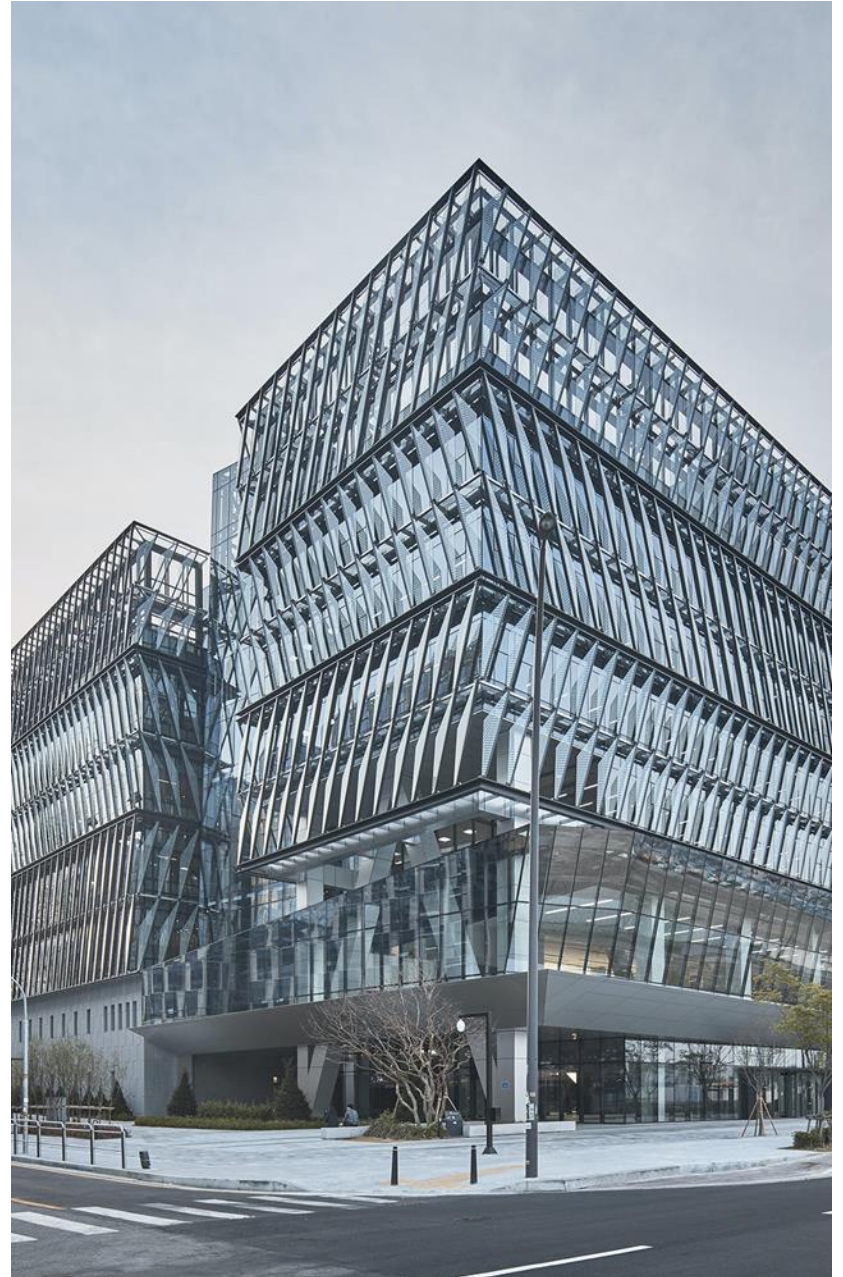


NEXEN NEXEN TIRE

IR Factbook

FY2023 (Reflected the results of external review)

February, 2024



I Disclaimer

All financial figures stated in this fact book are on a consolidated basis. The financial, business and other information contained herein are current only of the date hereof. Readers are cautioned that changes in general macroeconomic, business, financial and other conditions may have occurred since such date and our financial condition and results of operations may have been materially impacted as a result of such occurrences.

Certain information contained herein may be considered forward looking in nature, which are based on certain assumptions and expectations of future events that are subject to risks and uncertainties, including comments on trends in the global economy and duration of such trends, future development and investment plans including market strategy and business plans. We disclaim any responsibility or obligation to update or disseminate any revisions to any forward looking statements contained in this document to reflect any changes in assumptions or circumstances.

| Contents

1. Overview

2. Business Results

3. Strategies for Sustainable Growth

4. Market Status

5. Appendix

1. Overview

1. Overview - At a glance

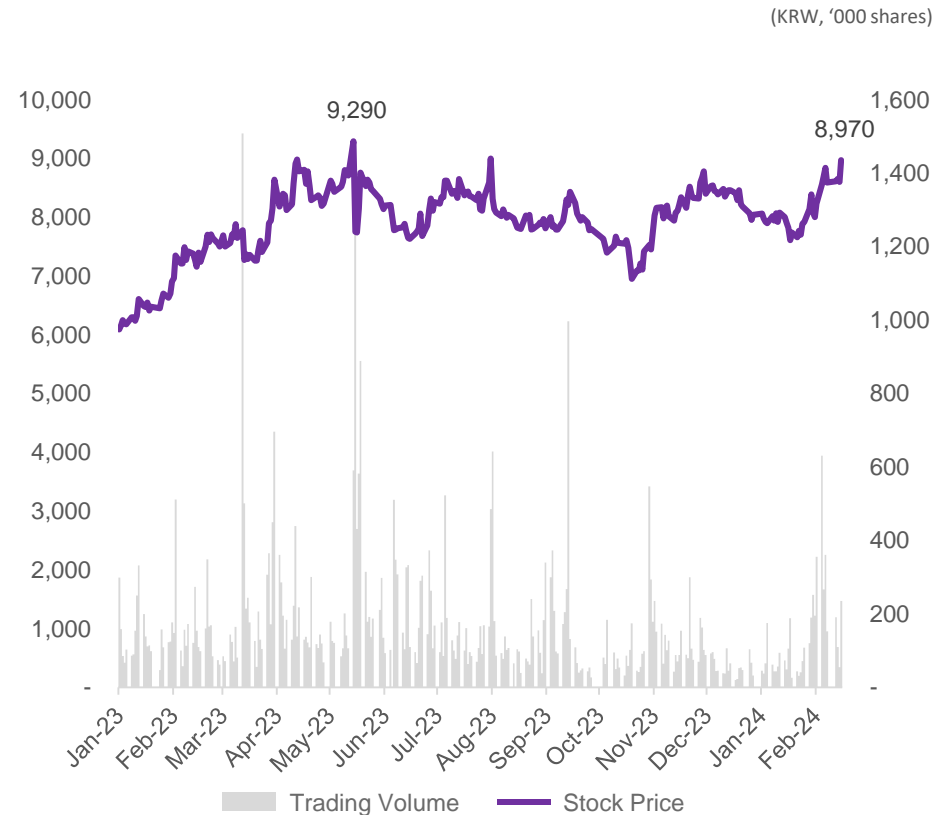
- Manufacturing and selling Passenger car & Light Truck tires in the global market based on decades of know-how and own technologies
- Listed on KOSPI in 1973 and holding a market capitalization of about 900bn KRW as of February, 2023

Company Profile⁽¹⁾



- Foundation : April 11, 1958
- Headquarter : Yangsan, Korea
- The number of Employees : 7,171 (as of 2023)
- Main Business : Tire & Tube Manufacturing
- Location : Korea(Seoul, Yangsan, Changnyeong),
Europe(Czech), China(Qingdao), etc.
- Market Cap. : 876.1Bn KRW (as of February 16, 2024)

Stock Price (Common stock)



⁽¹⁾ as of 4Q23

1. Overview - History

1940s~2000s



1942

Established 'Heung-a Tire Industry'



1956

Produced vehicle tires for the first time in Korea after the Korean War



1984

Began factory construction to mass produce of radial tires in Yangsan, Korea



1987

Established joint venture with Michelin, producing Michelin Tire under technical cooperation (Until 1991)



