HYOSUNG CHEMICAL

Second Quarter 2026

Financial Results

What's Inside

1. 2Q 2026 Financial Results 3p

2. Financial Performance by Segment 6p

Appendix

- Quarterly Operating Segment Performance
- Price Trend of Raw Materials
- Fact Sheet

2Q 2026 Financial Results

◆ Profit/Loss Statement (Consolidated)

(Unit: Billion KRW)

구 분	2Q 2025	1Q 2026	2Q 2026
Sales Revenue	617.0	587.0	871.3
Gross Profit	10.9	18.6	192.0
Gross Profit Margin	*1.8%*	*3.2%*	*22.0%*
Operating Profit	(9.0)	0.3	170.8
Operating Profit Margin	*(1.5%)*	*0%*	*19.6%*
Interest Expense	25.7	20.2	20.3
Gain or Loss on Foreign Exchange/Derivatives	(57.7)	12.3	1.8
Income before Tax	(94.6)	(16.6)	143.5
Net Profit	102.4	(17.5)	156.0
Net Profit in Controlling Interest	107.7	(5.5)	121.8
EBITDA	35.9	51.2	223.7

2Q 2026 Financial Results (Continued)

◆ Balance Sheet (Consolidated)

(Unit: Billion KRW)

구 분	End of Dec 2025	End of Jun 2026
Assets	2,594.1	2,957.7
Current Assets	637.5	926.3
Cash & Cash Equivalents	87.7	98.7
Non-Current Assets	1,956.6	2,031.4
Liabilities	1,961.0	1,948.5
Current Liabilities	1,406.9	1,613.6
Non-Current Liabilities	554.1	334.9
Equity	633.1	1,009.2
Debt	1,578.5	1,514.6
Net Debt	1,490.8	1,415.9
Net Debt to Equity Ratio	***235.5%***	***140.3%***

2Q 2026 Financial Results (Continued)

Cashflow(Consolidated)

(Unit: Billion KRW)

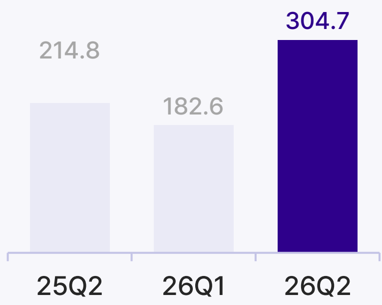
구분	2024	2025	2Q 2026	Year to Jun 2026
Cash Flow from Operations	58.9	638.3	(6.2)	**(58.6)**
Net Income	(100.6)	326.0	156.0	**138.5**
Depreciation	56.2	244.6	53.0	**103.9**
Changes in Net Working Capital, etc.	103.3	67.7	(215.2)	**(301.0)**
Cash Flow from Investing	(15.7)	1,247.0	(59.1)	**(61.7)**
PP&E and Intangibles	(20.6)	(48.2)	(9.1)	**(11.7)**
Others	0	0	0	**0**
Cash Flow from Financing	64.1	(1,155.9)	130.2	**131.3**
Changes in Borrowings	70.3	(1,133.1)	(66.0)	**(63.9)**
Dividend Payment	0	0	0	**0**
Changes in Cash and Cash Equivalents	(54.9)	38.4	64.9	**11.0**

HYOSUNG CHEMICAL

Financial Performance by Division

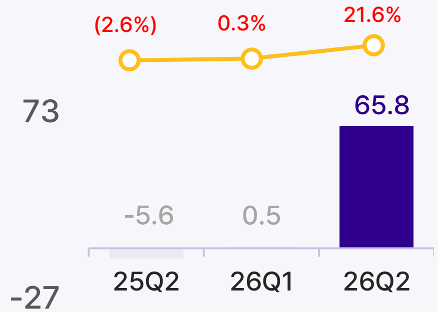
◆ PP/DH(Korea) — Strong Profitability on Wider Spreads and Full Utilization

※ Sales Revenue



※ Operating Profit (Margin)

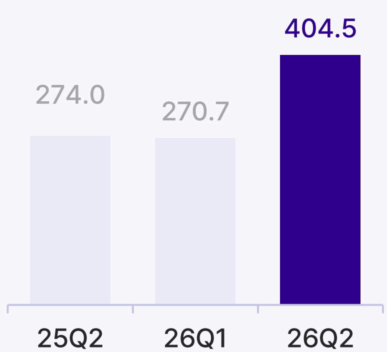
(Unit: Billion KRW)



- Maximized Returns via Effective Market Volatility amid US-Iran the US-Iran conflict
- Expanded Margins driven by Pemium-grade Product Sales and European market growth
- Continued Pursuit of New Product Development and Cost Competitiveness initiatives

