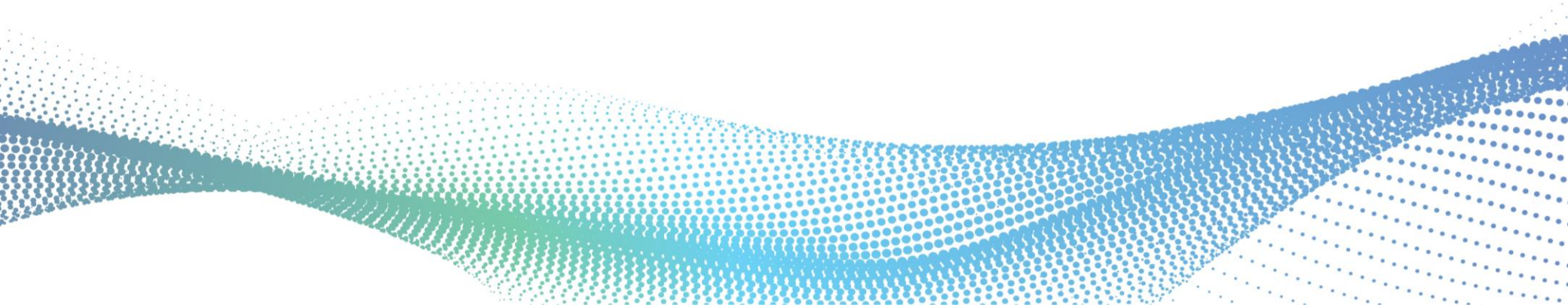


FIRST QUARTER 2025

Financial Results

HYOSUNG CHEMICAL



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1. Quarterly Operating Segment Performance
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HYOSUNG CHEMICAL

[1Q 2025 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.

1Q 2025 Financial Results

Quarterly Profit/Loss Statement (Consolidated)

(Unit: Billion KRW)

	1Q 2024	4Q 2024	1Q 2025	QoQ	YoY
Sales Revenue	710.4	737.1	615.0	(16.6%)	(13.4%)
Gross Profit	(7.1)	(21.5)	(34.5)	Continued Loss	Continued Loss
<i>Gross Profit Margin</i>	<i>(1.0%)</i>	<i>(2.9%)</i>	<i>(5.6%)</i>	<i>(4.6%p)</i>	<i>(2.7%p)</i>
Operating Profit	(34.8)	(44.4)	(59.7)	Continued Loss	Continued Loss
<i>Operating Profit Margin</i>	<i>(4.9%)</i>	<i>(6.0%)</i>	<i>(9.7%)</i>	<i>(4.8%p)</i>	<i>(3.7%p)</i>
Interest Expense	43.6	44.1	37.8	(14.3%)	(13.3%)
Gain or Loss on Foreign Exchange/Derivatives	(1.5)	6.7	8.7	29.9%	Turn to Profit
Income before Tax	(80.6)	(93.1)	(93.7)	Continued Loss	Continued Loss
Net Profit	(73.9)	(100.6)	374.2	Turn to Profit	Turn to Profit
Net Profit in Controlling Interest	(73.9)	(100.6)	374.2	Turn to Profit	Turn to Profit
EBITDA	12.1	10.6	(12.9)	Turn to Loss	Turn to Loss

1Q 2025 Financial Results (Continued)

Balance Sheet (Consolidated)

(Unit : Billion KRW)

	Dec 2023	Dec 2024	End of Mar 2025	QoQ
Assets	3,115.6	3,272.0	2,826.8	(13.6%)
Current Assets	710.0	1,061.5	733.9	(30.9%)
Cash & Cash Equivalents	52.8	60.7	101.5	67.2%
Non-Current Assets	2,405.6	2,210.6	2,092.8	(5.3%)
Liabilities	3,053.7	3,340.0	2,526.1	(24.4%)
Current Liabilities	2,147.5	3,172.3	2,352.1	(25.9%)
Non-Current Liabilities	906.2	167.7	174.0	3.8%
Equity	61.8	(68.0)	300.7	—%
Debt	2,460.3	2,711.6	1,990.4	(26.6%)
Net Debt	2,407.5	2,650.9	1,888.9	(28.7%)
Net Debt to Equity Ratio	3,895.6%	—%	628.2%	628.2%p

1Q 2025 Financial Results (Continued)

Cashflow (Consolidated)