2008

Started operations of Qingdao plant in China

2010s~2020s



2012

Started operations of Changnyeong plant in Korea



2018

Established new research facilities in EU & US and expanded brand reorganization



2019

Established Central R&D HQ in Seoul, Korea



2019

Started operations of Europe plant in Zatec, Czech



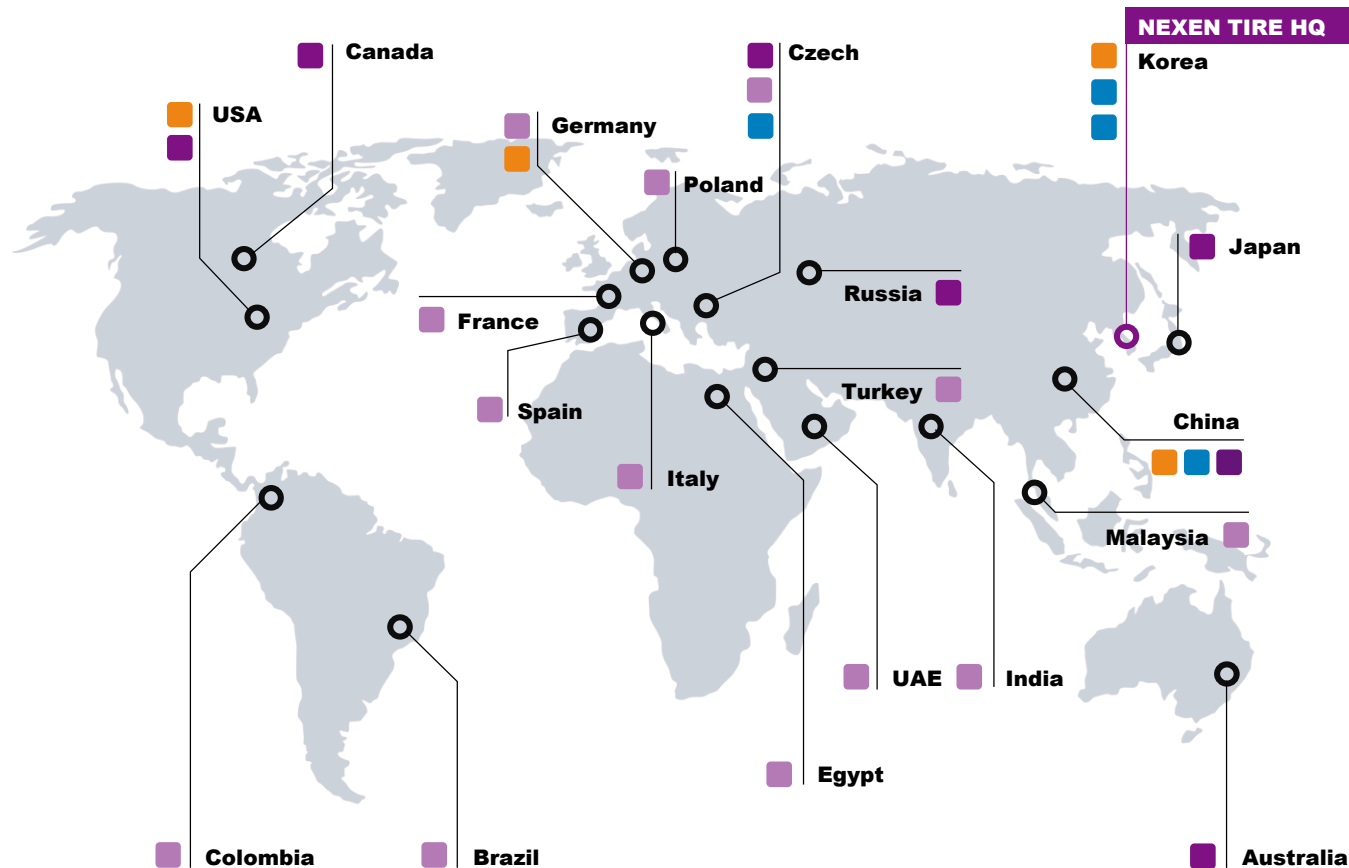
2024

Started operations of Europe plant's 2nd phase

1. Overview - Global Network

- Operating 4 Plants in Korea (Yangsan and Changnyeong), China (Qingdao), and Europe (Czech)
- Selling products in more than 150 countries, based on global production system and R&D network

Main Business Location (as of 2023)



4 Plants



4 R&D Centers



8 Overseas Corporations



13 Branch Offices

7,171 Total number of Employees

4,190 Korea / 2,981 Overseas

1. Overview - Global Production Capacity

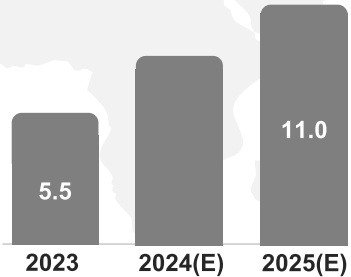
- Production capacity of 52mn units by 2025, through 2nd phase expansion of Europe factory and productivity improvements
- As a global tire company specializing in Passenger Car and Light Truck, NEXEN is prepared to secure volume and profit

Europe (Czech) 11M



2nd Phase Ramp-up

(Unit: Mn Units)



Korea 30M



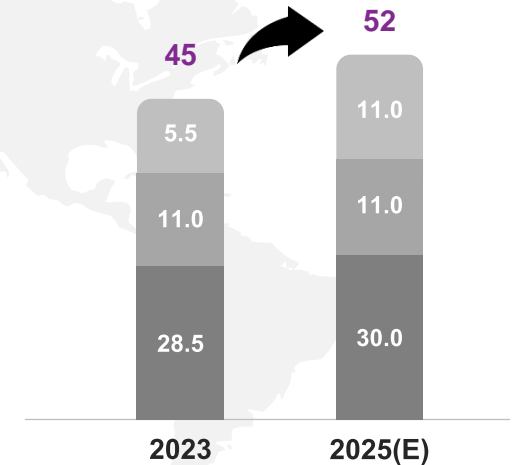
China 11M



Total Production Capacity

- Europe (Czech)
- China (Qingdao)
- Korea (Yangsan, Changnyeong)

(Unit : Mn Units)



1. Overview - Financial Highlights

- Despite the uncertain external environment, including interest rate hikes and geopolitical issues, achieved record-high revenue of 2.7tn KRW in 2023, and recovered OPM to pre-pandemic levels in 2H23

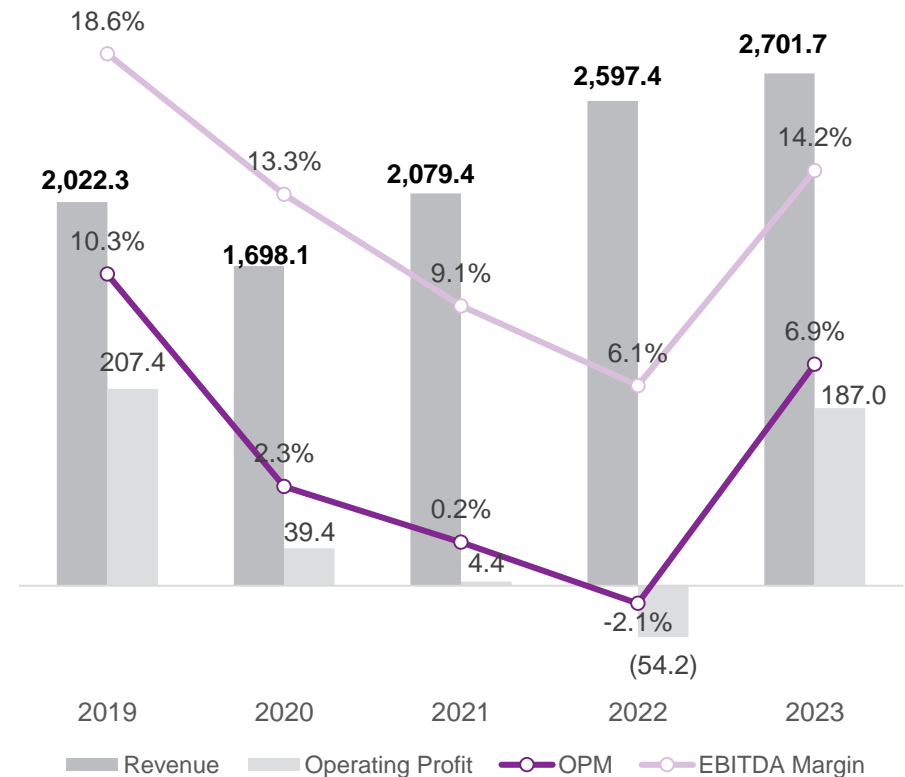
Financial Position (Consolidated)

(Unit: Bn KRW)

	2019	2020	2021	2022	2023
Revenue	2,022.3	1,698.1	2,079.4	2,597.4	2,701.7
Gross Profit	616.6	438.3	439.6	431.5	741.5
Operating Profit	207.4	39.4	4.4	-54.3	187.0
EBITDA	376.0	226.1	188.5	135.1	383.4
Net Income	118.5	-16.6	4.6	-27.5	103.1
Current Assets	1,088.6	1,200.3	1,476.0	1,442.1	1,556.1
Non-current Assets	2,347.5	2,340.8	2,347.4	2,502.2	2,676.6
Assets	3,436.1	3,541.1	3,823.4	3,944.3	4,232.7
Current Liabilities	618.4	766.8	1,041.7	1,431.7	1,329.9
Non-current Liabilities	1,259.7	1,227.4	1,181.8	916.4	1,197.8
Liabilities	1,878.1	1,994.1	2,223.5	2,348.1	2,527.8
Equity	1,557.9	1,547.0	1,599.9	1,596.2	1,704.9

Revenue & Profit

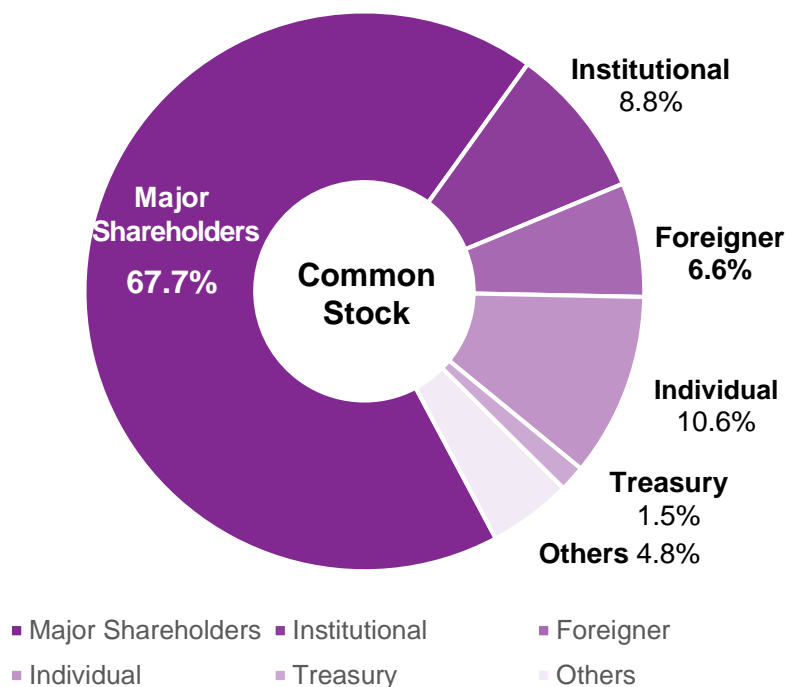
(Unit: Bn KRW, %)



1. Overview - Shareholder Return

- Major shareholders are holding stakes of 67.7%, securing stable management system. (The largest shareholder is Nexen Corp., the holding company of Nexen Group)
- As part of the enhancing shareholder value, dividends have been paid for 24 consecutive years until 2023.

