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# NEXEN TIRE

**2021. 4Q Earnings Release**

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**This presentation is consolidated financial result in compliance with  
K-IFRS with unaudited 4<sup>th</sup> quarter of 2021 for investors' convenience.  
Therefore, some parts may change upon the review of independent auditors.**

I . **2021 Highlights**

II . **2021. 4Q Global Performance**

III . **2021. 4Q Regional Performance**

※ **Appendix**

- Achieved Sales of KRW 2,079.4 billion through increased RE demand and ASP
- Rise in logistics and materials cost result from global supply chain constraints
- Sales ratio of  $\geq 18''$  inch within PCLT increased to 30.6%, rise 1.1%p YoY

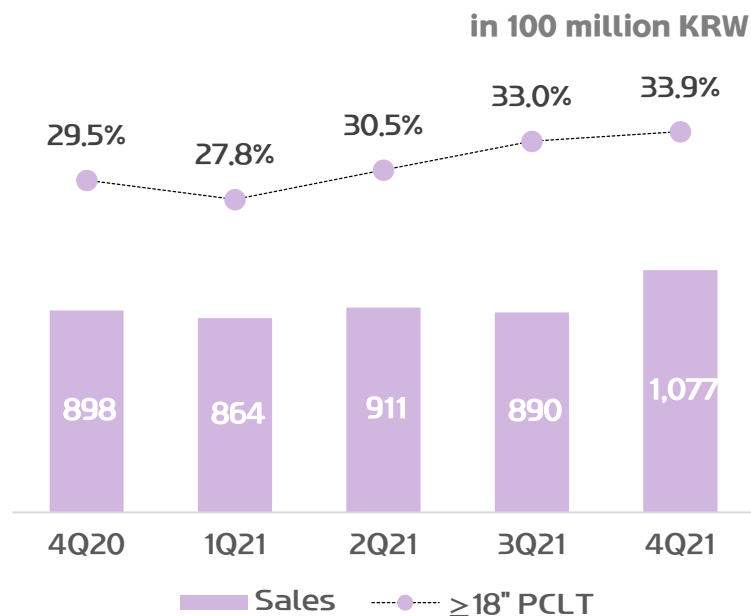
100 Million KRW	20Y	21Y	YoY
Sales	16,981	20,794	22.5%
Cost of Sales	12,598	16,398	30.2%
(%)	74.2%	78.9%	4.7%p
Operating Profit	394	44	<b>△88.9%</b>
(%)	2.3%	0.2%	△2.1%p
Net Income	<b>△127</b>	165	<b>T.P</b>
(%)	△0.7%	0.8%	1.5%p
Depreciation Cost	1,867	1,841	<b>△1.4%</b>
EBITDA	2,261	1,885	<b>△16.6%</b>
(%)	13.3%	9.1%	△4.3%p

# II. 2021. 4Q Global Performance

- Sales increased 19.3% YoY and 1.9% QoQ through rise in sales price
- The cost ratio increases due to continuous rising export costs
- Improving profitability through sales mix improve and price increase

