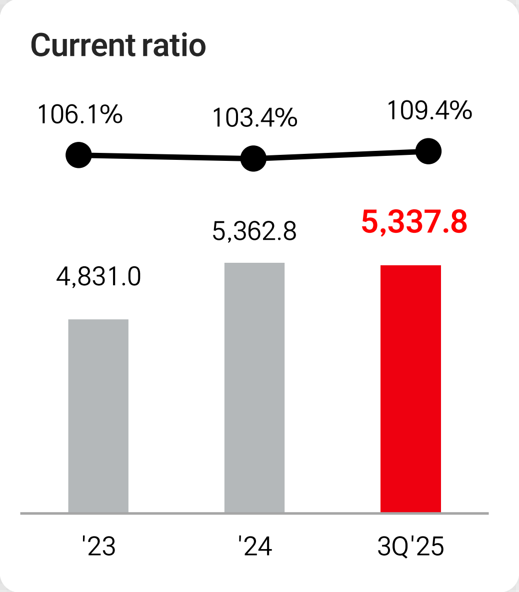
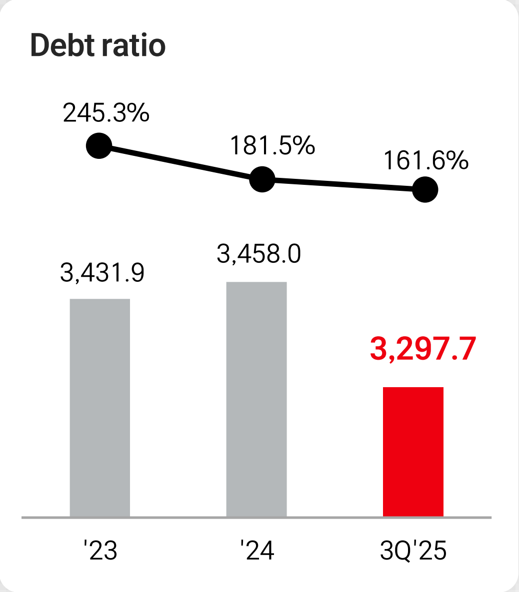
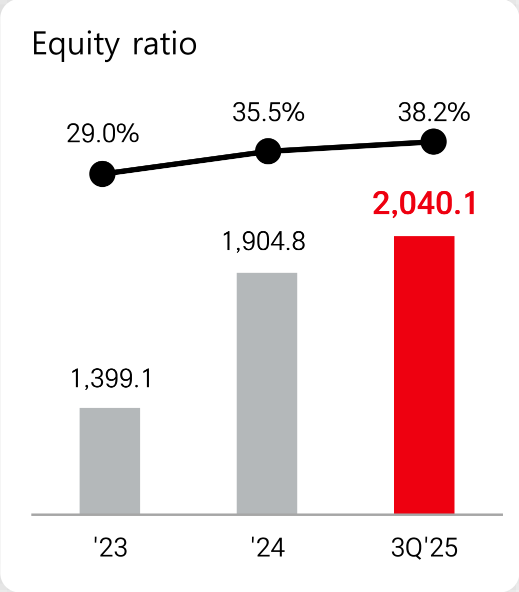
Assets (KRW bn)



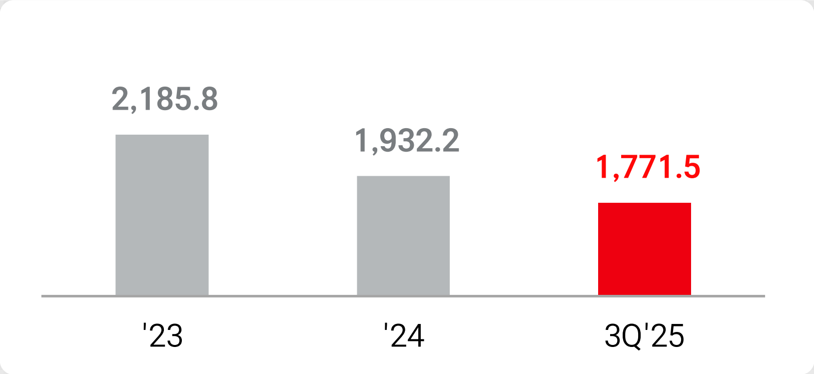
Liabilities (KRW bn)