Shareholders (as of 2023)



Key Indicators of Dividends

		Unit	2019	2020	2021	2022
Net Income		Mn KRW	139,190	28,641	-20,482	-39,307
EPS		KRW	1,355	279	-200	-383
Total dividends		Mn KRW	10,812	10,812	10,812	10,299
Dividends per share	Common Stock	KRW	105	105	105	100
	Preferred Stock	KRW	110	110	110	105
Price-dividend ratio⁽¹⁾	Common Stock	%	1.1	1.7	1.5	1.5
	Preferred Stock	%	3.1	4.1	3.4	3.7

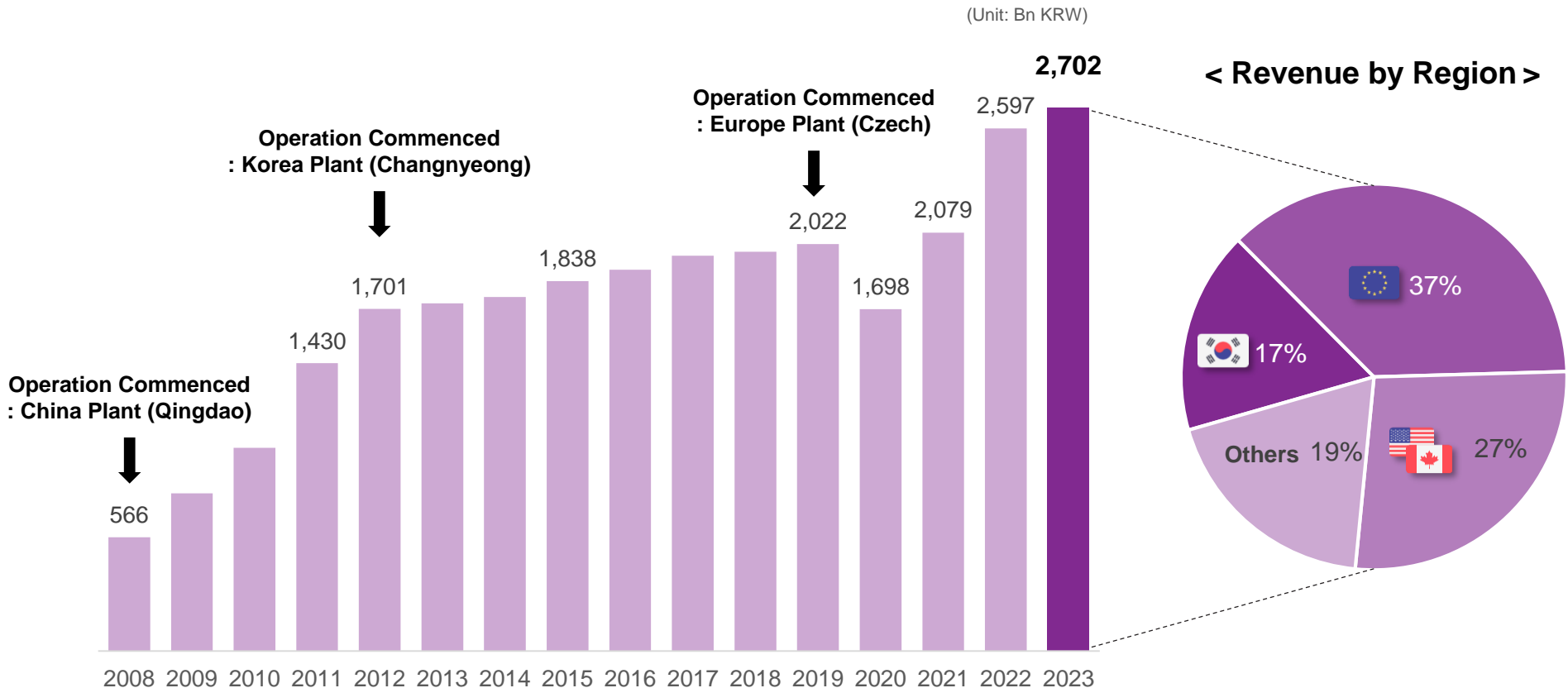
⁽¹⁾ Price is based on the arithmetic average of the closing price for the past week before the closing day of the stockholder's list

2. Business Results

2. Business Results - Consolidated Revenue

- Reach record-high revenue of 2.7tn KRW in 2023 despite high interest rates, recession fears, and geopolitical risks
- Improvements in products mix, including 18 inch (or higher) tires due to preference for SUVs and a shift to electric vehicles, have strengthened profitability

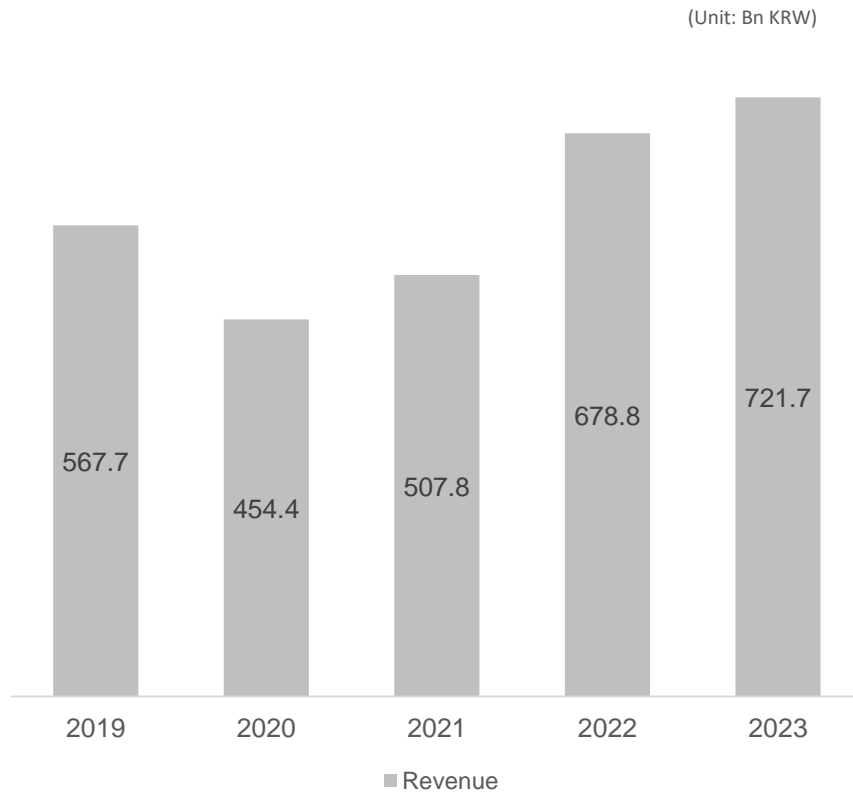
Revenue Trend



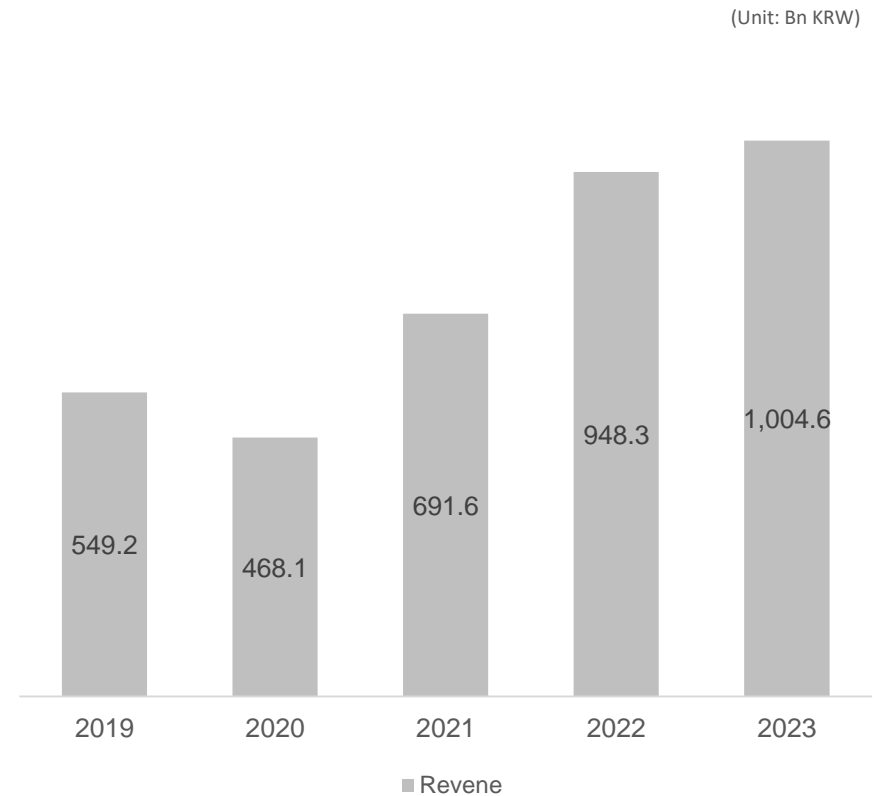
2. Business Results - Revenue by Region ①