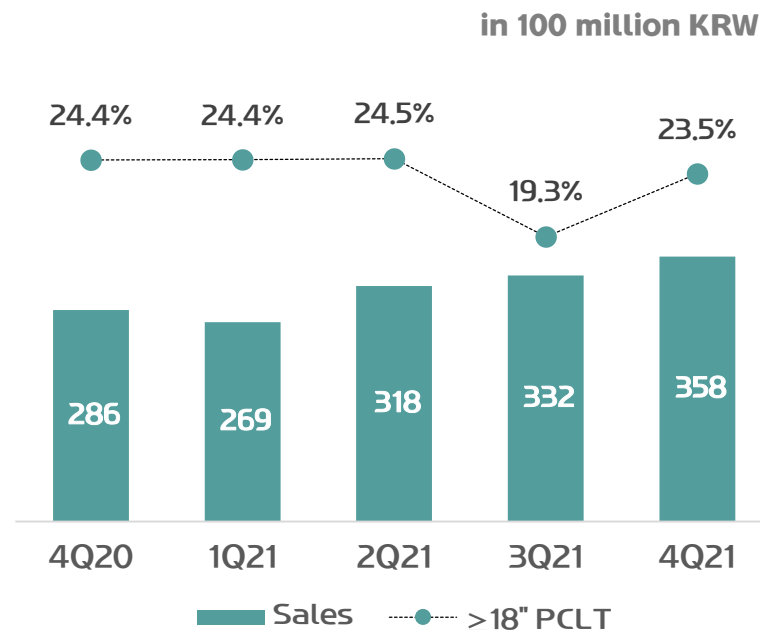
100 Million KRW	20Y 4Q	21Y 3Q	21Y 4Q	QoQ	YoY
Sales	4,570	5,349	5,452	1.9%	19.3%
Cost of Sales	3,207	4,294	4,518	5.2%	40.9%
(%)	70.2%	80.3%	82.9%	2.6%p	12.7%p
Operating Profit	307	13	△226	T.L	T.L
(%)	6.7%	0.2%	△4.1%	△4.4%p	△10.9%p
Net Income	△22	48	△269	T.L	In the red
(%)	△0.5%	0.9%	△4.9%	△5.8%p	△4.5%p
Depreciation Cost	476	466	472	1.4%	△0.8%
EBITDA	783	478	246	△48.5%	△68.5%
(%)	17.1%	8.9%	4.5%	△4.4%p	△12.6%p

## Korea



YoY 20.0% ↑ / QoQ 21.1% ↑

## China



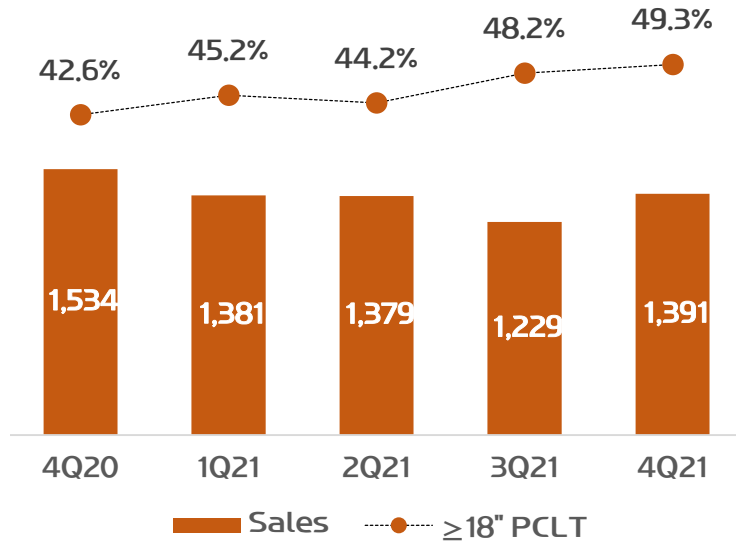
YoY 25.3% ↑ / QoQ 7.7% ↑

- Despite the issues on shortage of semiconductors, OE sales increased through increased SUV model supply
- RE sales increased through improved  $\geq 18$ "inch ratio and sales prices

- OE sales continued to rise through increased supply of local models
- RE sales decreased QoQ, but total sales increased YoY through improved sales mix