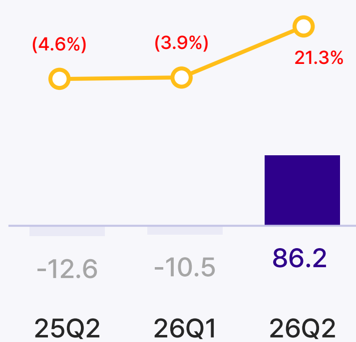
◆ PP/DH(Vietnam) — Profit Turnaround via Timely Middle East Response & New Clients

※ Sales Revenue



※ Operating Profit (Margin)

(Unit: Billion KRW)



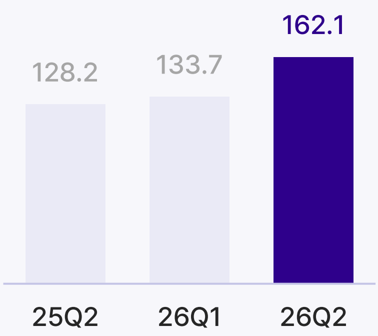
- Substantial Earnings Groth Driven by Effective Response to Dynamic Middle East Volatility
- Expanded Sales of High-Margin Specialty Products, Including Automotive Grades
- Boosted sales volume by penetrating new customer segments in Europe and Japan

HYOSUNG CHEMICAL

Financial Performance by Division(Continued)

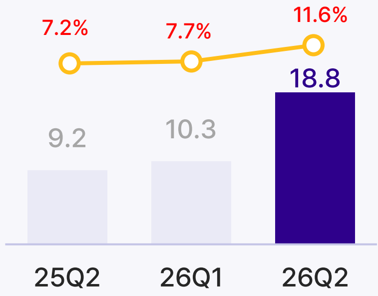
◆ **Others** | Drove Overall Growth via Flexible Tactics in the Middle East

※ Sales Revenue



※ Operating Profit (Margin)

(Unit: Billion KRW)



- **Film :** Expanded spreads and improved profitability through price adjustments
- **Polyketone :** Improved QoQ profitability through price adjustments and structural cost discipline
- **Optical :** Boosted sales volume by securing strategic panel-making customers

Quarterly Operating Segment Performance(Consolidated)

Sales Revenue

(Unit: Billion KRW)

구 분	2024					2025					2026	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
PP/DH	462.7	464.3	501.8	525.8	1,954.6	437.6	488.8	461.5	448.6	1,834.2	453.3	**709.2**
Others	151.7	166.7	166.9	142.3	627.6	131.8	128.2	116.2	118.5	491.9	133.7	**162.1**
Sum	614.4	631.0	668.7	668.1	2,582.2	569.4	617.0	577.7	567.1	2,326.1	587.0	**871.3**