- (North America) Increased sales of new cars following resolution of semiconductor supply issues(1H23) and recovering demand for RE(2H23) led to 721.7bn KRW(YoY +6.3%).
- (Europe) Despite recession fears, achieved 1,004.6bn KRW(YoY +5.9%), driven by sales through RDC⁽¹⁾ and increased new car sales

North America



Europe



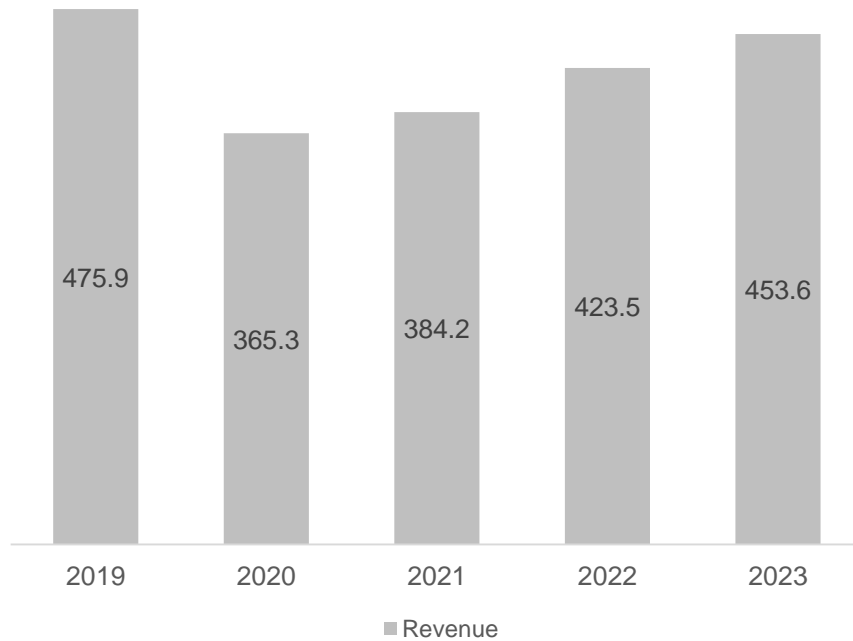
⁽¹⁾ Regional Distribution Center

2. Business Results - Revenue by Region ②

- (Korea) Reached 453.6bn KRW(YoY +7.1%) with supplying OE for EV and extending sales volume of 18 inch (or higher) tires in RE
- (Others) Facing challenging situations due to price competition and geopolitical risks in MENA, revenue of 521.8bn KRW (YoY -4.6%)

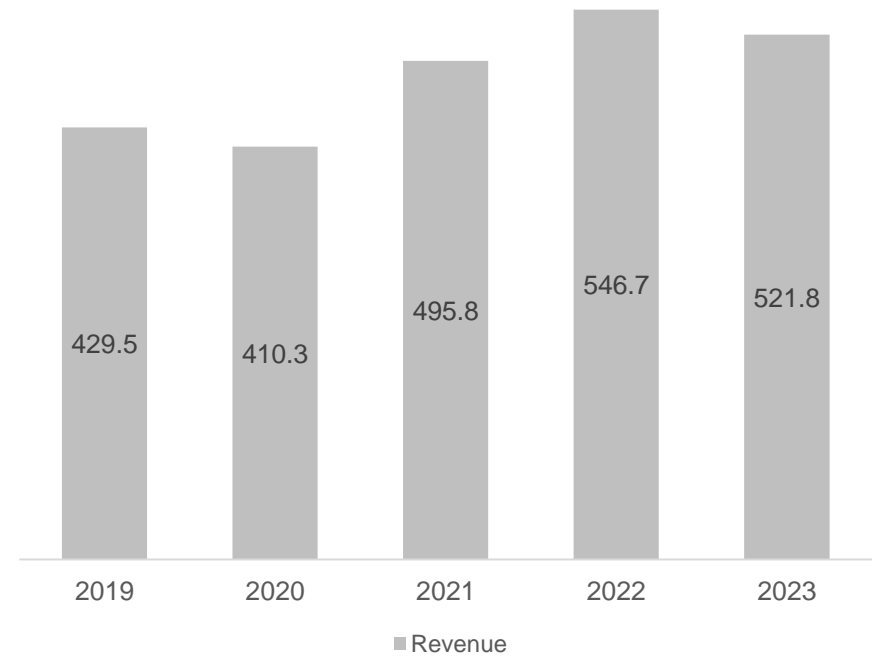
Korea

(Unit: Bn KRW)



Others

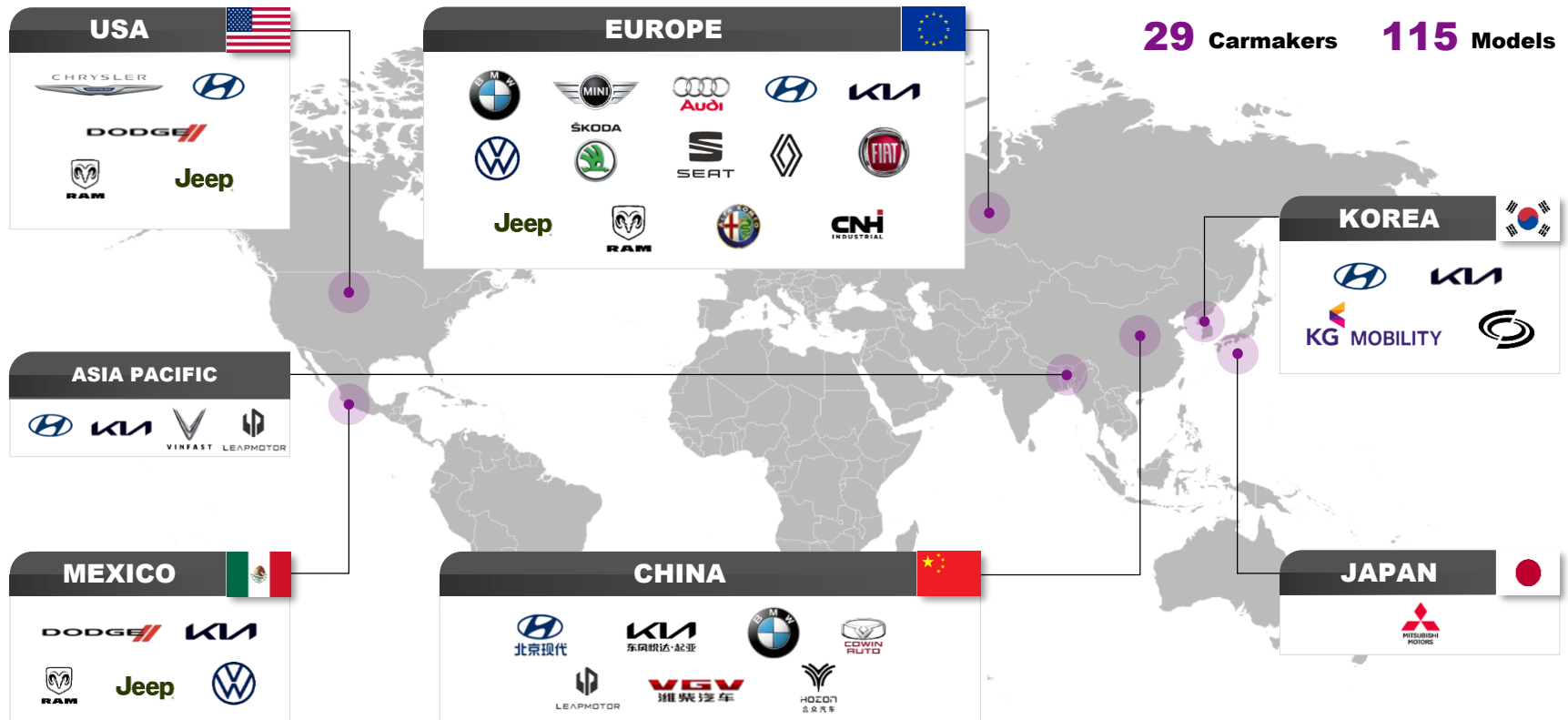
(Unit: Bn KRW)



2. Business Results - OE Supply

- Supplying OE tires for 115 car models of 29 car makers worldwide in 2023
- Target of supplying OE tires for 250+ car models by 2027, with a focus on expanding Premium OE offerings

OE Supply Status (as of 2023)



2. Business Results - Premium OE Supply

- Supply expansion for premium car models (BMW, Mercedes-Benz, Audi, etc.) based on competitiveness of quality and technology
- Proven excellent technical skills and enhanced brand value in a short time by commencing the first supplying to Porsche in 2016