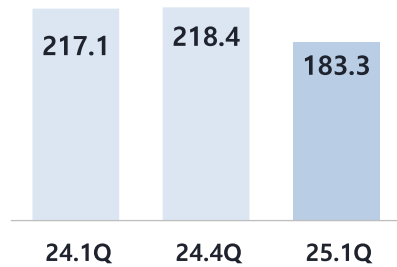
(Unit : Billion KRW)

	End of 2023	End of 2025	1Q 2025	(1Q) 2025
Cash Flow from Operations	75.4	(58.9)	441.5	441.5
Net Income	(345.9)	(100.6)	374.2	374.2
Depreciation	260.7	56.2	47.2	47.2
Changes in Net Working Capital, etc.	161.6	103.3	20.1	20.1
Cash Flow from Investing	(200.8)	(15.7)	806.4	806.4
PP&E and Intangibles	(200.8)	(20.6)	(20.6)	(20.6)
Others	0	0	0	0
Cash Flow from Financing	71.4	64.1	(727.8)	(727.8)
Changes in Borrowings	(76.5)	70.3	(721.2)	(721.2)
Dividend Payment	0	0	0	0
Changes in Cash and Cash Equivalents	(54.0)	(54.9)	54.9	54.9

Financial Performance by Division

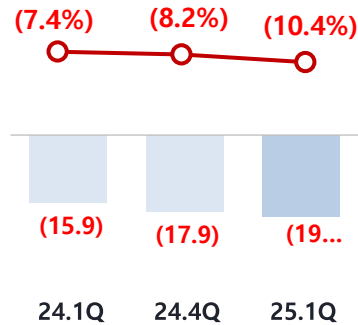
PP/DH (Korea) | Winter demand and new PDH capacity in China pushed up propane prices

Sales revenue



Operating Profit (Margin)

Unit: Billion KRW



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

(\$/ton)	24.1Q	24.4Q	25.1Q	QoQ	YoY
PP(homo)	872	887	876	(1.2%)	0.5%
Propane(CP)	627	632	625	(1.1%)	(0.3%)
Spread	69	78	76	(2.6%)	9.4%

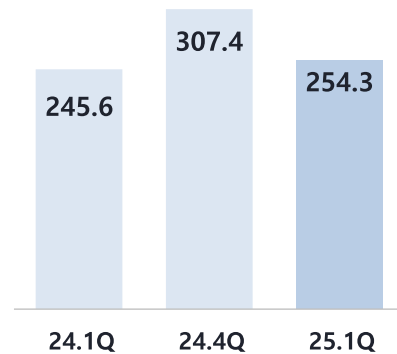
- Propane prices strengthened due to temporary winter demand and new PDH capacity additions in China, while narrowed spreads led to continued losses

• PP(homo) price premium: North America, Europe vs. Far East Asia

(\$/ton)	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25
N-America	334	285	284	185	197	166
W-Europe	383	444	479	279	356	406

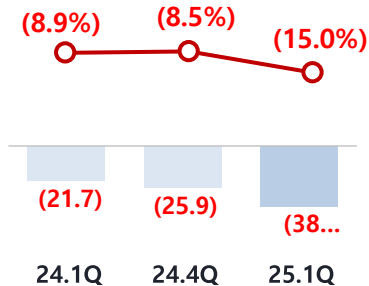
PP/DH (Vietnam) | The scheduled maintenance of the OL-1 unit led to a wider operating loss due to reduced utilization rates

Sales revenue



Operating Profit (Margin)

Unit: Billion KRW



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

(\$/ton)	24.1Q	24.4Q	25.1Q	QoQ	YoY
Spread	237	216	238	10.2%	0.4%

- Scheduled maintenance of the OL-1 unit was carried out and the facility is currently in the load-up phase

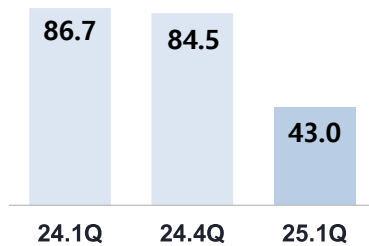


Financial Performance by Division (Continued)

TPA

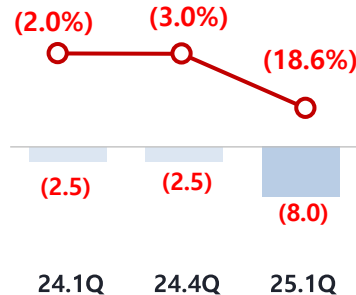
Losses continued due to market weakness driven by the start-up of new capacities in China

