



2026 1Q Financial Results

May 8th, 2026

Hankook Tire & Technology


The financial information contained herein has been prepared on a consolidated basis in accordance with Korean International Financial Reporting Standards (“K-IFRS”).

The business performance and financial results included in this material have been prepared for the convenience of investors prior to the completion of the external auditor’s review of Hankook Tire & Technology Co., Ltd. (the “Company”) and its subsidiaries. Accordingly, certain contents may be subject to change during the accounting review process.

Therefore, the Company does not guarantee the accuracy or completeness of the business performance and financial results described herein and assumes no obligation to update any information contained in this material based on facts available as of the date hereof.

In addition, the Company cannot assure that any expected results or matters stated in this material will be realized, or that the anticipated impacts originally expected by the Company will occur.

Accordingly, this material should not be used for any legal purpose in relation to investors’ investment decisions, and the Company shall not be held liable for any investment results or damages arising from the use of the information provided herein.

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

I. Consolidated Financial Results - Profit and Loss



- Consolidated Revenue of KRW 5,313.9 billion, operating profit of KRW 507.0 billion, and an operating margin of 9.5%
- Tire Business: Revenue +9.3% YoY, Operating Profit +31.2% YoY
- Thermal Management Business: Revenue +5.0% YoY, Operating Profit +361.1% YoY

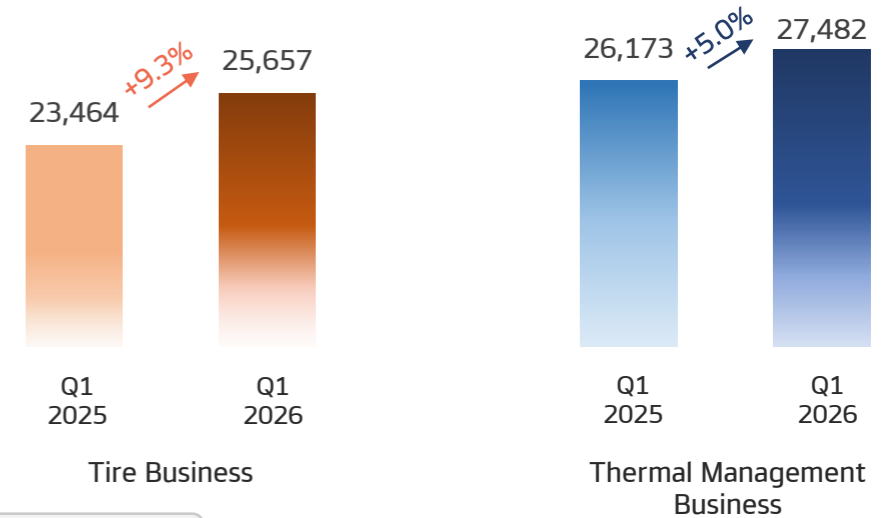
Company Performance

[100 Million KRW]

	2026 1Q		
	Tire Business	Thermal Management Business	Total
Revenue	25,657	27,482	53,139
COGS	16,333 (63.7%)	24,603 (89.5%)	41,120 (77.4%)
Operating Profit	4,375 (17.1%)	972 (3.5%)	5,070 (9.5%)
Ordinary Profit	4,546 (17.7%)	1,075 (3.9%)	5,288 (10.0%)
EBITDA	5,798 (22.6%)	2,839 (10.3%)	8,637 (16.3%)

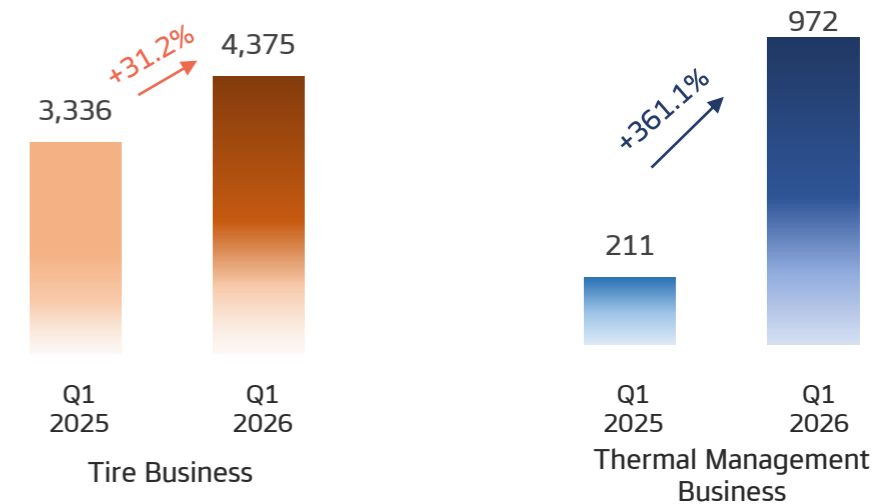
Revenue

[100 Million KRW]



Operating Profit

[100 Million KRW]



※ Results reflect consolidated adjustments. Amortization of PPA related to the acquisition of Hanon Systems in 1Q 2026 amounted to approximately KRW 27.9 billion.

I. Consolidated Financial Results - Financial Status



- Sustained strong cash generation in the Tire business, combined with capital reinforcement and improved profitability in the Thermal Management System business, supporting deleveraging and enhanced financial stability
- Financial metrics improved following Hanon Systems' capital increase at the end of last year (consolidated debt ratio: 99.3% → 87.8% YoY; current ratio: 144.6% → 152.6%)