Premium OE Supply Vehicles



CAYENNE E3 PA



PANAMERA G3 PA



PANAMERA G2 PA



MACAN



E-CLASS



IN PROGRESS



2 SERIES AT



X1



iX1



5 SERIES



IN PROGRESS



A3



A6



'24.11



'24.11



'25.11

IN PROGRESS

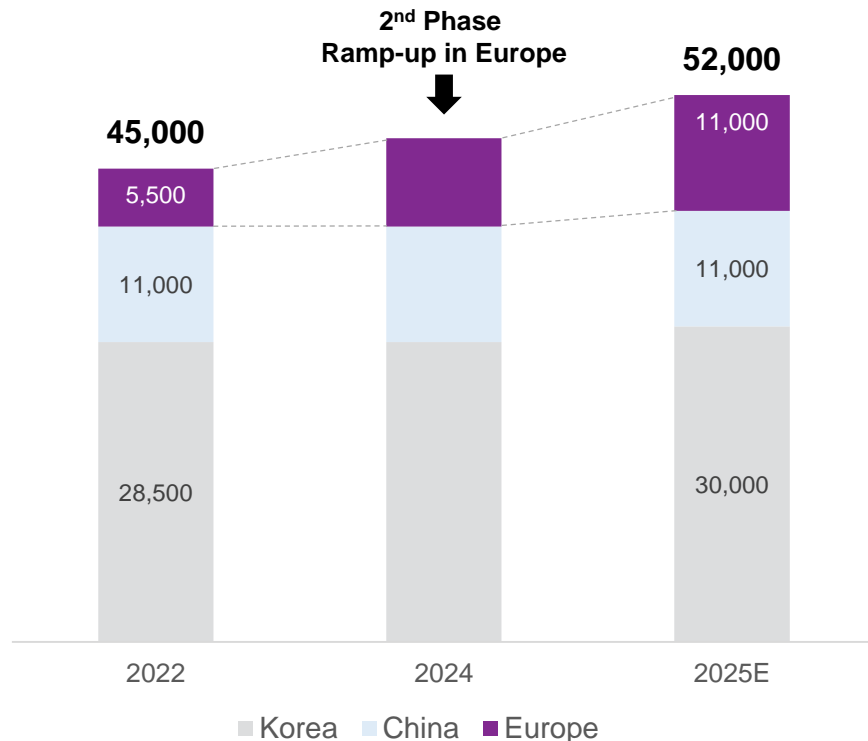
3. Strategies for Sustainable Growth

3. Strategies for Sustainable Growth - Multi-factory Operations

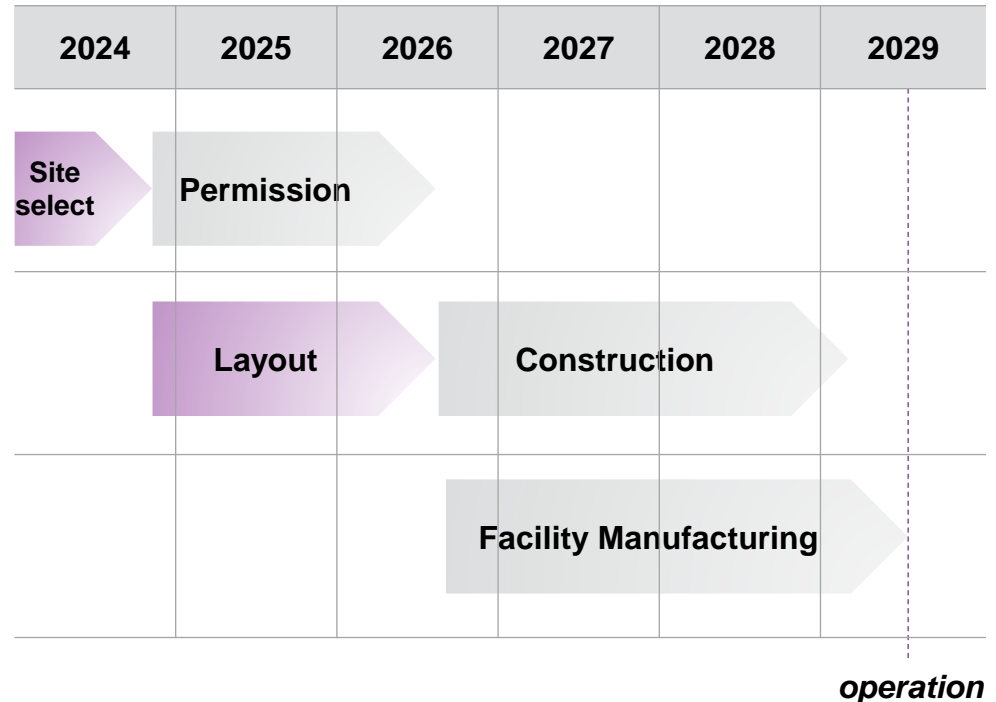
- 2nd phase expansion completed in Europe and production commenced from early 2024 expecting quick operational stability
 - Improve customer satisfaction by stable inventory management and speed-up order response
- New U.S. facility Project
 - Enhances our product and supply capability through local facility
 - Project timeline to be in accordance with the global situation with close consideration

Production Capacity by Region

(Unit: '000 Unit)



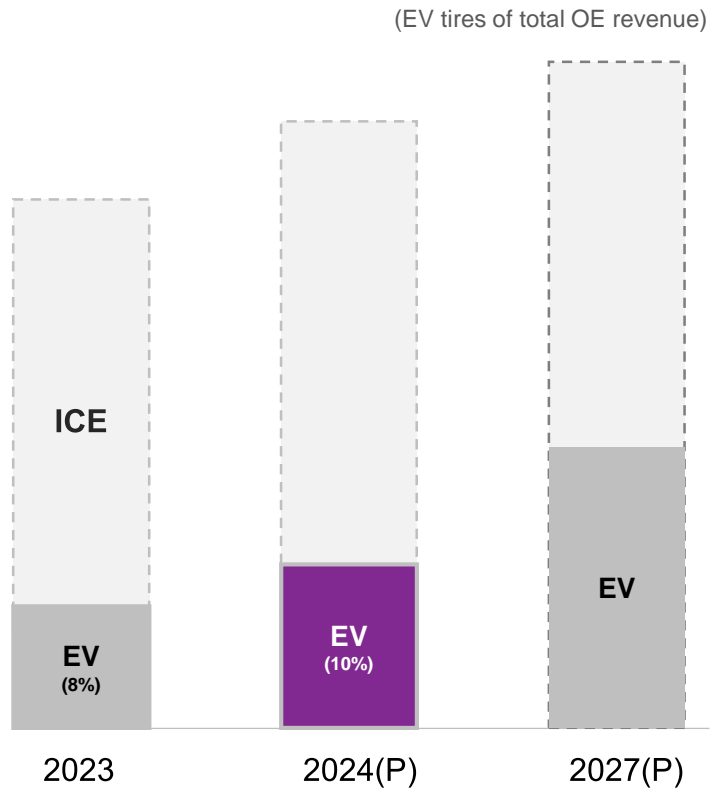
Timeline of U.S. Factory Project



3. Strategies for Sustainable Growth - EV Transition

- Following EV transition and market growth, EV tires' proportion of total OE revenue is expanding gradually
- Responding to the EV tire market by launching EV-specific products with high-technologies such as noise optimization based on AI

Growth of Supply for EV



Major Supplying for EVs

HYUNDAI



IONIQ6



KONA EV

KIA



NIRO EV



EV9

KGM



E-Motion



TORESS EVX

BMW



5 Series



X1

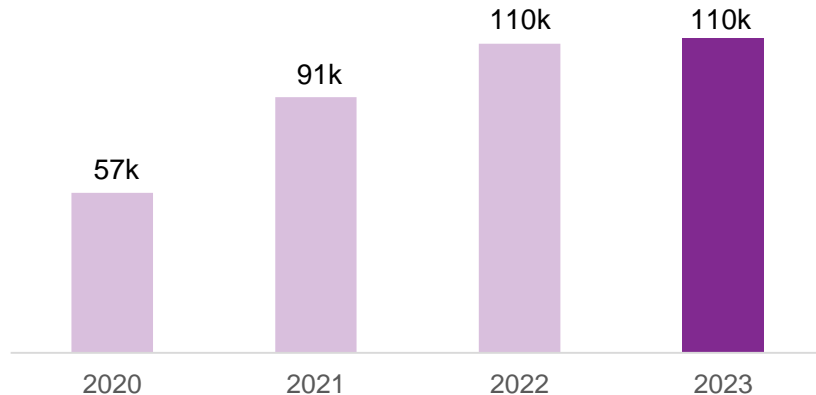
3. Strategies for Sustainable Growth - NEXT LEVEL Service

- Launched tire rental/O2O service for the first time in Korea, winning the grand prize of National Service Awards for the 4th consecutive year
- Strengthening branding activities to expand the performances of rental/O2O service, and diversification of distribution channel

NEXT LEVEL Service

	Rental	O2O
Service	NEXT LEVEL Rental (Tire rental)	NEXT LEVEL Go (O2O)
Features	12~48 months payment warranty, checking service, affiliate card discount	Store or door-to-door service, saving time, checking service

<The Number of Users⁽¹⁾>



NEXT LEVEL Go Management (as of 2023)

Service Coverage Location	Capital area and other major cities
Channels	51
Service Capacity	1.6Bn units / year

National Service Awards

“Next Level Go”, the first O2O service for tire in Korea, won the National Service Award for the 4th consecutive year based on customer convenience and innovative changes in retail