Sales Revenue



Operating Profit (Margin)

Unit: Billion KRW



TPA-PX (0.665) QoQ, YoY

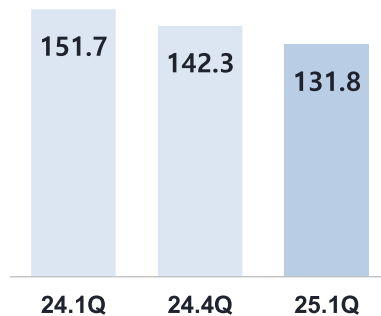
(\$/ton)	24.1Q	24.4Q	25.1Q	QoQ	YoY
TPA	768	633	643	1.6%	(16.3%)
PX	1,027	842	860	2.1%	(16.3%)
Spread	96	82	81	(2.2%)	(16.4%)

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

Others

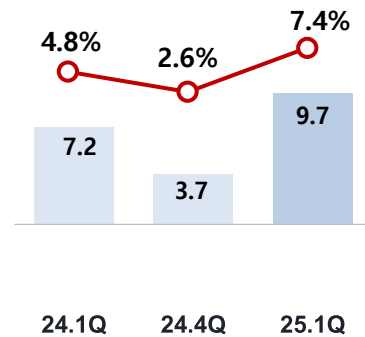
Polyketone operations remained profitable, supported by increased production of household appliances in China

Sales Revenue



Operating Profit (Margin)

Unit: Billion KRW



<TAC film>

- With the Chinese government extending its consumption promotion initiatives and broadening the scope of subsidized categories, demand for TAC film has risen in tandem with higher operating rates at panel manufacturers

<Film>

- Ongoing oversupply from the Chinese market has continued to weigh on the film segment, resulting in prolonged market weakness and sustained operating losses

<POK (Polyketone)>

- Polyketone sales increased, driven by higher production of household appliances in China and inventory buildup by compounders

Appendix 1. Quarterly Operating Segment Performance

Sales Revenue

Unit: Billion KRW

	2022					2023					2024					2025
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
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	437.6
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	43.0
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	131.8
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	752.6	2,949.8	612.4