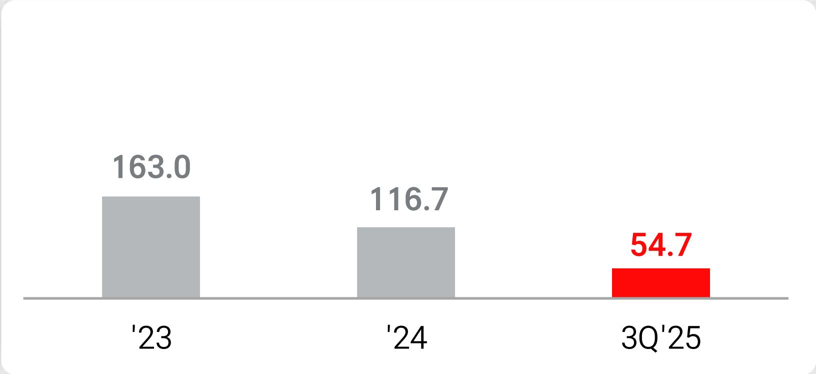
Equity (KRW bn)



Interest-Bearing Debt (KRW bn)



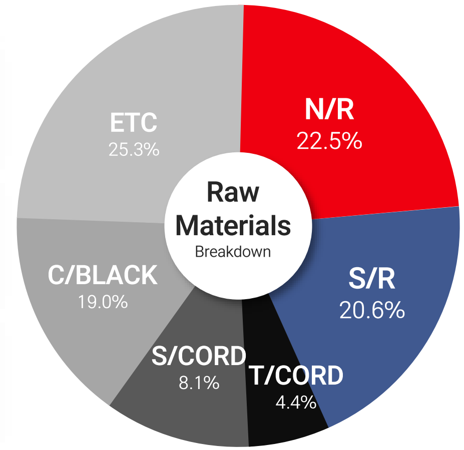
Net Interest Expenses (KRW bn)



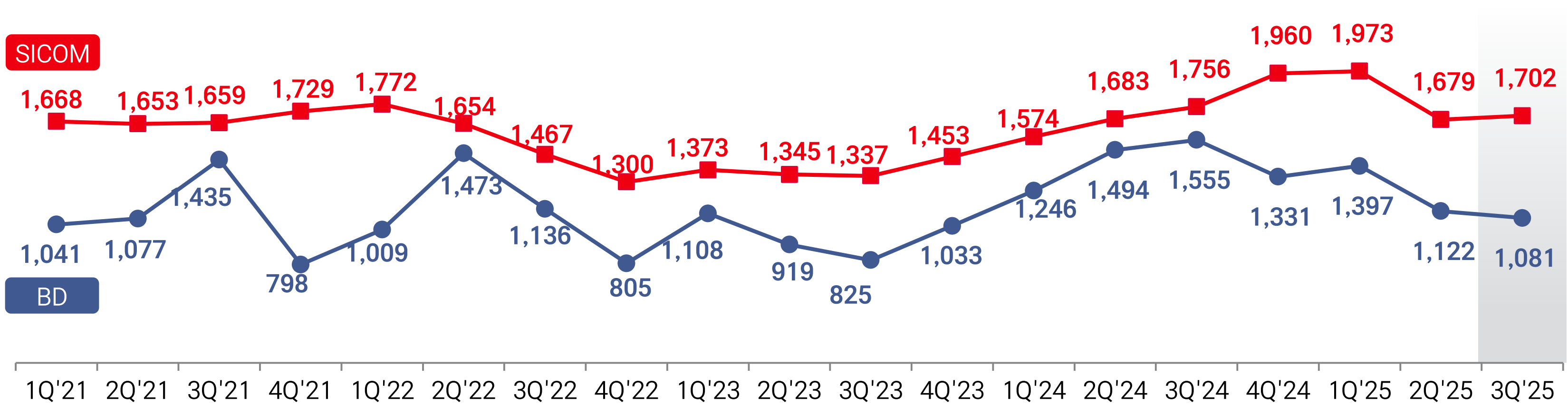
5 Appendix | Raw Materials Prices

Raw Materials Trends

Natural Rubber	SICOM prices ↑ to $1,702/ton (3Q'25) on optimism over U.S.-China trade negotiations and supply concerns from heavy rainfall in Thailand
Synthetic Rubber	BD price stable at $1,081/ton (3Q'25), reflecting a wait-and-see market stance amid a wide bid-ask spread and expected supply increase from new BD capacity additions in China (4Q)
Carbon Black	Price ↓ in line with lower oil prices, on expectations of an end to the Russia-Ukraine war, potential OPEC+ output increases, and weaker global demand amid slower U.S. employment



Raw Materials Price Trends (USD/ton)



※ Natural rubber = SICOM; Synthetic rubber = BD (Butadiene)

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Global SCM Logistics and Business Freight Costs