⁽¹⁾ Customers use NEXT LEVEL Rental & O2O service in the year

3. Strategies for Sustainable Growth - R&D

- 'Tire Maker Champions' in SUPERRACE Championship in just 3 years of developing racing tires, demonstrating NEXEN's own technology
- Plans to increase market competitiveness by strengthening R&D ability using VR and AI tech

Virtual Technology



- ✓ **Digital design process**
 - Establishment of a VR design simulator(review) system for the first time in the domestic tire industry
- ✓ **MOU with Korea Expressway Corporation's Road Traffic Research Institute**
 - Virtual tire performance evaluation using driving simulators

AI Technology



- ✓ **Tire noise prediction system⁽¹⁾ base on AI**
 - Prediction and pattern optimization
- ✓ **Tire performance prediction System⁽²⁾ based on AI**
 - Using machine-learning technology to predict key performances at concept design
 - Reduced Prototype quantity and development time
- ✓ **Analysis of road detection and barking distance with bigdata**

Motor Sports



- ✓ **Top of tire manufacturers in SUPERRACE in just 3 years**
 - Triple Podium⁽³⁾ & Tire Maker Champions⁽⁴⁾ in 'CJ Super Race'
 - Slick tire with ultra high performance, proving technical competency

Design Awards



- ✓ **Winning at the top 3 global design awards**
 - Main prize at 'iF Design Award 2023'⁽⁵⁾
 - 'International Design Excellence Award (IDEA) 2023'⁽⁶⁾ as a finalist for concept tire
- ✓ **Rewarded the 'Good Design Award 2023'⁽⁷⁾ in the mobility category**

⁽¹⁾ Industry-academia joint research for bigdata of NVH(Noise · Vibration · Harshness) with Hyundai Motor, KIA, and Inha Univ. / ⁽²⁾ Korea Univ. and Hanyang Univ. jointly developed

⁽³⁾ SUPER 6000 Class 5R / ⁽⁴⁾ The season's champions to the tire maker who scored the most points by adding the points earned in each round by the top five players

⁽⁵⁾ The most prestigious awards in design field (Germany), more than 11,000 items from 56 countries worldwide

⁽⁶⁾ Hosted by IDSA (U.S.), comprehensive evaluation of design innovation, UX and social contribution, etc.

⁽⁷⁾ The most prestigious international design contest hosted by JIDP (Japan), comprehensive evaluation of design, usability, innovation and eco-friendliness, etc.

3. Strategies for Sustainable Growth - Sports Marketing

- Increases awareness as a global brand through partnership extension with MANCHESTER CITY FC and new partnership with JUVENTUS FC and NEW YORK RANGERS
- Various marketing activities will be expanded in U.S. along with the establishment of local factory in U.S.

Marketing Status

Official Sponsorship

Europe (Football)	  Mancity FC 2015~	  Juventus 2Q 2023~	  Eintracht Frankfurt 2011~	  SK Slavia Praha 2021~	  Legia Warsaw 2021~
	U.S. (Ice Hockey)	  Anaheim Ducks 2021~	  Chicago Blackhawks 2022~	  New York Rangers 4Q 2023~	

Branding⁽¹⁾

U.S. (Basketball · Baseball)	 NBA	 NCAA	 MLB
------------------------------------	--	---	--

Hosting KLPGA

NEXEN · SAINTNINE MASTERS (2013~)



Snowboard Team Foundation

NEXEN WINGUARD (2022~)



⁽¹⁾ NBA (7) : LA Lakers, Golden State Warriors, Miami Heat, Charlotte Hornets, Detroit Pistons, Indiana Pacers, Dallas Mavericks
 MLB (6) : San Diego Padres, LA Angels, Toronto Blue Jays, Cleveland Guardians, New York Mets, Philadelphia Phillies
 NCAA (1) : Texas Longhorns

3. Strategies for Sustainable Growth - Motor Sports

- Proving technical competency and raising brand awareness through participation in domestic and international motor sports competitions

Major Performance

2021

- **2021 CJ Super Race Championship**
 - The first participation at super 6000 class & winning in opening round
- **Nürburgring series(NLS)**
 - Winning in the V6 class



2022

- **2022 CJ Super Race Championship**
 - Winning in the 6th round
 - Double Podium⁽¹⁾ in 8th round
- **Nürburgring series(NLS)**
 - Winning in the SP4T



2023

- **2023 CJ Super Race Championship**
 - Triple Podium in the 5th round
 - Tire Maker Champion⁽²⁾ in just 3 years of developing racing tires



(1) Podium : meaning placed in the top 1-3 in the competition


(2) The season's champions to the tire maker who scored the most points by adding the points earned in each round by the top five players

3. Strategies for Sustainable Growth - Magazine Tests & Awards

- Proving superior quality and design excellence through tests of international auto & tire magazines as well as the world's top design awards


Magazine Tests

N'FERA Sport




N'FERA Primus


N'FERA Sport SUV




N'BLUE 4Season2




N'BLUE 4Season




N'BLUE HD Plus



WINGUARD Sport 2



WINGUARD Snow'G WH2



Awards



Germany
RED DOT

N'BLUE 4Season2 **N'BLUE 4Season Van** **DANDELION** **GREENHive**

N'FERA Sport **N'FERA AUT** **N'FERA SUR4** **N'FERA RUI**

ROADIAN AT PRO RAS **N9000**



Germany
IF DESIGN

N'FERA Primus **N'FERA AUT** **N'FERA SUV**

WINGUARD Sport 2 **WINGUARD Sport** **N8000**



USA
IDEA DESIGN

GREENHive **CONQUEROR**

MEARTH **PUREBACK**



JAPAN
GOOD DESIGN

N'BLUE 4Season Van **N'FERA RUI** **N'BLUE HD Plus**

WINGUARD Sport 2 **N9000**

3. Strategies for Sustainable Growth - Investment Portfolio

- Laying the groundwork for business expansion to future mobility through Next Century Ventures (CVC affiliated with NEXEN)

Major Portfolios

Automotus

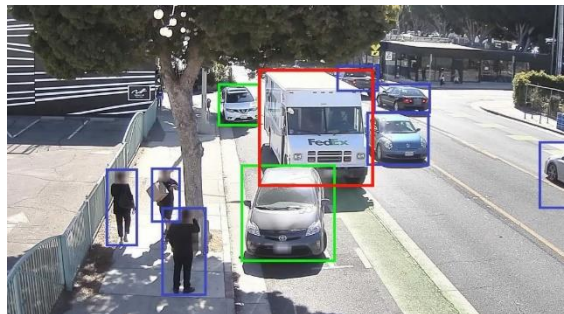


Business field

- Traffic flow and parking management based on AI-based camera
- Cut CO₂ emissions by reducing idling

Key products/services

- Computer vision AI, S/W for image data analysis, H/W for real-time camera



May Mobility



Business field

- Autonomous public transportation and shuttles (Michigan, Minnesota, Arizona)

Key products/services

- Development and deployment of autonomous vehicle technology
- Provision of autonomous system



ANRA Technologies



Business field

- Development of traffic management system for unmanned aerial vehicles
- Aviation-related projects in progress with NASA, FAA, EASA

Key products/services

- UTM (UAS Traffic Management) solutions









3. Strategies for Sustainable Growth - ESG

- Established Sustainability Committee in BOD to accelerate ESG management and manages customer satisfaction indicators

Major Performance

<p>Environment</p>	<ul style="list-style-type: none"> · ‘Green Tire’ seal by German magazine Auto Bild · Research of sustainable raw materials <ul style="list-style-type: none"> - Securing new tech to apply 52% of sustainable raw materials by utilizing bio-oil and recycled PET code, etc. · Implementation of LCA⁽¹⁾ of product <ul style="list-style-type: none"> - First Korean tire maker who got International EPD⁽¹⁾
<p>Social</p>	<ul style="list-style-type: none"> · No.1 tire manufacturer by the ‘Global Customer Satisfaction Index⁽²⁾’ for 14th year in a row · Winning the grand prize of National Service Awards⁽³⁾ for 4 consecutive years · Selected as an excellent workplace for win-win cooperation project & health and safety⁽⁴⁾
<p>Governance</p>	<ul style="list-style-type: none"> · Establishment of Sustainability Committee in BOD and dedicated organizations for ESG → ESG management system is in operation

Initiatives and Awards

 <p>한국ESG기준원 Korea Institute of Corporate Governance and Sustainability</p>	<p>B+ Environment : A Social : A Governance : B (2023)</p>	 <p>BB (2023)</p>
 <p>SUSTAINALYTICS</p>	<p>Low Risk (2023)</p>	 <p>Silver Top 11% (2023)</p>
 <p>WE SUPPORT UN GLOBAL COMPACT</p>	<p>UN affiliated initiative UNGC (2023)</p>	 <p>AutoBild Magazine Test The Green Tire (2023)</p>
 <p>GPSNR</p>	<p>Global Platform for Sustainable Natural Rubber GPSNR (2020)</p>	 <p>Information Security Certification (2022)</p>

⁽¹⁾ LCA: Life Cycle Assessment, EPD: Environmental Product Declarations

⁽²⁾ Hosted by ‘Global Management Association’ (Research and evaluation agency under ‘Ministry of Trade, Industry and Energy’)

⁽³⁾ Hosted by ‘The Institute for Industrial Policy Studies’

