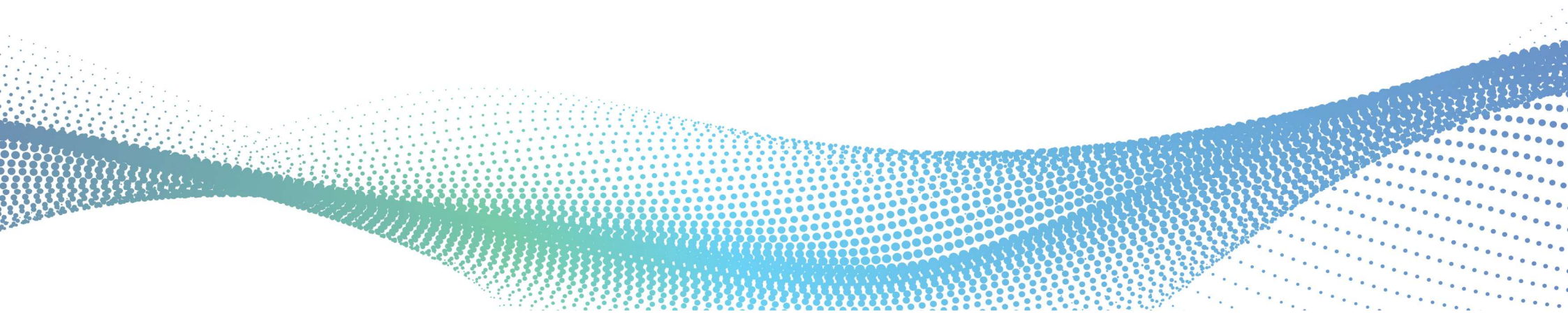


FOURTH QUARTER 2024

Financial Results

HYOSUNG CHEMICAL



| What's Inside |

4Q 2024 Financial Results 3p

Financial Performance by Segment 6p

Appendix 8p

1. Quarterly Operating Segment Performance
2. Price Trend of Raw Materials
3. Fact Sheet

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[4Q 2024 consolidated earnings and past consolidated earnings presented in this presentation are based on K-IFRS accounting standards. Historical data is provided for comparison purposes.](#)

Information in this presentation has not been audited nor reviewed yet, and thus, is subject to change during the audit or review. Forward looking statements have been made with consideration of current status of the business environment and are also subject to change according to changes in the business environment, as well as the company's strategy.

4Q 2024 Financial Results

Quarterly Profit/Loss Statement (Consolidated)

(Unit: Billion KRW)

	4Q 2023	3Q 2024	4Q 2024	QoQ	YoY
Sales Revenue	686.5	768.3	737.1	(4.1%)	7.4%
Gross Profit	(8.9)	(6.2)	(21.5)	Continued Loss	Continued Loss
<i>Gross Profit Margin</i>	<i>(1.3%)</i>	<i>(0.8%)</i>	<i>(2.9%)</i>	<i>(2.1%p)</i>	<i>(1.6%p)</i>
Operating Profit	(37.4)	(26.2)	(44.4)	Continued Loss	Continued Loss
<i>Operating Profit Margin</i>	<i>(5.5%)</i>	<i>(3.4%)</i>	<i>(6.0%)</i>	<i>(2.6%p)</i>	<i>(0.5%p)</i>
Interest Expense	42.3	46.1	44.1	(4.3%)	4.3%
Gain or Loss on Foreign Exchange/Derivatives	1.6	(0.3)	6.7	2,333.3%	318.8%
Income before Tax	(85.4)	(74.2)	(93.1)	Continued Loss	Continued Loss
Net Profit	(74.1)	(61.2)	(100.6)	Continued Loss	Continued Loss
Net Profit in Controlling Interest	(741)	(612)	(100.6)	Continued Loss	Continued Loss
EBITDA	21.2	30.1	10.6	(64.8%)	(50.0%)

4Q 2024 Financial Results (Continued)

Balance Sheet (Consolidated)

(Unit : Billion KRW)