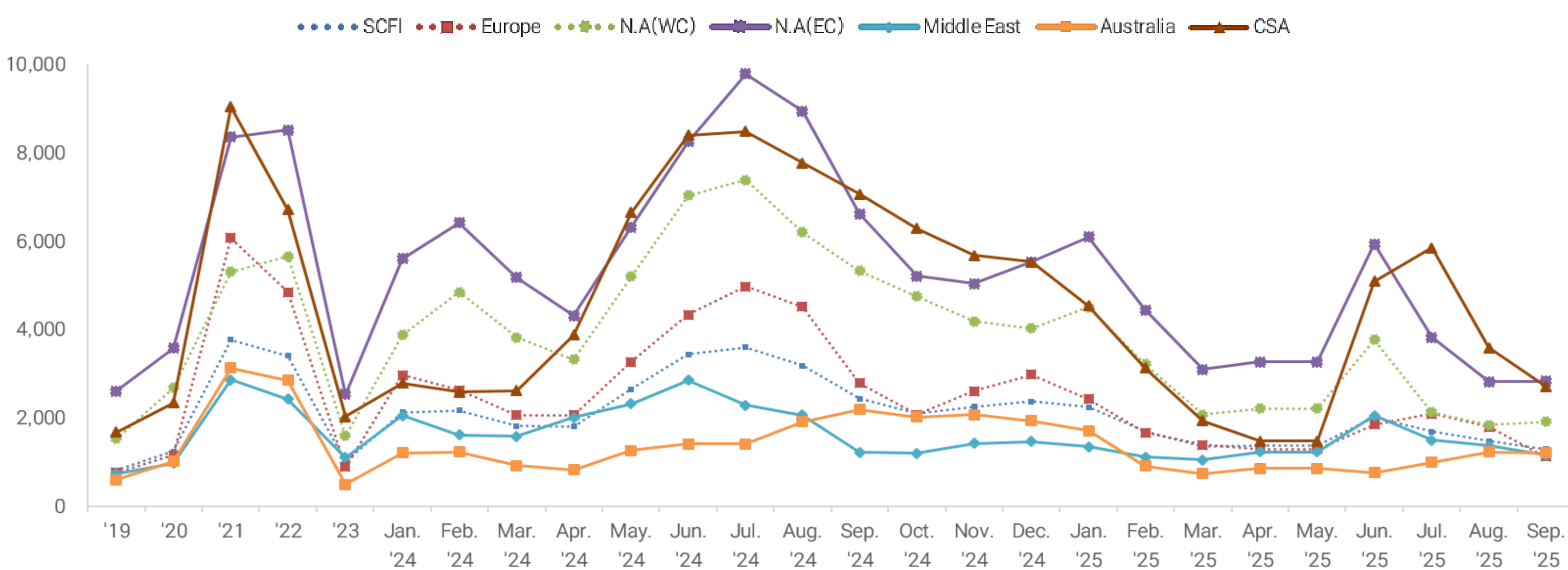
Global/Domestic Logistics Market

- Mixed regional trends expected amid ongoing U.S.-China trade tensions and rising likelihood of stabilization in the Red Sea region
- Slightly weak overall trend projected as the seasonal peak ends and supply-side advantage persists

Business Freight Costs in 3Q '25

- Standard costs based on 3Q '25 prices: significantly lower YoY and slightly lower QoQ
- Continued monitoring of volatile regional markets and sustained cost-reduction initiatives by segment

SCFI(Shanghai Containerized Freight Index) (Unit: $)



5 Appendix | Consolidated B/S

(KRW bn)

	2023	2024	3Q 2025
Current assets	2,002.2	2,335.0	2,480.0
Non-current assets	2,828.8	3,027.8	2,857.9
Total Assets	4,831.0	5,362.8	5,337.8
Current liabilities	1,886.3	2,258.0	2,266.5
Non-current liabilities	1,545.6	1,200.0	1,031.2
Total Liabilities	3,431.9	3,458.0	3,297.7
Capital stock	1,436.3	1,436.3	1,436.3
Capital surplus	225.0	225.0	225.0
Other components of equity	-19.5	-19.5	-19.5
Accumulated other comprehensive income (AOCI)	99.0	265.8	211.9
Retained earnings (accumulated deficits)	-476.4	-187.0	-10.5
Non-controlling interests	134.7	184.3	196.9
Total Equity	1,399.1	1,904.8	2,040.1
Total Liability and Equity	4,831.0	5,362.8	5,337.8

5 Appendix | Consolidated I/S

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(KRW bn)

	2023	2024	3Q 2025
Sales	4,041.4	4,532.2	3,541.2
COGS	2,931.3	3,149.9	2,471.3
Gross profit	1,110.1	1,382.2	1,069.9
SG&A	699.1	793.7	639.7
Operating profit	411.0	588.6	430.2
Non-operating income (loss)	-183.9	-155.3	-195.7
Pre-tax profit (loss)	227.1	433.3	234.6
Corporate tax benefit (expense)	-55.3	-81.7	-34.5
Net profit (loss)	171.8	351.6	200.1