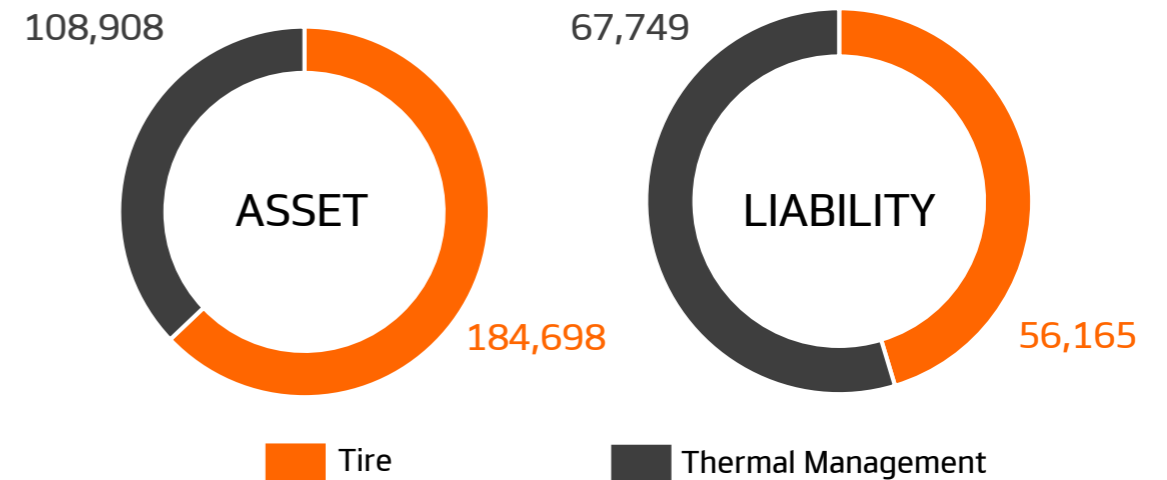
Financial Overview

[100 Million KRW]

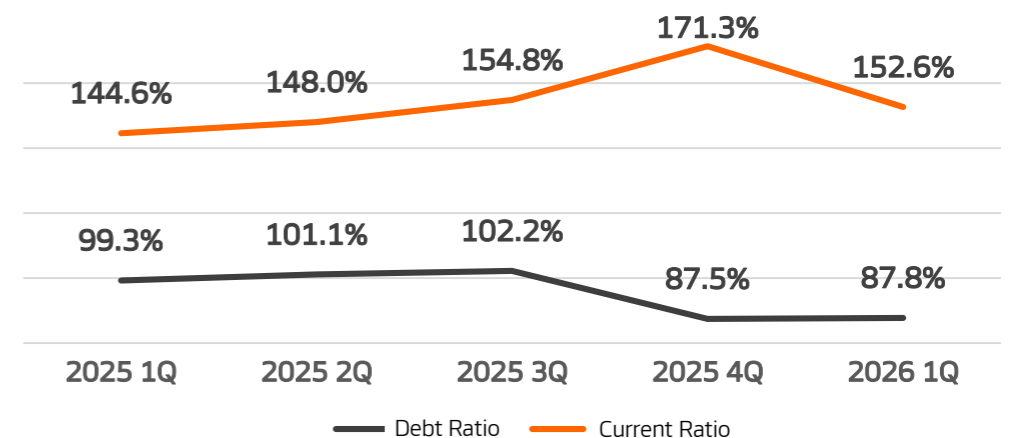
	Tire Business	Thermal Management Business	Total
Assets	184,698	108,908	279,734
Current Assets	76,330	47,393	123,328
Cash and Cash Equivalents	18,942	8,481	27,423
Short-Term Financial Instruments	2,776	278	3,054
Trade and Other Receivables	23,617	20,253	42,455
Inventories	26,627	14,426	41,053
Others	4,368	3,955	9,343
Non-Current Assets	108,368	61,515	156,406
Property, Plant and Equipment and Intangible Assets	70,490	55,768	142,809
Others	37,878	5,747	13,597
Liabilities	56,165	67,749	130,810
Current Liabilities	34,435	45,241	80,801
Non-Current Liabilities	21,730	22,508	50,009
Shareholder's Equity	128,532	41,159	148,924
Liability Ratio	43.7%	164.6%	87.8%
Current Ratio	221.7%	104.8%	152.6%

Financial Position by Business Segment

[100 Million KRW]



Financial Metrics



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

II. Performance by Business Segment

1) Tire Business - 1Q 2026 Business Performance



Business Performance

- Revenue of KRW 2,565.7 billion, operating profit of KRW 437.5 billion, and an operating margin of 17.1%, maintaining a stable profitability trend
- Revenue increased 9.3% YoY, driven by volume, pricing, and favorable FX
- Operating profit rose 31.2% YoY, driven by lower raw material/logistics costs and improved P-Mix

Key Highlights

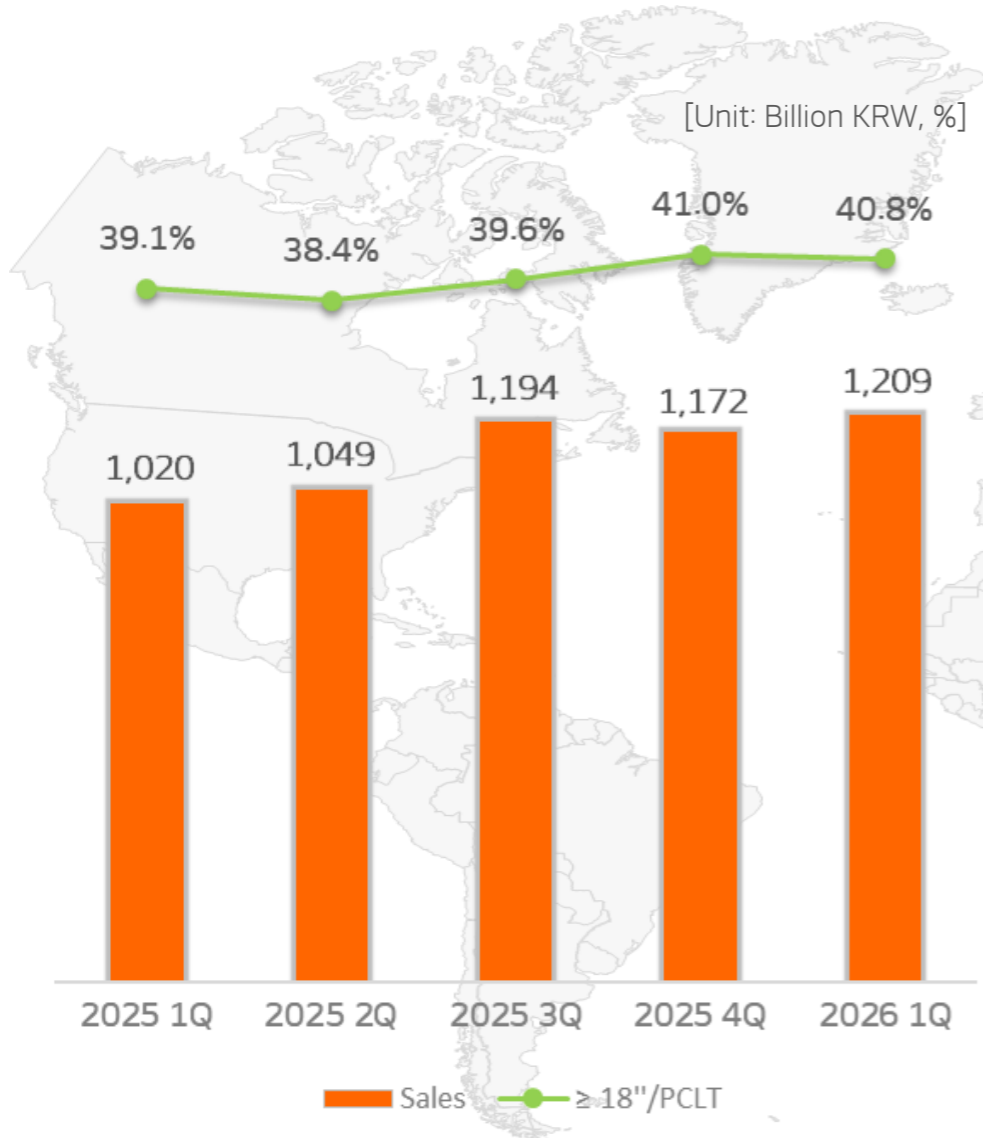
- The global OE market showed growth led by EVs and hybrids amid a high oil price environment, with the Company achieving YoY sales growth across most regions
- The global RE market was impacted by geopolitical risks in the Middle East and inflation, but the Company delivered YoY RE sales growth in Korea, China, and Europe
- The share of ≥18-inch products in PCLT revenue reached 49.1% (YoY +2.0%p), indicating continued premiumization
- The EV share within PCLT OE also increased to 29.6% (YoY +6.6%p), maintaining a strong growth trajectory