	Dec 2023	End of Sept 2024	End of Dec 2024	QoQ
Assets	3,115.6	3,210.7	32,720	1.9%
Current Assets	710.0	811.8	10,615	30.8%
Cash & Cash Equivalents	52.8	104.2	607	(41.8%)
Non-Current Assets	2,405.6	2,398.9	22,106	(7.9%)
Liabilities	3,053.7	3,178.2	33,400	5.1%
Current Liabilities	2,147.5	2,818.3	31,723	12.6%
Non-Current Liabilities	906.2	359.9	1,677	(53.4%)
Equity	61.8	32.5	(680)	(309.2%)
Debt	2,460.3	2,641.3	27,116	2.7%
Net Debt	2,407.5	2,537.1	26,509	4.5%
<i>Net Debt to Equity Ratio</i>	<i>3,895.6%</i>	<i>7,806.5%</i>	<i>-%</i>	<i>-%</i>

4Q 2024 Financial Results (Continued)

Cashflow (Consolidated)

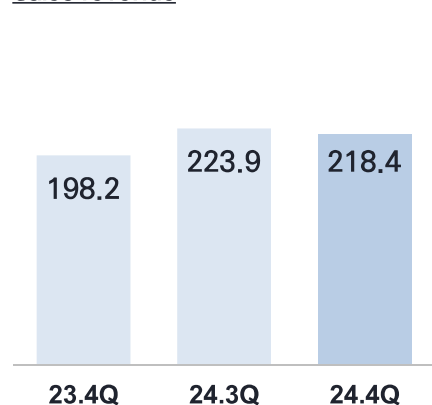
(Unit : Billion KRW)

	End of 2023	3Q 2024	4Q 2024	(1~4Q) 2024
Cash Flow from Operations	75.4	(104.9)	(58.9)	(197.3)
Net Income	(346.9)	(61.2)	(100.6)	(325.8)
Depreciation	260.7	56.3	56.2	227.3
Changes in Net Working Capital, etc.	161.6	(100.0)	103.3	(98.8)
Cash Flow from Investing	(200.8)	(57.3)	(15.7)	(143.7)
PP&E and Intangibles	(200.8)	(57.3)	(20.6)	(149.7)
Others	0	0	0	0
Cash Flow from Financing	71.4	99.0	64.1	434.7
Changes in Borrowings	(76.5)	3.2	70.3	251.3
Dividend Payment	0	0	0	0
Changes in Cash and Cash Equivalents	(54.0)	(63.2)	(54.9)	(4.8)

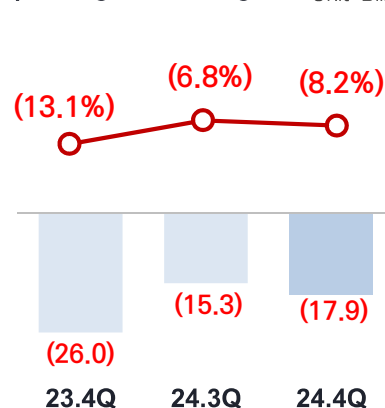
Financial Performance by Division

PP/DH (Korea) | Continued losses due to oversupply in China and risen shipping costs

Sales revenue



Operating Profit (Margin) Unit: Billion KRW



PP homo(Korea)-Propane(CP)*1.28 Spread QoQ

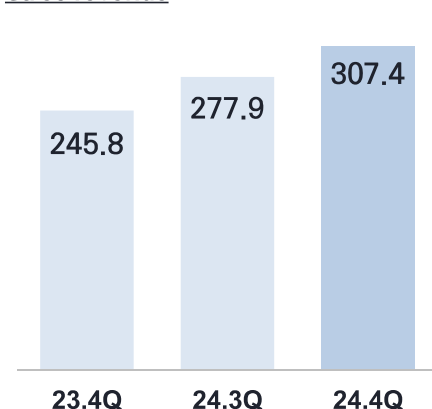
(\$/ton)	23.4Q	24.3Q	24.4Q	QoQ	YoY
PP(homo)	866	897	887	(1.1%)	2.4%
Propane(CP)	607	592	632	6.8%	4.1%
Spread	89	139	78	(44.0%)	(12.4%)

- Intensified competition due to oversupply in China and rising shipping costs led to declining profitability, while strong propane prices further squeezed the spread.
- PP(homo) price premium: North America, Europe vs. Far East Asia