## North America

in 100 million KRW

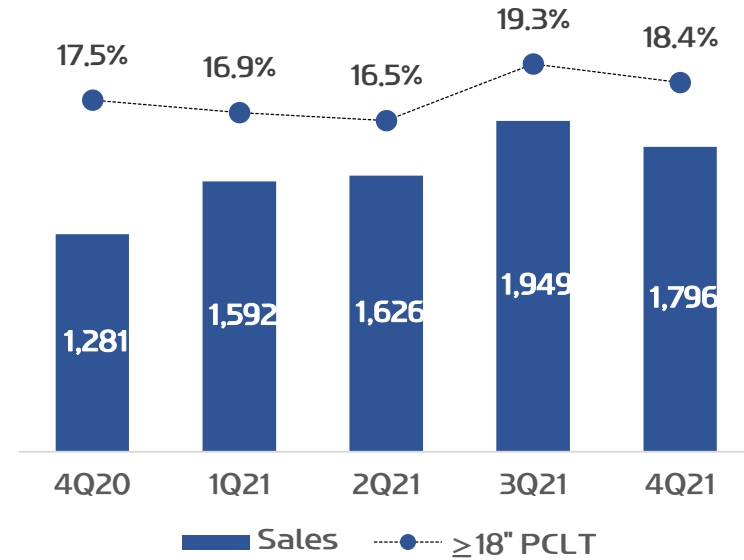


**YoY 9.3% ↓ / QoQ 13.2% ↑**

- Despite the issues on shortage of semiconductors, OE sales slightly increased QoQ through SUV model supply
- RE sales quantity slightly decreased QoQ results from logistics issues, but total sales increased through improving sales mix

## Europe

in 100 million KRW



**YoY 40.2% ↑ / QoQ 7.9% ↓**

- OE sales decreased YoY due to semiconductor supply issues
- Stabilization of Europe plant has led increase in demand for RE sales

# Appendix 1. Consolidated B/S

In 100 million KRW

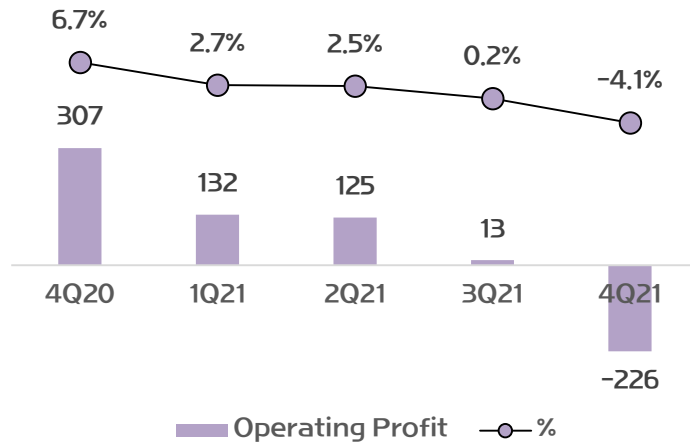
	2017	2018	2019	2020	2021
<b>Assets</b>	27,940	32,423	34,361	35,411	38,234
<b>Current Assets</b>	9,135	9,835	10,886	12,003	14,760
Cash and cash equivalents	1,160	1,377	1,473	2,601	3,223
Trade and other receivables	3,395	3,629	3,415	3,456	3,975
Inventories	2,708	3,036	3,854	3,465	4,971
<b>Non-current Assets</b>	18,805	22,587	23,475	23,408	23,474
Property, plant and equipment	17,657	21,286	21,898	20,967	20,688
<b>Liabilities</b>	14,551	18,141	18,781	19,941	22,235
<b>Current Liabilities</b>	6,482	6,350	9,184	7,668	10,417
<b>Non-current Liabilities</b>	8,069	11,792	12,597	12,274	11,818
(Debt)	8,631	11,950	12,017	13,768	13,558
<b>Equity</b>	13,389	14,282	15,579	15,470	15,999
<b>Net Debt</b>	7,471	10,573	10,544	11,167	10,335
<b>Liability Ratio</b>	108.7%	127.0%	120.6%	128.9%	139.0%
<b>Current Ratio</b>	140.9%	154.9%	118.5%	156.5%	141.7%
<b>Capital Adequacy Ratio</b>	47.9%	44.0%	45.3%	43.7%	41.8%