[100 Million KRW]

	2025 1Q	2025 4Q	2026 1Q	YoY	QoQ
Revenue	23,464	27,537	25,657	+9.3%	-6.8%
COGS	15,723 (67.0%)	17,067 (62.0%)	16,333 (63.7%)	+3.9%	-4.3%
Operating Profit	3,336 (14.2%)	4,850 (17.6%)	4,375 (17.1%)	+31.2%	-9.8%
Ordinary Profit	4,201 (17.9%)	4,772 (17.3%)	4,546 (17.7%)	+8.2%	-4.7%
EBITDA	4,740 (20.2%)	6,203 (22.5%)	5,798 (22.6%)	+22.3%	-6.5%

1) Tire Business - Performance by Region (Europe)

EUROPE



Market Environment

- RE : Slower economic recovery due to Middle East geopolitical risks and weakened consumer demand amid inflationary pressure
- OE : New vehicle sales remain flat, while EV penetration is increasing driven by surging oil prices and the reinstatement of subsidies

Sales Performance

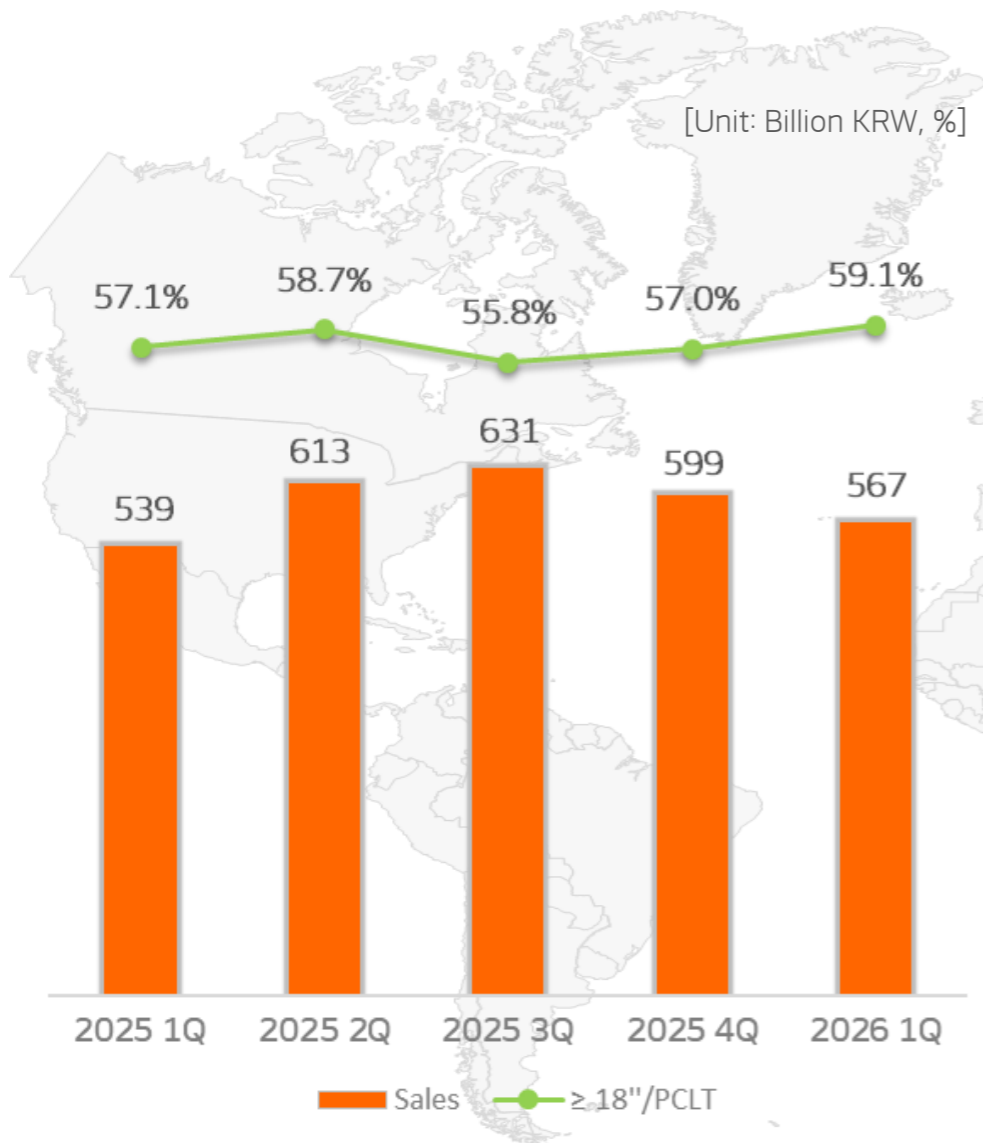
- RE : Outperformed the market, driven by strong growth in All-Weather and TBR segments
- OE : Sales volume increased, supported by expanded supply to key customers