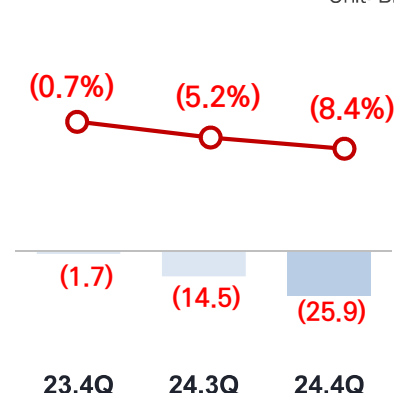
(\$/ton)	Jul.24	Aug.24	Sep.24	Oct.24	Nov.24	Dec.24
N-America	334	285	284	238	176	161
W-Europe	383	444	479	386	302	273

PP/DH (Vietnam) | Continued losses due to China undercutting with low-priced products and rising shipping costs

Sales revenue



Operating Profit (Margin) Unit: Billion KRW



PP homo(Southeast Asia)-Propane(CP)*1.15 Spread QoQ

(\$/ton)	23.4Q	24.3Q	24.4Q	QoQ	YoY
Spread	219	264	216	(18.2%)	(1.4%)

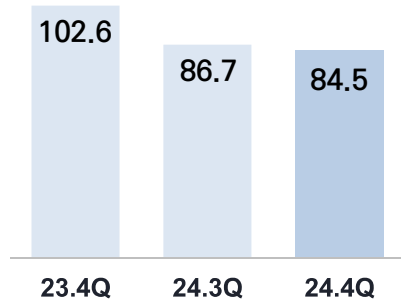
- Influx of low-priced Chinese products led to price declines, while rising shipping costs reduced the premium



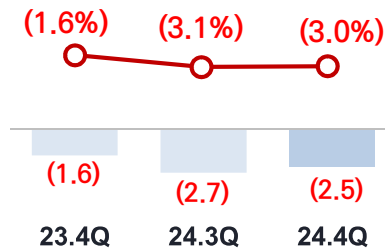
Financial Performance by Division (Continued)

TPA | Market downturn due to increased supply from China's new capacity expansions

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



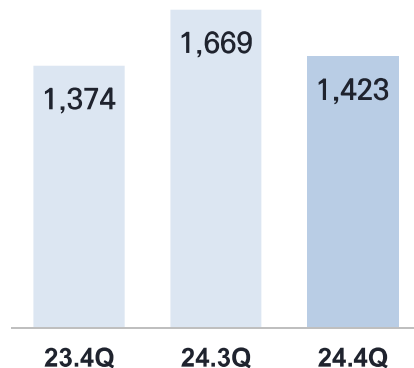
- TPA-PX (0.665) QoQ, YoY

(\$/ton)	23.4Q	24.3Q	24.4Q	QoQ	YoY
TPA	753	712	633	(11.1%)	(15.9%)
PX	1,017	944	842	(10.8%)	(17.2%)
Spread	88	95	82	(13.0%)	(6.3%)

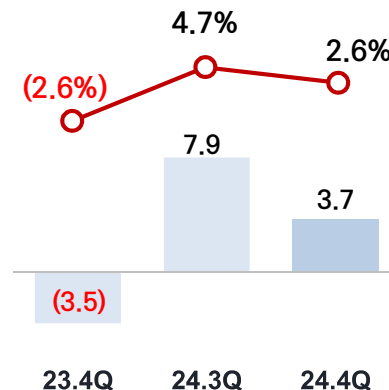
- Continued losses due to reduced spread from increased TPA supply following China's new capacity expansions.

Others | Sustained profitability due to improved unit costs from increased sales and production volumes

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



<NF3>

- Improvements constrained by the low operating rates of customer facilities, caused by delayed market recovery

<TAC film>

- Intensified competition as increased demand from Chinese panel makers accelerates the expansion of local polarizer models.

<Film>

- Continued oversupply and sustained losses due to new capacity expansions centered in China, resulting in a weak market.