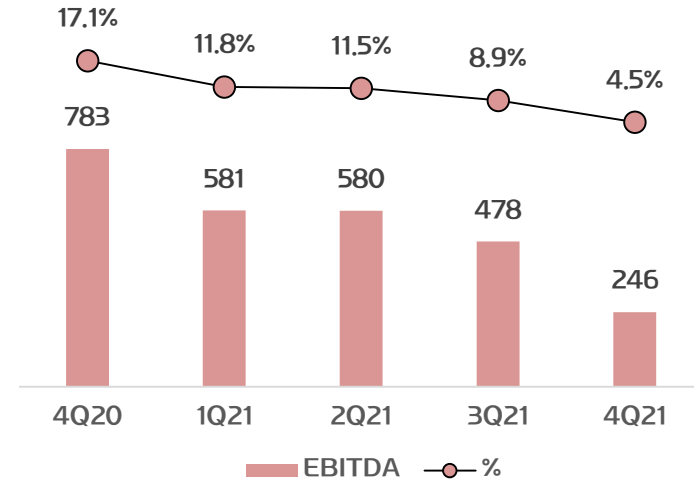
In 100 million KRW

	2020		2021		
	4Q	1Q	2Q	3Q	4Q
Sales	4,570	4,938	5,055	5,349	5,452
Cost of Sales	3,207	3,726	3,861	4,294	4,518
(%)	70.2%	75.5%	76.4%	80.3%	82.9%
Gross Profit	1,364	1,212	1,194	1,055	934
(%)	29.8%	24.5%	23.6%	19.7%	17.1%
SG&A	1,057	1,080	1,069	1,042	1,160
(%)	23.1%	21.9%	21.1%	19.5%	21.3%
Operating Profit	307	132	125	13	△226
(%)	6.7%	2.7%	2.5%	0.2%	△4.1%
Other Income	75	325	147	263	154
Other Expenses	405	215	128	228	197
Income Before Income Tax Expenses	△22	242	144	48	△269
(%)	△0.5%	4.9%	2.8%	0.9%	△4.9%

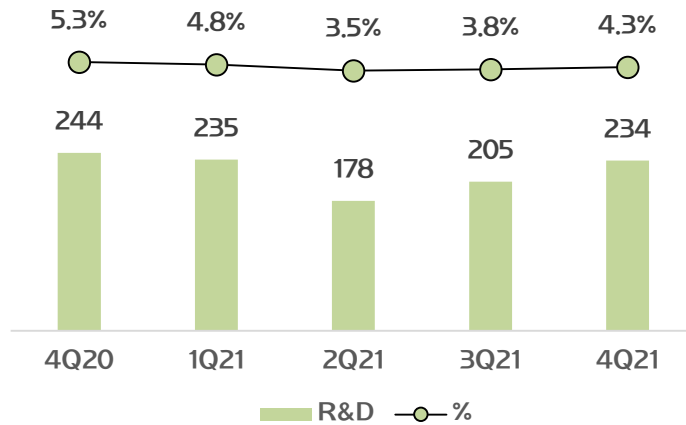
## 1) Operating Profit(%)



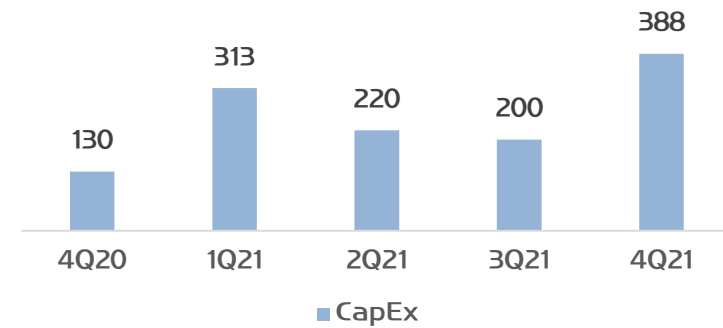
## 2) EBITDA(%)



## 3) R&D



## 4) CAPEX



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