Outlook and Plan

- Volume growth driven by strengthening product competitiveness in high-growth segments such as EV and All-Weather
- Growth supported by expanded supply to EVs and key OEM customers

1) Tire Business - Performance by Region (North America)

NORTH AMERICA



Market Environment

- RE : Consumer demand weakened due to geopolitical uncertainties and inflation
- OE : Demand softened amid concerns over prolonged Middle East conflict, rising oil prices, and tariff impacts

Sales Performance

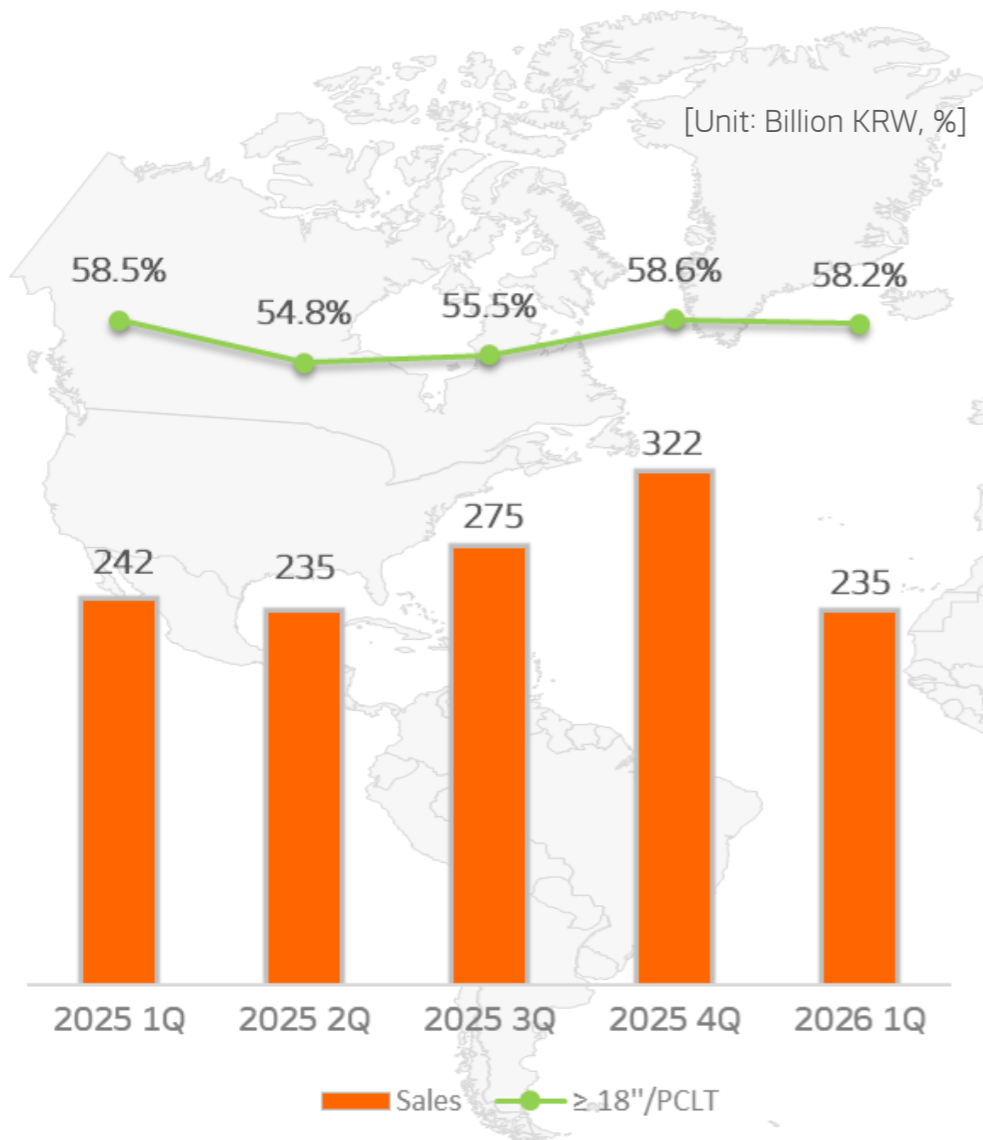
- RE : Although sales volume declined YoY, mix improved driven by a higher share of strategic products and high-inch tires
- OE : Sales increased supported by expanded supply to major OEM customers

Outlook and Plan

- Strengthened competitiveness through increased sales of strategic products such as SUVs and pickup trucks, along with leveraging local production volumes in Tennessee
- Focus on profitability through tighter cost and pricing management, and optimization of product mix

1) Tire Business - Performance by Region (Korea)

KOREA



Market Environment

- RE : Demand weakened due to economic slowdown driven by Middle East risks and inflation
- OE : Growth led by hybrids and EVs amid high oil prices