<POK (Polyketone)>

- Sustained profitability due to stable raw material prices and increased sales volume

Appendix 1. Quarterly Operating Segment Performance

Sales Revenue

Unit: Billion KRW

	2022					2023					2024				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
PP/DH	442.5	447.8	431.7	415.4	1,737.4	432.9	436.9	447.1	443.9	1,760.8	462.7	464.3	501.8	525.8	1,954.6
TPA	94.4	128.7	118.1	111.0	452.2	76.6	120.2	111.0	102.6	410.4	86.7	109.7	86.7	84.5	367.6
Others	190.3	189.9	153.1	193.7	727.0	155.5	162.3	150.8	137.4	606.0	151.7	166.7	166.9	142.3	627.6
Sum	727.2	766.4	702.9	720.1	2,916.6	665.0	719.4	708.9	683.9	2,777.2	701.1	740.7	755.4	683.9	2,881.1

Operating Margin

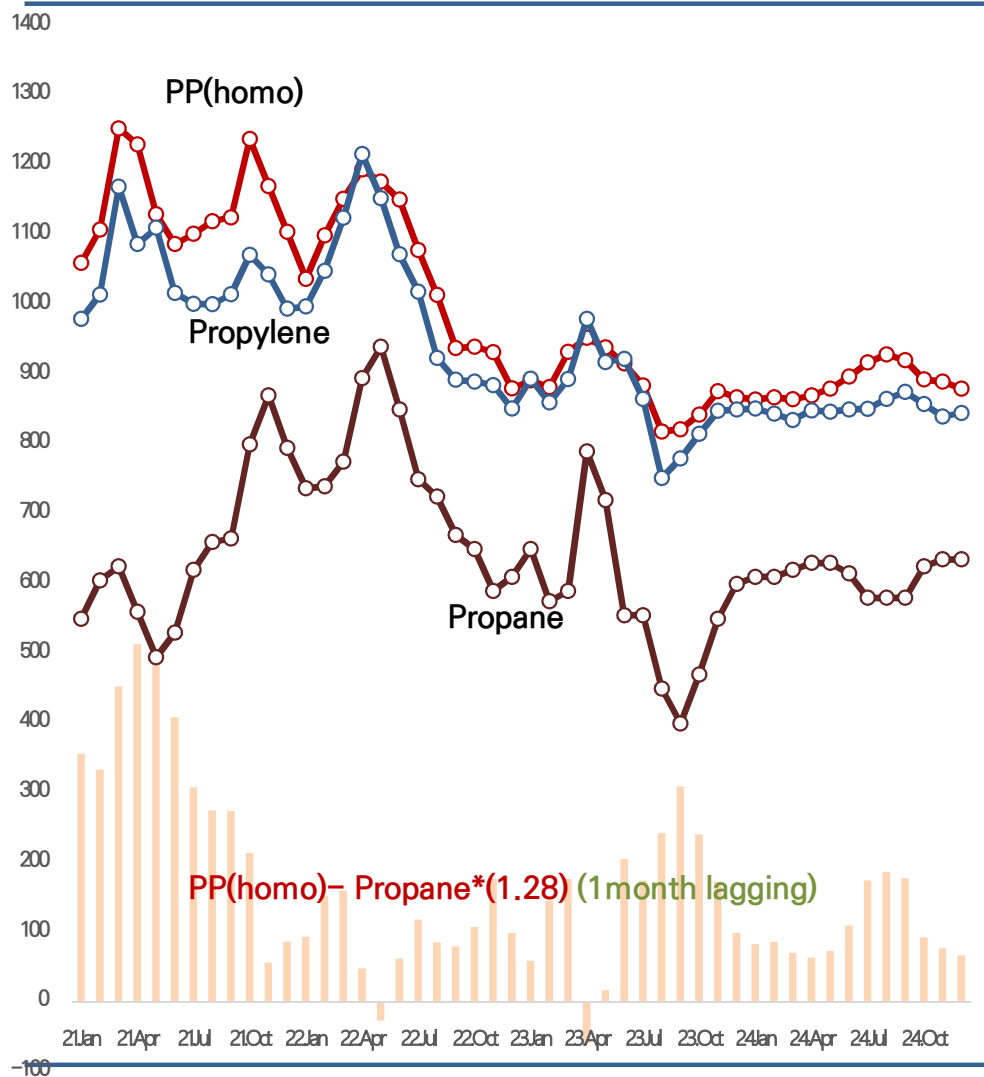
Unit: Billion KRW

(OPM)	2022					2023					2024				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
PP/DH	(54.6)	(94.9)	(139.6)	(86.8)	(375.9)	(44.7)	(115.0)	(10.5)	(27.7)	(197.9)	(37.6)	(57.2)	(29.8)	(43.8)	(168.4)
	(12.3%)	(21.2%)	(32.3%)	(20.9%)	(21.6%)	(10.3%)	(26.3%)	(2.3%)	(6.2%)	(11.2%)	(8.1%)	(12.3%)	(5.9%)	(8.3%)	(8.6%)
TPA	(0.1)	5.2	(0.7)	(7.6)	(3.2)	(5.4)	2.4	(1.1)	(1.6)	(5.7)	(2.5)	1.1	(2.7)	(2.5)	(6.6)
	(0.1%)	4.0%	(0.6%)	(3.9%)	0.7%	(7.0%)	2.0%	(1.0%)	(1.2%)	(1.4%)	(2.9%)	1.0%	(3.1%)	(1.8%)	(1.8%)
Others	21.6	21.6	0.5	5.7	49.4	2.3	7.1	6.4	(3.5)	12.3	7.2	7.9	7.9	3.7	26.7
	11.3%	11.4%	0.3%	2.9%	6.8%	1.5%	4.4%	4.2%	(2.5%)	2.0%	4.7%	4.7%	4.7%	2.6%	4.3%
Sum	(33.2)	(68.1)	(139.8)	(88.7)	(329.8)	(47.8)	(105.5)	(5.2)	(32.8)	(191.3)	(32.9)	(48.2)	(24.6)	(42.6)	(148.3)
	(4.6%)	(8.9%)	(19.9%)	(12.3%)	(11.3%)	(7.2%)	(14.7%)	(0.7%)	(4.8%)	(6.9%)	(4.7%)	(6.5%)	(3.3%)	(6.2%)	(5.1%)