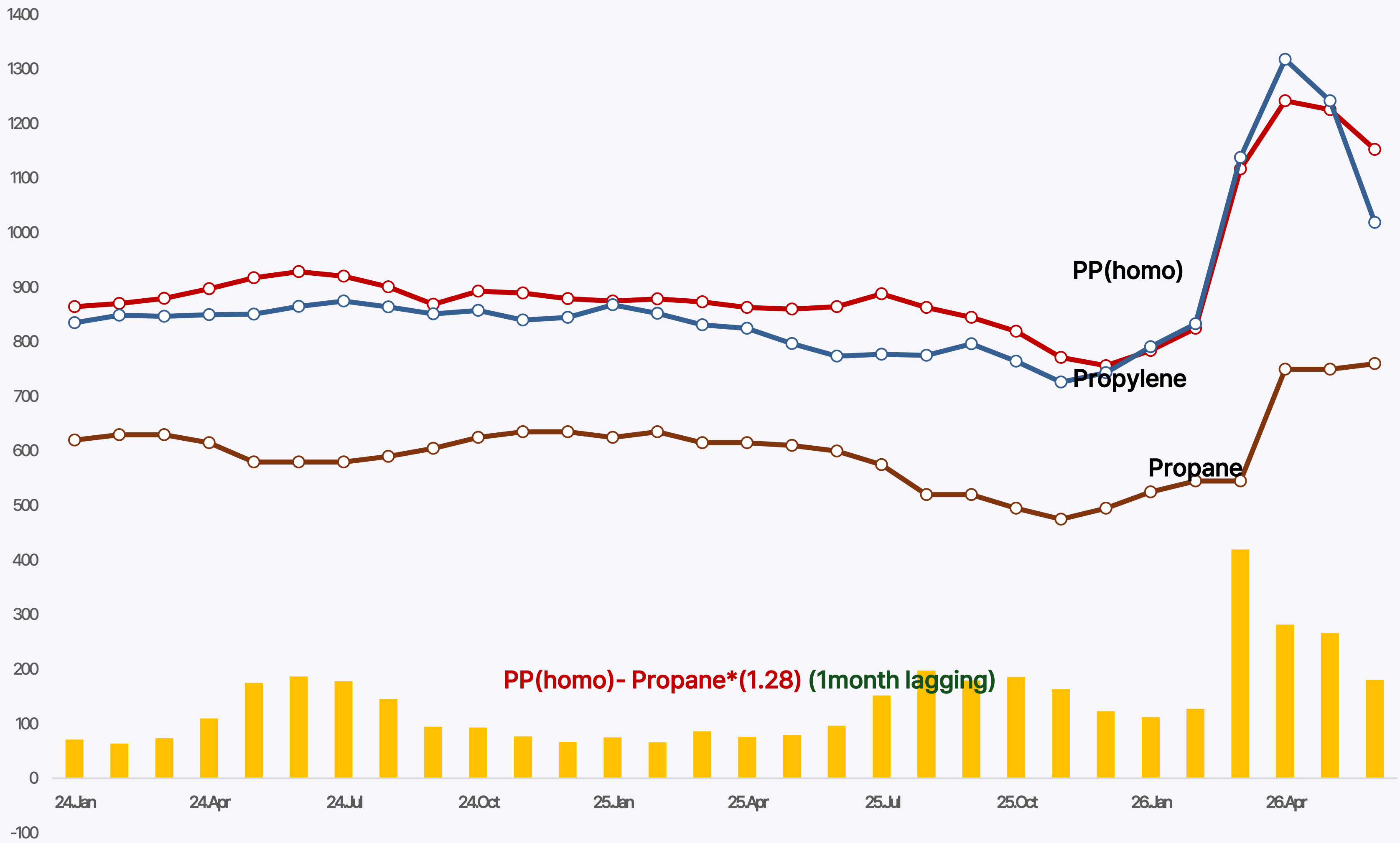
Operating Margin

(Unit: Billion KRW)

구 분Q	2024					2025					2026	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
PP/DH	(37.6)	(57.2)	(29.8)	(43.8)	(168.4)	(57.0)	(18.2)	(32.3)	(76.4)	(168.4)	(10.0)	**152.0**
	(8.1%)	(12.3%)	(5.9%)	(8.3%)	(8.6%)	(13.0%)	(3.7%)	(7.0%)	(17.0%)	(8.6%)	(2.2%)	**21.4%**
Others	7.2	7.9	7.9	3.7	26.7	97	92	83	10.5	26.7	10.3	**18.8**
	4.7%	4.7%	4.7%	2.6%	4.3%	7.4%	7.2%	7.1%	8.9%	4.3%	(7.7%)	**11.6%**
Sum	(30.4)	(49.3)	(21.9)	(40.1)	(141.7)	(47.3)	(9.0)	(24.0)	(65.9)	(141.7)	0.3	**1,0.8**
	(4.9%)	(7.8%)	(3.3%)	(6.0%)	(5.5%)	(8.3%)	(1.5%)	(4.2%)	(11.6%)	(5.5%)	0%	**20.0%**

Quarterly Operating Segment Performance

PP(homo) – Propylene – Propane (PDH Margin, Far East Asia)



FACT SHEET

HYOSUNG CHEMICAL

Business Model

▶ World No1. PP-R(pipe) Provider

- 66% of total revenue (2024)
- Key markets: China, Middle East, Turkey, Russia, Europe
- PP-R pipe accounts for ~55% of total PP outputs
- Key feedstock: Propane
- Brand "TOPILENE R200P"

▶ PET/NY Flim

- Main use: Food packaging, LCD film protection
- Key feedstock: PET chip, NY6 chip

▶ Polyketon: eco-friendly product

- Brand "POKETONE"
- Key feedstock: CO

▶ World No3. TAC(Tri-Acetyl Cellulose) Flim Provider

- LCD polarizer(PVA film) protection film

Industry Backdrop

▶ PP-R Pipe

- **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.

▶ POK market

- Could be meaningfully big in the future
- The lowest CO2 emission across engineering plastics
- With carbon-zero campaign: Use CO, a precusor for POK originating from carbon capture facilities.

Competitve Edges

▶ Capability to produce eco-friendly EP

Growth Strategy

▶ Focus on Low-cost Curve, Volume Gains

- 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).

Management Team

CEO : Cheo-Seok Lee

- Former Head of Electronic Materials R&D Center at Samsung SDI
- M.S. and Ph.D. in Organic Chemistry from KAIST

CFO : Ki-Ho Song

- Former Head of Treasury Team, Financial Management Division, Hyosung Heavy Industries
- Former Yuanta Securities
- M.A. in Economics from Sogang Univ.