Sales Performance

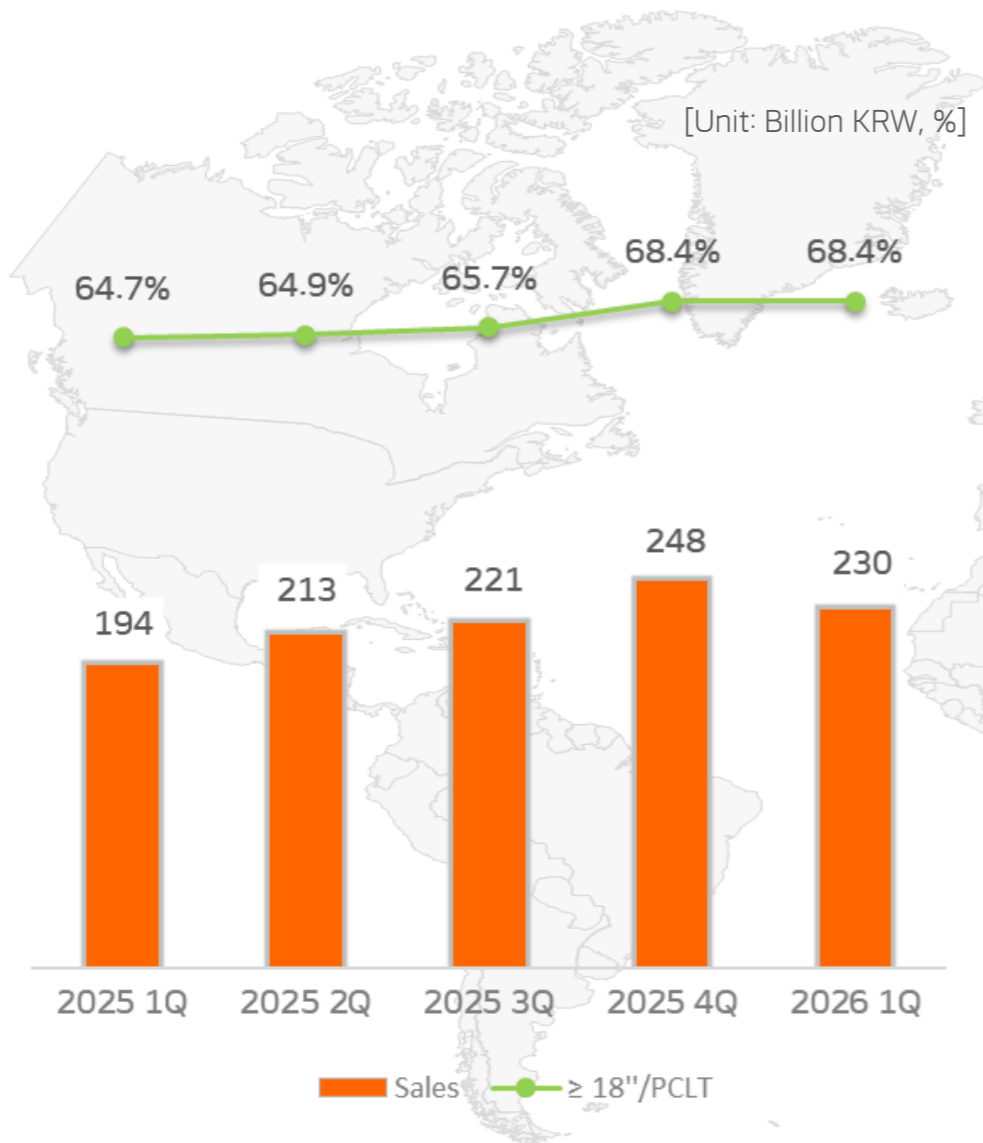
- RE : Domestic market share expanded, supported by increased sales through competitive product offerings
- OE : Sales declined YoY due to reduced volume of models supplied by the Company

Outlook and Plan

- Increase in sales driven by a higher share of high-inch and premium products, supported by new product launches and promotional activities
- Plan to expand supply focusing on EV and hybrid vehicles

1) Tire Business - Performance by Region (China)

CHINA



Market Environment

- RE : Despite continued weak consumer sentiment amid economic slowdown, demand is gradually recovering on a low base from the previous year
- OE : New vehicle sales declined due to reduced tax incentives for NEVs (New Energy Vehicles)

Sales Performance

- RE : Sales increased driven by expansion of online-focused distribution channels and supply of premium products
- OE : Sales increased supported by expanded supply to Chinese premium brands

Outlook and Plan

- Expansion of dedicated products to address the growing O2O (Online to Offline) channel
- Plan to increase supply, focusing on premium EV models in China

Leveraging differentiated product technology to strengthen our position as a leading brand

- Ranked No.1 in the “2026 Summer Tire Manufacturer of the Year” by Auto Bild, reinforcing global brand competitiveness
- Comfort tire brand “Kinergy” ranked 3rd in the “2026 All-Season Tire Manufacturer of the Year” category
- Continued top-tier rankings across major European tests, led by the flagship brand “Ventus”
- Ultra-high-performance tire “Ventus evo” ranked first and received top ratings in leading media comparison tests, outperforming competitors in key areas such as wet/dry braking and handling, reaffirming its world-class technological competitiveness



Proven premium and high-tech capabilities through OE partnerships

- Expanded OE tire supply to major automakers including the Ford Mustang Mach-E and Kia EV2
- Supplying EV-specific tire “iON evo SUV” to the first mass-production model “iX3” based on BMW’s next-generation electrification platform “Neue Klasse”
- Proven competitiveness in EV-specific performance—low noise, energy efficiency, and grip—centered on the dedicated EV brand “iON”
- Strengthened global OEM partnerships and quality competitiveness by obtaining the “MO” certification awarded by Mercedes-Benz for meeting its highest technology and quality standards
- OE supply of “Ventus S1 evo3” for the facelifted Mercedes-Benz S-Class
- Continued validation of top-tier global technological capabilities through a portfolio spanning both internal combustion engine and electrified vehicles