Appendix 2. Price Trend of Raw Materials

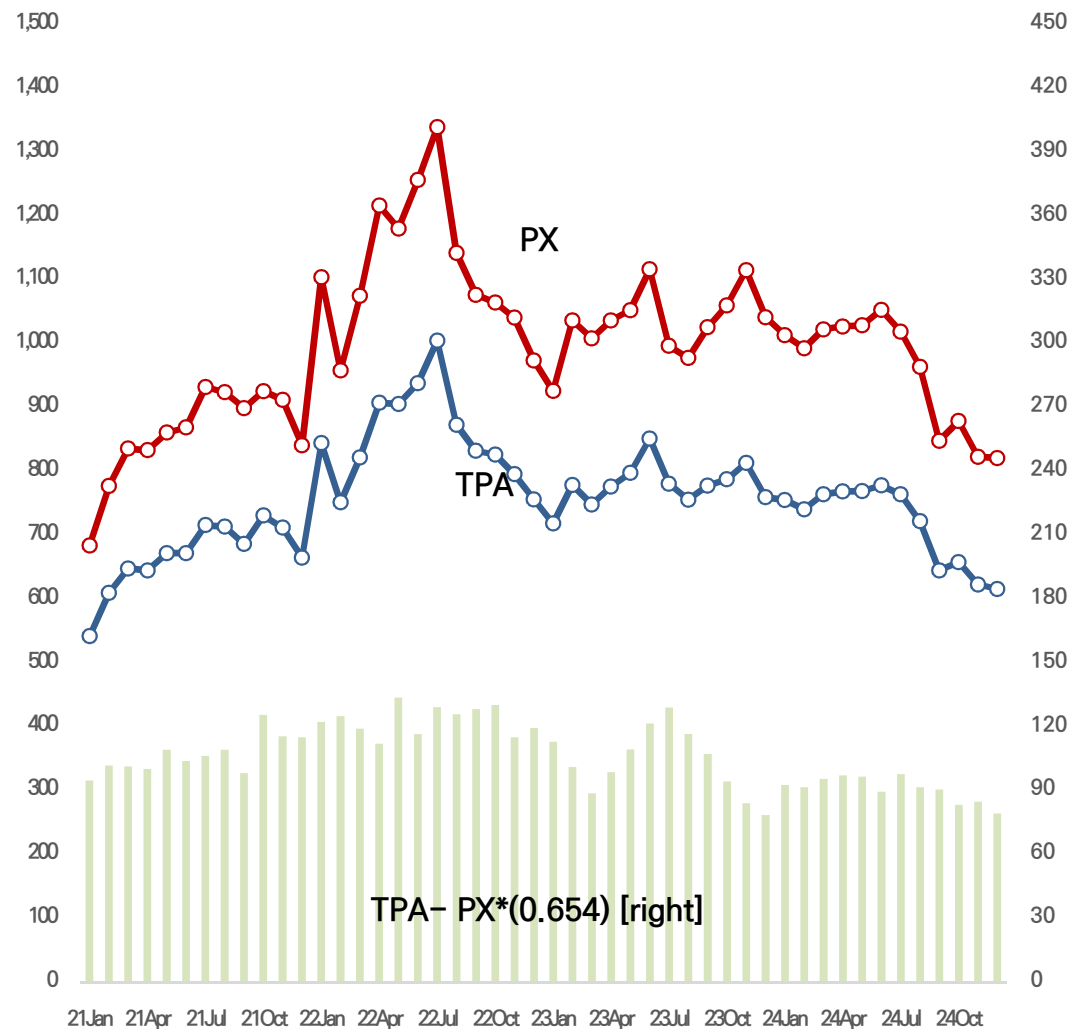
PP(homo) – Propylene – Propane

(unit: \$/ton)





PX – TPA

(unit: \$/ton)



Appendix 3. Fact sheet

Business Model	Industry Backdrop	Growth Strategy
<p>▶ World No1. PP-R(pipe) Provider</p> <ul style="list-style-type: none"> - 66% of total revenue (2024) - Key markets: China, Middle East, Turkey, Russia, Europe - Key feedstock: Propane - Brand "TOPILENE R200P" 	<p>▶ PP-R Pipe</p> <ul style="list-style-type: none"> - Replacing PVC: water pipe, better economics/eco-friendly, more prominent in China/Middle East. - Emerging markets: particularly strong in SE Asia and India - PP(homo): Oversupply in China in 2024 <p>Continued Global PP demand weakness Due to New expansions in China.</p>	<p>▶ Focus on Low-cost Curve, Volume Gains</p> <ul style="list-style-type: none"> - Focus on Premium-grade(e.g. PP-R) - PP/DH: Full capacity run(600kMT/year) in Vietnam - Strategic geographical choice: growth potential in India/SE bypassing trade conflict(high tariff).
<p>▶ TPA</p> <ul style="list-style-type: none"> - 13% of total revenue (2024) - Key feedstock: PX 	<p>▶ POK market</p> <ul style="list-style-type: none"> - Could be meaningfully big in the future - The lowest CO2 emission across engineering plastics - With carbon-zero campaign: Use CO, a precursor for POK originating from carbon capture facilities. 	<p>▶ Tech-related materials</p> <ul style="list-style-type: none"> - NF3: per requests from captive customers.