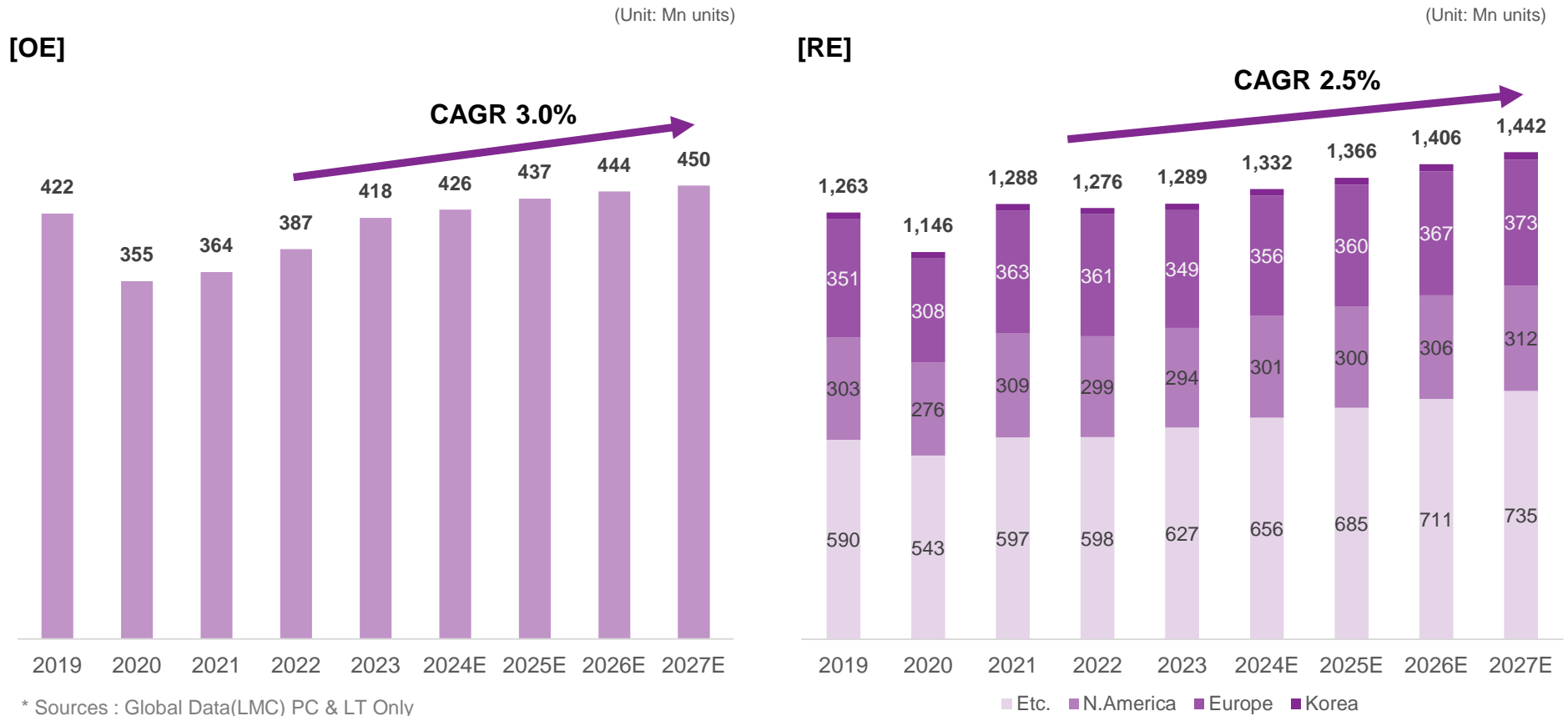
⁽⁴⁾ Organized by ‘Ministry of Employment and Labor’ and ‘Korea Occupational Safety and Health Agency’

4. Market Status

4. Market Status - Tire Demand

- Global tire demand is returning to the level of 2019 as auto demand and economic recovery picks up post-COVID19
- Tire market's CAGR is expected to be about 2.6% based on continuing demand of OE from new car productions and increasing demand of RE from the arrival of EV's tire replacement cycle

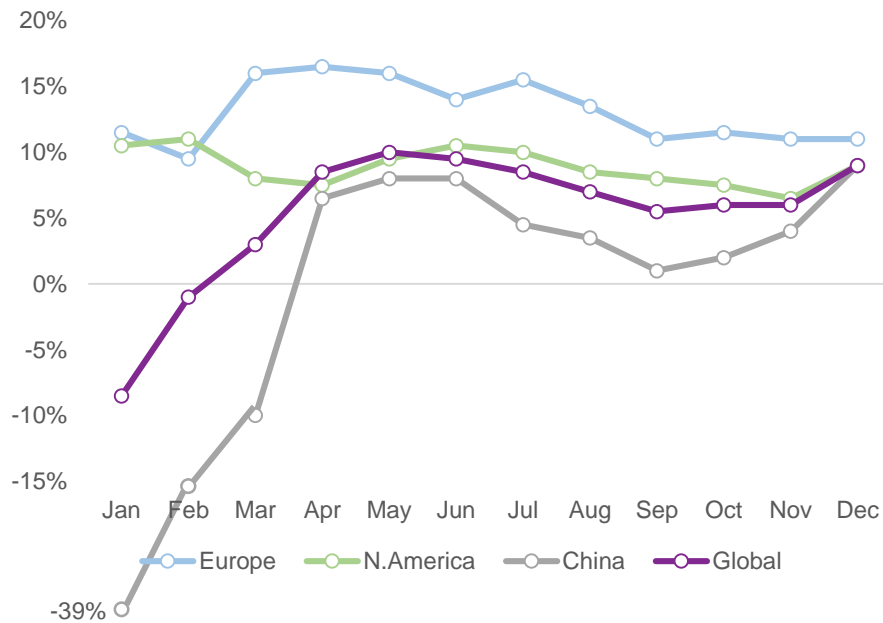
Demand's Trend and Forecast (PC/LT)



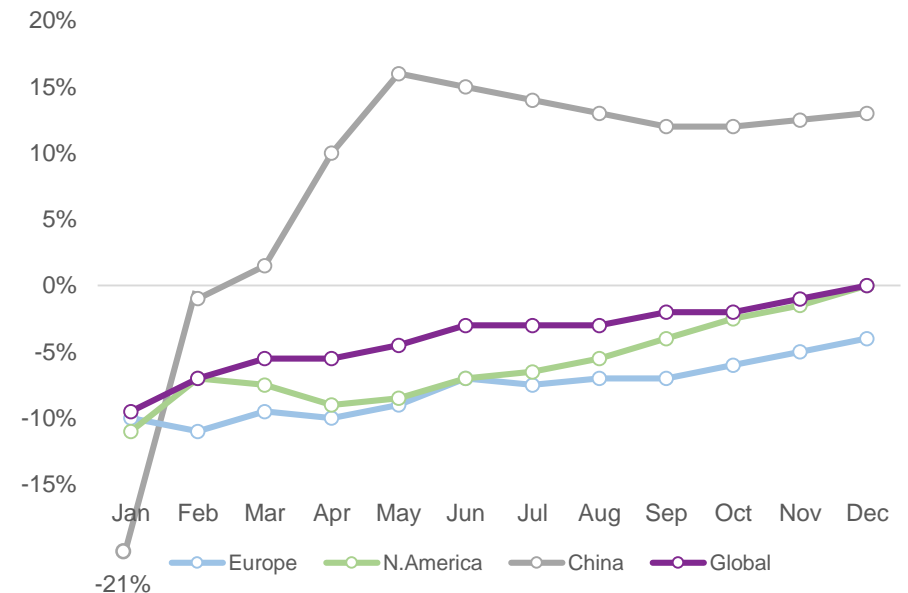
4. Market Status - Market Growth in 2023

- In 2024, stable demand growth for both OE/RE and further demand improvement in H2 thanks to consumption boost driven by possible fall in prices and interest rates

Growth rate of OE (YTD)⁽¹⁾



Growth rate of RE (YTD)⁽¹⁾

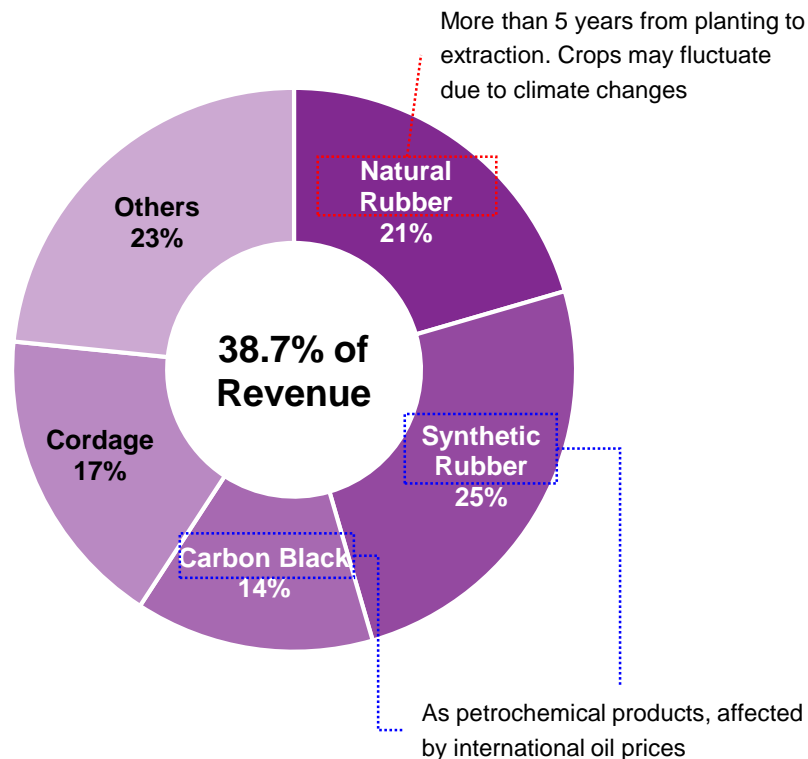


⁽¹⁾ Sources: PC & LT only, Estimation based on data provided by regional tire manufacturers' associations and research firms