II. Performance by Business Segment

2) Thermal Management Business



Business Performance

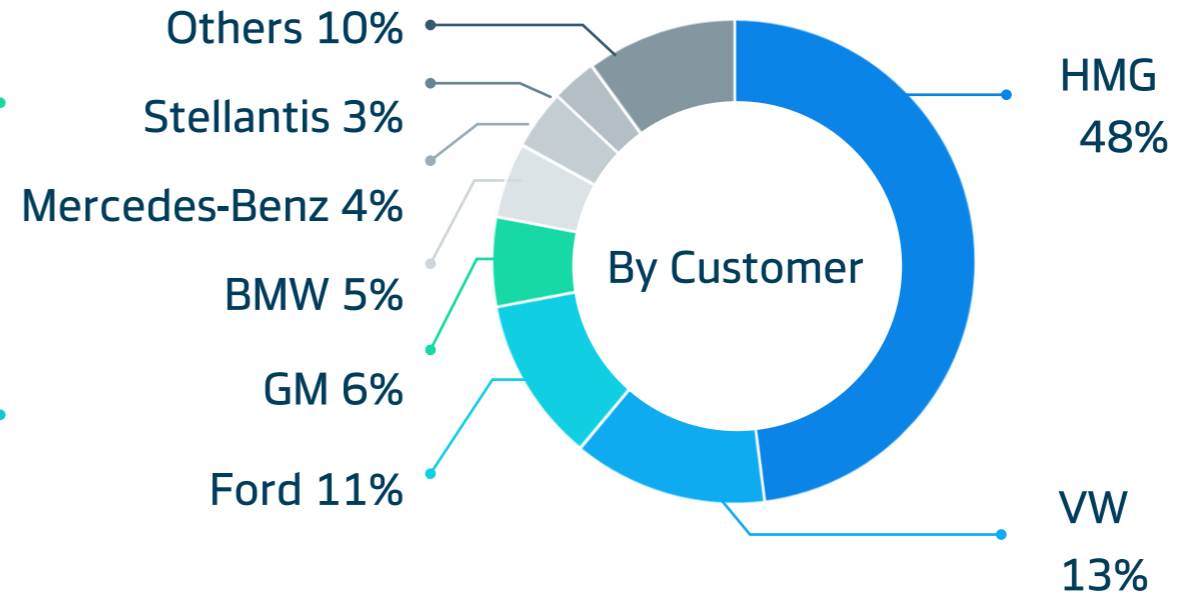
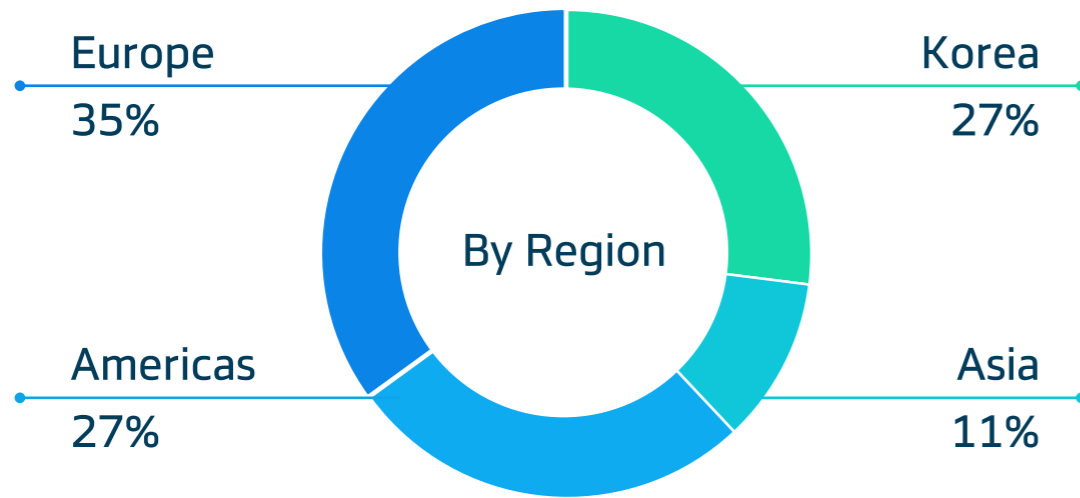
- Revenue of KRW 2,748.2 billion, operating profit of KRW 97.2 billion, and an operating margin of 3.5%
- Revenue increased 5.0% YoY, driven by favorable FX effects and higher supply volumes
- Operating margin reached 3.5% driven by cost control and improved operational efficiency
- EV-related revenue accounted for 29%, driven by expanded supply to European OEMs
- EV-related revenue share is expected to increase in 2026, supported by growing EV and hybrid vehicle sales in Europe

Outlook

- Stable revenue trajectory expected to continue, supported by expanded supply to European OEMs and favorable FX conditions
- Focus on profitability recovery through improved cost ratios despite tariff and geopolitical risks
- Ongoing cost efficiency efforts to alleviate SG&A burden and further enhance profit structure
- Maintain a stable revenue base through ICE/HEV program extensions while accelerating the shift toward an EV-focused mix

[Unit: 100 Million KRW]

	2025 1Q	2025 4Q	2026 1Q	YoY	QoQ
Revenue	26,173	27,025	27,482	+5.0%	+1.7%
COGS	24,273 (92.7%)	24,244 (89.7%)	24,603 (89.5%)	+1.4%	+1.5%
Operating Profit	211 (0.8%)	897 (3.3%)	972 (3.5%)	+361.1%	+8.3%
Ordinary Profit	-173 (-0.7%)	-1,830 (-6.8%)	1,075 (3.9%)	Turn around	Turn around
EBITDA	1,914 (7.3%)	2,877 (10.6%)	2,839 (10.3%)	+48.5%	-1.3%