<p>▶ PET/NY Flim</p> <ul style="list-style-type: none"> - Main use: Food packaging, LCD film protection - Key feedstock: PET chip, NY6 chip 	<p>▶ Competitive Edges</p> <ul style="list-style-type: none"> ▶ Capability to produce eco-friendly EP ▶ Trust from returning customers <ul style="list-style-type: none"> - Capacity expansion per request from captive customers - High entry barrier related to the need to deal with toxic materials (e.g. fluoride) 	<p>Management Team</p> <p>CEO: Kun-Jong LEE</p> <ul style="list-style-type: none"> - Ph D in Chemistry - Ex-Director of LCD manufacturing center Samsung Electronics - Ex-CEO at Wonil Materials 
<p>▶ World No3. NF3 Provider</p> <ul style="list-style-type: none"> - Key Customers: SEC, SK-Hynix, LGD, SDI - Key feedstock: Hydrogen Fluoride 		<p>CFO : Ki-Ho Song</p> <p>Head of Finance at Hyosung Chemical</p> 
<p>▶ Polyketon: eco-friendly product</p> <ul style="list-style-type: none"> - Brand "POKETONE" - Key feedstock: CO 		
<p>▶ World No3. TAC(Tri-Acetyl Cellulose) Flim Provider</p> <ul style="list-style-type: none"> - LCD polarizer(PVA film) protection film 		