Operating Margin

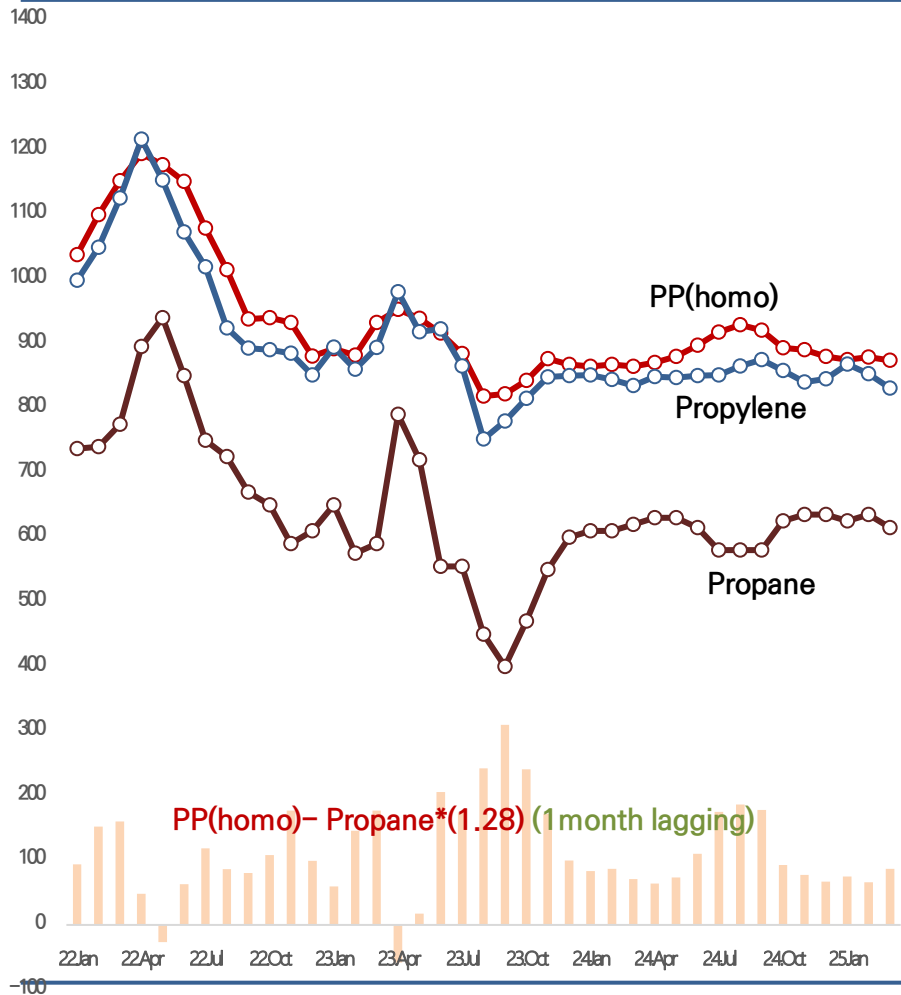
Unit: Billion KRW

(OPM)	2022					2023					2024					2025
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
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)	(57.0)
	(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%)	(13.0%)
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)	(8.0)
	(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%)	(18.6%)
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	9.7
	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%	7.4%
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)	(55.3)
	(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%)	(5.7%)	(5.0%)	(9.0%)

Appendix 2. Price Trend of Raw Materials

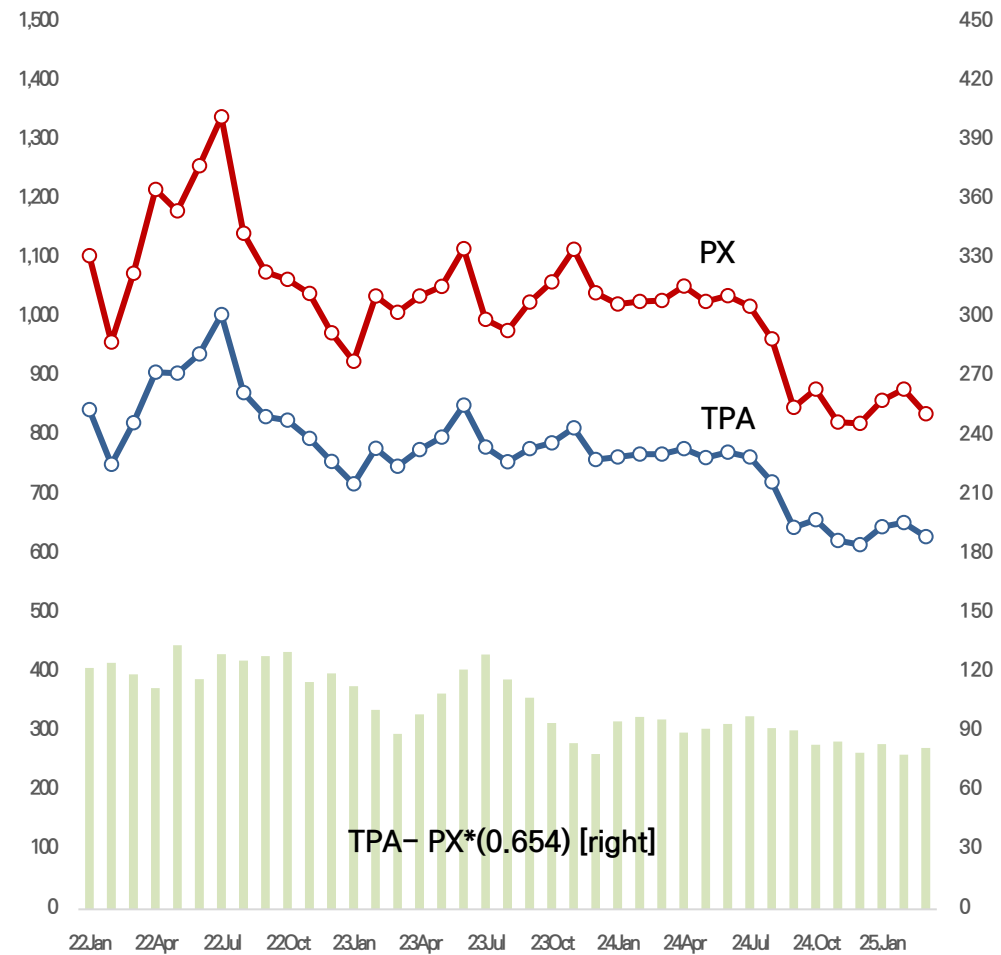
PP(homo) – Propylene – Propane

(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 Continued Global PP demand weakness Due to New expansions in China. 	<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 	<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 	<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>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 		