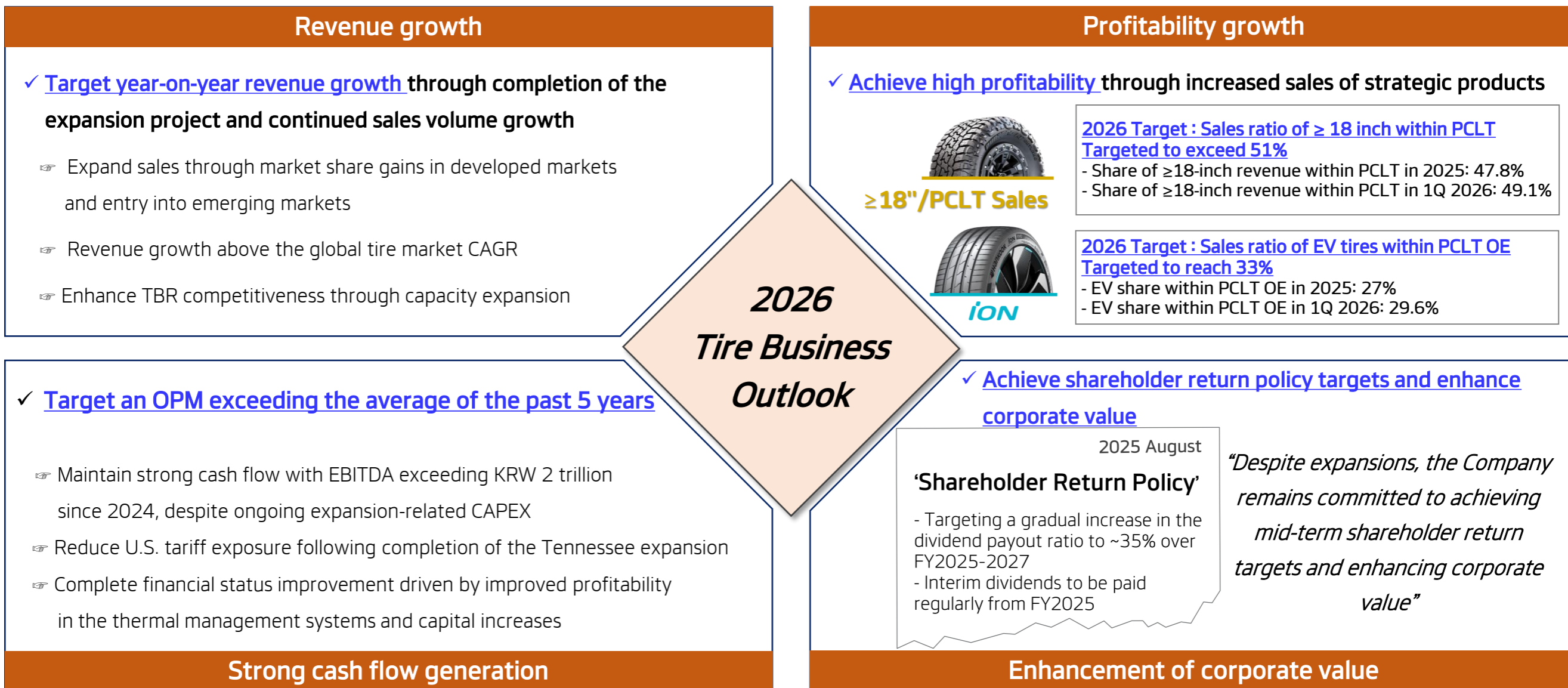


Comments

- Performance by region: Europe (+16%) and Korea (+7%) increased YoY
- Performance by customer: Increase in Mercedes-Benz (+131%), BMW (+30%), Volkswagen Group (+19%), and Hyundai Motor Group (+6%)
- Cost ratio improved driven by efficiencies in freight and labor expenses
- SG&A ratio maintained at approximately 7% of revenue through structural cost improvements
- Despite macro uncertainties, visibility for 2026 growth has been secured through Life Cycle Extension and a shift toward an EV-focused mix
- Company-wide cost structure optimization is being pursued through more efficient allocation of CAPEX and R&D spending
- Leverage is being reduced and financial soundness strengthened, supported by capital reinforcement and improved profitability

III. 2026 Tire Business Outlook (Maintain)

- In 2026, the tire segment aims to move beyond volume growth and continue qualitative growth focused on profitability
- Despite changes in the external environment such as war and tariffs, the Company plans to sustain strong cash generation by ensuring the timely completion of expansion projects in Tennessee and Hungary, along with improving subsidiary profitability

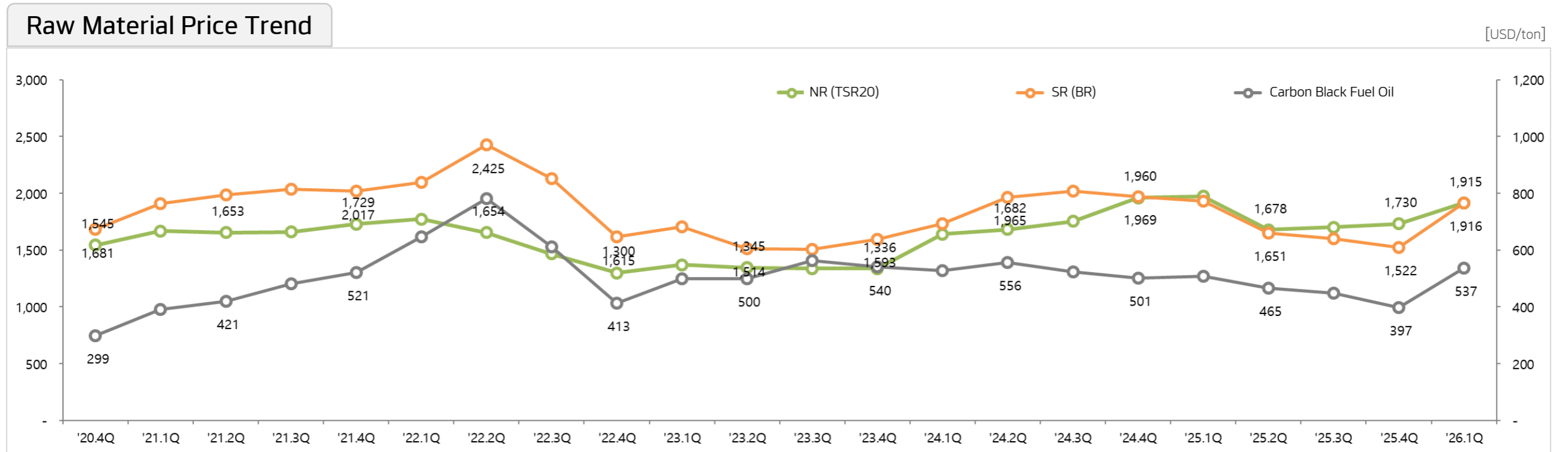




IV. Appendix - Raw Material Price Trend



- N/R : SICOM TSR-20 prices showed an overall downward trend in 1H25, but reversed to an upward trajectory in 2H25 due to production disruptions caused by adverse weather conditions and heightened geopolitical tensions in Southeast Asia. In 1Q26, prices rose to an average of around \$1,915, driven by unstable supply amid extreme weather and additional uncertainties from geopolitical instability in the Middle East. In 2Q26, prices are expected to increase further to the \$2,000-\$2,100 range, supported by rising natural rubber demand stemming from petrochemical supply chain disruptions linked to Middle East tensions.
- S/R : Since December 2025, BD prices have shifted to an upward trend as production declined due to lower cracker operating rates and scheduled maintenance. In March 2026, prices surged to around \$2,500, driven by additional production and supply disruptions caused by conflicts in the Middle East. In 2Q26, supply is expected to gradually recover following the completion of maintenance, and after the sharp increase in 1Q, prices are projected to stabilize in the \$1,800-\$2,100 range.
- C/B : Concerns over supply chain disruptions due to increasing political instability in the Middle East have already been priced in, exerting upward pressure on prices. The temporary suspension of OPEC+ production increase plans and supply constraints by major oil-producing countries have limited downside risks in oil prices, contributing to a sustained upward trend. In addition, inflows of bottom-fishing demand and signs of recovery in some global manufacturing indicators are supporting prices from the demand side. Overall, a gradual upward trend is expected to continue, supported by supply constraints and expectations of demand recovery.