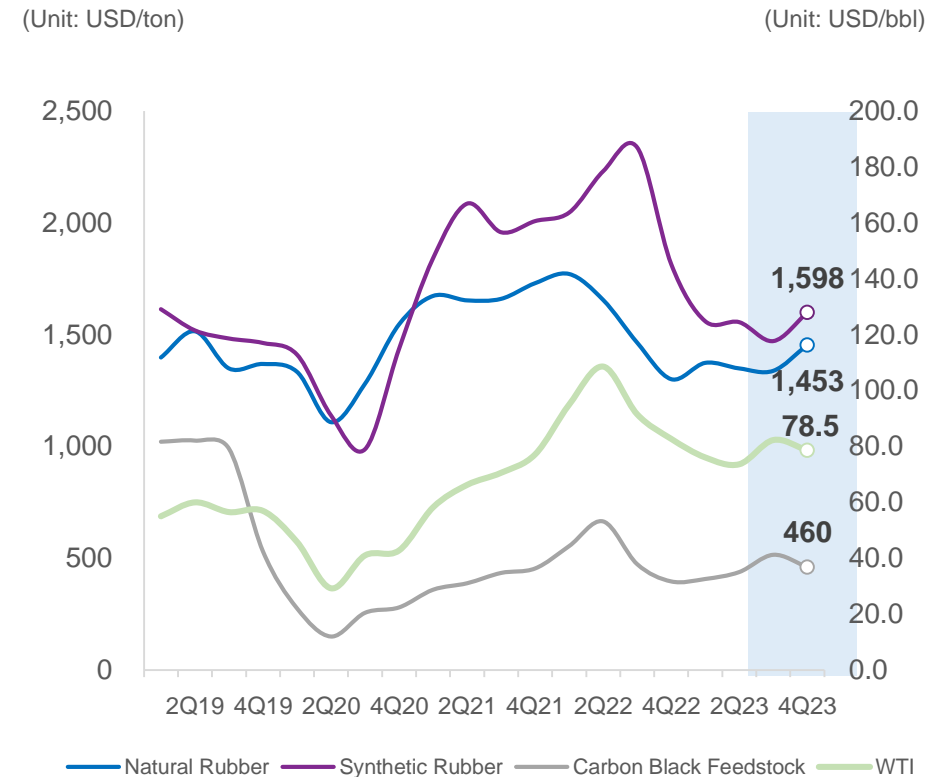
4. Market Status - Raw Materials

- The main raw materials for tires are natural rubber and petrochemicals, including synthetic rubber and carbon black
- Raw materials market stabilized downward in 2023 is to show similar trend in 2024, but increased price volatility due to geopolitical risks

Cost of Raw Materials (as of 3Q23)



Price Trends of Raw Materials

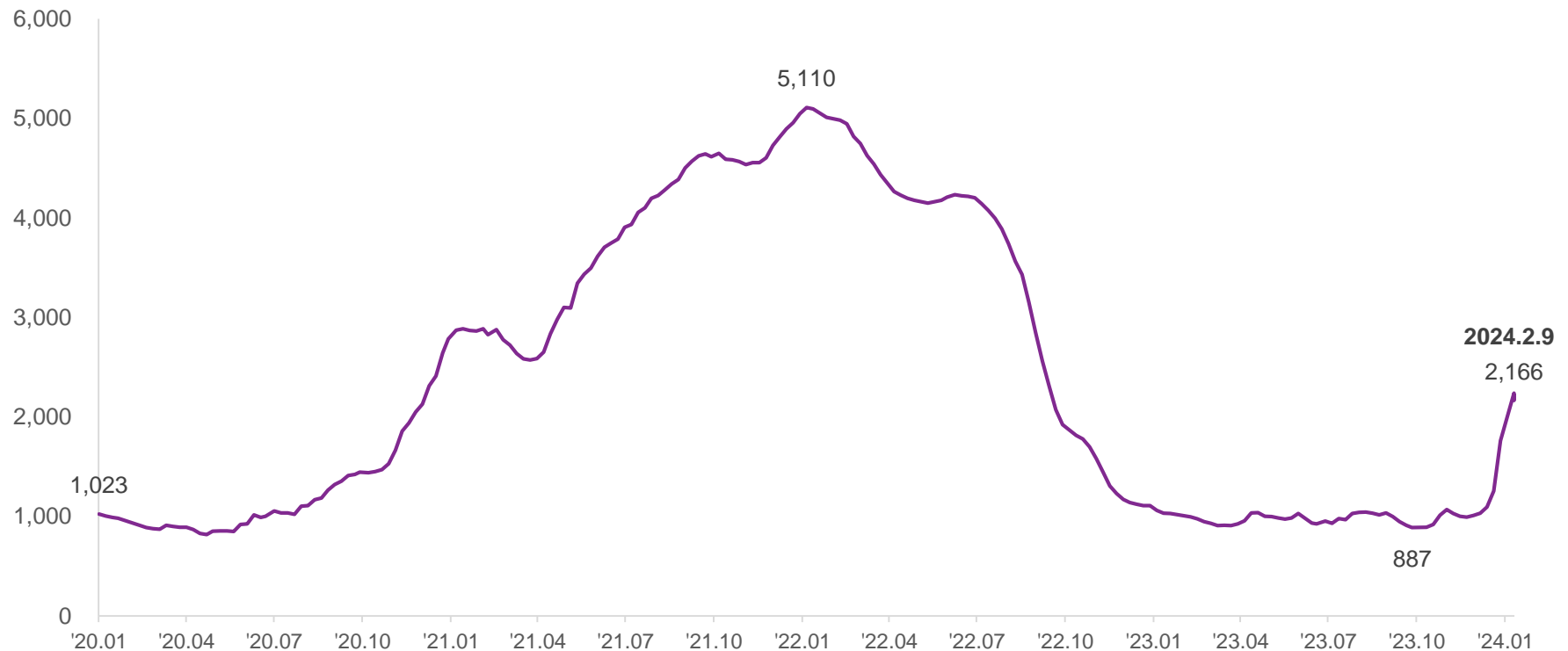


* Sources: Natural Rubber(TSR20, SICOM), Synthetic Rubber(Butadiene Rubber, ICIS CFR NE/SE Asia), Carbon Black Feedstock(Means of Platts Singapore)

4. Market Status - Maritime Logistics

- SCFI made stable movement at a low level in 2023 due to continuous oversupply despite temporary cancellations to offset surplus shipments
- Since December 2023, marine freight's volatility has increased by geopolitical risks

SCFI (Shanghai Containerized Freight Index)



5. Appendix

5. Appendix - Main Products

UHP/HP



SUV/4X4



WINTER



EV



Competition



All-weather
N'Blue 4season 2

5. Appendix - Consolidated Balance Sheet

(Unit: bn KRW)	2019	2020	2021	2022	2023
Assets	3,436.1	3,541.1	3,823.4	3,944.3	4,232.7
Current Assets	1,088.6	1,200.3	1,476.0	1,442.1	1,556.1
Cash Equivalents	345.1	571.5	610.0	452.4	455.3
Account Receivable	341.5	345.6	397.5	382.2	430.1
Inventories	385.4	346.5	497.1	649.2	640.8
Non-current Assets	2,347.5	2,340.8	2,347.4	2,502.2	2,676.6
Tangible Assets	2,189.8	2,096.7	2,068.8	2,135.0	2,325.1
Liabilities	1,878.1	1,994.1	2,223.5	2,348.1	2,527.8
Debt	1,201.7	1,376.8	1,355.8	1,639.6	1,749.5
Account Payable	123.9	88.4	158.7	166.5	102.2
Equity	1,557.9	1,547.0	1,599.9	1,596.2	1,704.9
Net Debt	856.6	805.3	745.8	1,187.2	1,294.2

5. Appendix - Consolidated Income Statement

(Unit: bn KRW)	2019	2020	2021	2022	2023
Revenue	2,022.3	1,698.1	2,079.4	2,597.4	2,701.7
Cost of Sales	1,405.7	1,259.8	1,639.8	2,165.9	1,962.4
(%)	69.5%	74.2%	78.9%	83.4%	72.6%
Gross Profit	616.6	438.3	439.6	431.5	739.3
(%)	30.5%	25.8%	21.1%	16.6%	27.4%
SG&A	409.3	398.9	435.2	485.8	552.3
(%)	20.2%	23.5%	20.9%	18.7%	20.5%
Operating Profit	207.4	39.4	4.4	-54.3	187.0
(%)	10.3%	2.3%	0.2%	-	6.9%
Non-operating Profit	-23.0	-52.1	12.1	13.9	-33.5
Net Income	118.5	-16.6	4.6	-27.5	103.1
(%)	5.9%	-	0.2%	-	3.8%
EBITDA	376.0	226.1	188.5	135.1	383.4
(%)	18.6%	13.3%	9.1%	5.2%	14.2%