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

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

01

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

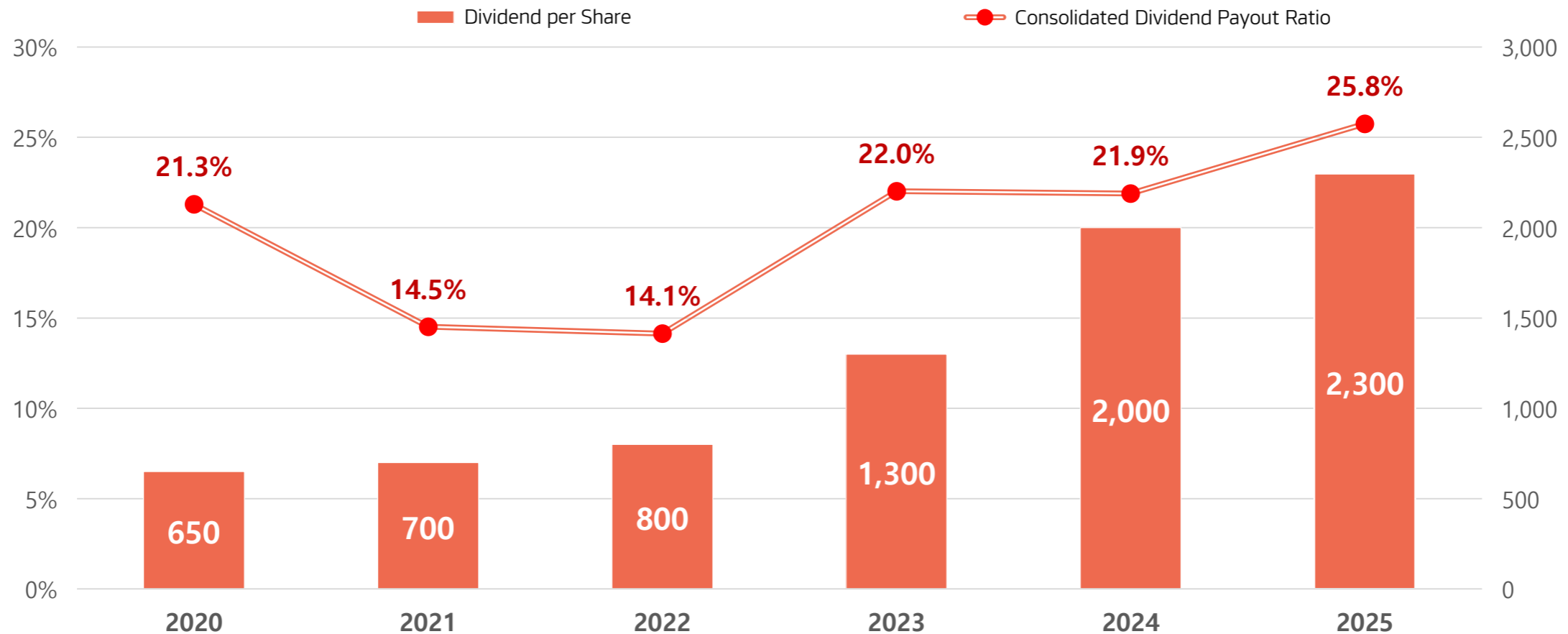
02

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 - Dividend Payout Ratio Trend

- The Company has consistently increased dividends per share over the past six years. In particular, in 2025, it achieved a consolidated dividend payout ratio of over 25% and increased total dividends by 15% YoY, qualifying as a high-dividend company under Article 104-27 of the Restriction of Special Taxation Act.
- Going forward, the Company will continue to prioritize shareholder value based on a stable and predictable dividend policy, while striving to expand shareholder returns on an ongoing basis.



※ The consolidated dividend payout ratio is calculated based on net income attributable to owners of the parent, as presented in the consolidated statement of comprehensive income

IV. Appendix - Consolidated B/S



[100 Million KRW]

2026 1Q	Tire Business		Thermal Mgmt Business		Total	
	Amt	%	Amt	%	Amt	%
Assets	184,698	100.0%	108,908	100.0%	279,734	100.0%
Current Assets	76,330	41.3%	47,393	43.5%	123,328	44.1%
Cash and cash equivalents	18,942	10.3%	8,481	7.8%	27,423	9.8%
Short term financial assets	2,776	1.5%	278	0.3%	3,054	1.1%
Trade and other receivables	23,617	12.8%	20,253	18.6%	42,455	15.2%
Inventories	26,627	14.4%	14,426	13.2%	41,053	14.7%
Other current assets	4,368	2.4%	3,955	3.6%	9,343	3.3%
Non-current Assets	108,368	58.7%	61,515	56.5%	156,406	55.9%
Tangible, Intangible assets and Investment properties	70,490	38.2%	55,768	51.2%	142,809	51.1%
Other non-current assets	37,878	20.5%	5,747	5.3%	13,597	4.9%
Liabilities	56,165	30.4%	67,749	62.2%	130,810	46.8%
Current Liabilities	34,435	18.6%	45,241	41.5%	80,801	28.9%
Non-Current Liabilities	21,730	11.8%	22,508	20.7%	50,009	17.9%
Shareholder's Equity	128,532	69.6%	41,159	37.8%	148,924	53.2%
Debt	28,514		37,969		66,277	
Net Debt	5,756		29,488		35,038	
Liability Ratio		43.7%		164.6%		87.8%
Net Worth to Assets		69.6%		37.8%		53.2%
Net Debt Ratio		4.5%		71.6%		23.5%

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

IV. Appendix - 2026 1Q Consolidated P/L



[100 Million KRW]

2026 1Q	Tire Business		Thermal Mgmt Business		Total	
	Amt	%	Amt	%	Amt	%
Revenue	25,657	100.0%	27,482	100.0%	53,139	100.0%
COGS	16,333	63.7%	24,603	89.5%	41,120	77.4%
Gross Profit	9,324	36.3%	2,880	10.5%	12,019	22.6%
SG&A	4,949	19.3%	1,908	6.9%	6,950	13.1%
Operating Profit	4,375	17.1%	972	3.5%	5,070	9.5%
Other non-operating income/expense	269	1.0%	569	2.1%	800	1.5%
Financial income/cost	-92	-0.4%	-467	-1.7%	-608	-1.1%
Equity-method gain(loss)	-6	0.0%	0	0.0%	26	0.0%
Income before income tax	4,546	17.7%	1,075	3.9%	5,288	10.0%
EBITDA	5,798	22.6%	2,839	10.3%	8,637	16.3%
Depreciation	1,423	5.5%	1,867	6.8%	3,567	6.7%

※ For consolidated results (Total), consolidation adjustments are reflected, and the PPA amortization related to the acquisition of Hanon Systems recognized in 1Q26 amounts to approximately KRW 27.9 billion.