

Third Quarter 2026

■ Financial Results

What's Inside

1. 3Q 2026 Financial Results	3p
2. Financial Performance by Segment	6p

Appendix

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

3Q 2026 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.

3Q 2026 Financial Results

HYOSUNG CHEMICAL

◆ Profit/Loss Statement (Consolidated)

(Unit: Billion KRW)

구분	3Q 2025	2Q 2026	3Q 2026
Sales Revenue	580.3	871.3	733.6
Gross Profit	(3.0)	192.0	(0.4)
<i>Gross Profit Margin</i>	<i>(0.5%)</i>	<i>22.0%</i>	<i>(0.1%)</i>
Operating Profit	(26.1)	170.8	(19.5)
<i>Operating Profit Margin</i>	<i>(4.5%)</i>	<i>19.6%</i>	<i>(2.7%)</i>
Interest Expense	20.9	20.3	18.8
Gain or Loss on Foreign Exchange/Derivatives	15.4	1.8	(21.3)
Income before Tax	(39.3)	143.5	(81.4)
Net Profit	(40.6)	156.0	(68.2)
Net Profit in Controlling Interest	(19.7)	121.8	(58.1)
EBITDA	18.7	223.7	31.5

3Q 2026 Financial Results (Continued)

HYOSUNG CHEMICAL

◆ Balance Sheet (Consolidated)

(Unit: Billion KRW)

구분	End of Dec 2025	End of Sep 2026
Assets	2,594.1	2,591.1
Current Assets	637.5	747.5
Cash & Cash Equivalents	87.7	55.8
Non-Current Assets	1,956.6	1,843.6
Liabilities	1,961.0	1,729.3
Current Liabilities	1,406.9	1,570.4
Non-Current Liabilities	554.1	158.9
Equity	633.1	861.8
Debt	1,578.5	1,366.7
Net Debt	1,490.8	1,310.9
Net Debt to Equity Ratio	235.5%	152.1%

3Q 2026 Financial Results (Continued)

HYOSUNG CHEMICAL

◆ Cashflow(Consolidated)

(Unit: Billion KRW)

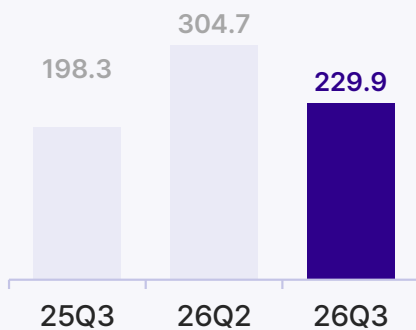
구분	2024	2025	3Q 2026	Year to Sep 2026
Cash Flow from Operations	58.9	638.3	118.4	59.8
Net Income	(100.6)	326.0	(68.2)	70.3
Depreciation	56.2	244.6	51	154.9
Changes in Net Working Capital, etc.	103.3	67.7	135.6	(165.4)
Cash Flow from Investing	(15.7)	1,247.0	(9.6)	(71.3)
PP&E and Intangibles	(20.6)	(48.2)	(9.6)	(21.3)
Others	0	0	0	(50)
Cash Flow from Financing	64.1	(1,155.9)	(151.7)	(20.4)
Changes in Borrowings	70.3	(1,133.1)	(147.9)	(211.8)
Dividend Payment	0	0	(3.8)	191.4
Changes in Cash and Cash Equivalents	(54.9)	38.4	(42.9)	(31.9)

Financial Performance by Division

◆ PP/DH(Korea)

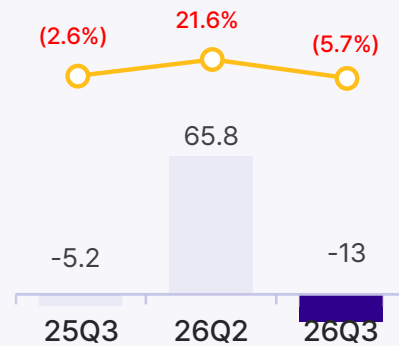
PP spread compression amid delayed cost pass-through of rising propylene prices

* Sales Revenue



* Operating Profit (Margin)

(Unit: Billion KRW)

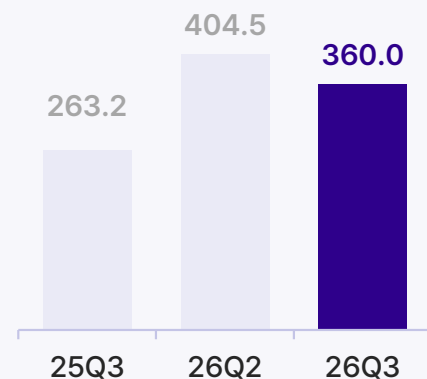


- Cost competitiveness weakened by feedstock price hikes from ongoing Middle East tensions
- Reduced profitability from narrowing spreads amid Q3 propylene price correction post-Q2 surge
- Propane (PDH) gains relative cost advantage from sustained Strait of Hormuz geopolitical risks

◆ PP/DH(Vietnam)

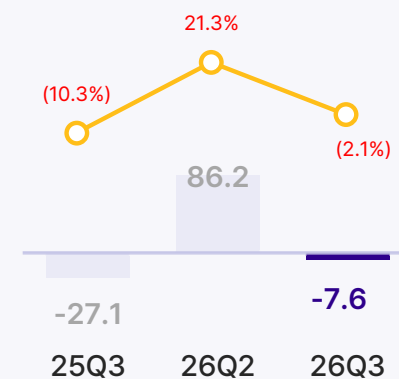
Profitability boosted by agile response to Middle East tensions and Southeast Asia sales expansion

* Sales Revenue



* Operating Profit (Margin)

(Unit: Billion KRW)



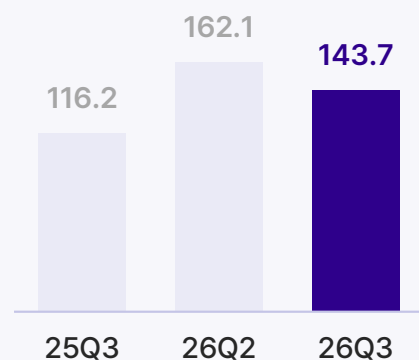
- Agile sales strategy amid competitor supply volatility and weak demand from Middle East instability
- Southeast Asia sales growth mitigated weak European summer demand, yet profitability curtailed by narrowing spreads in Q3
- Sales expansion of strategic specialty & high-profit target grades into Southeast Asia

Financial Performance by Division(Continued)

Others

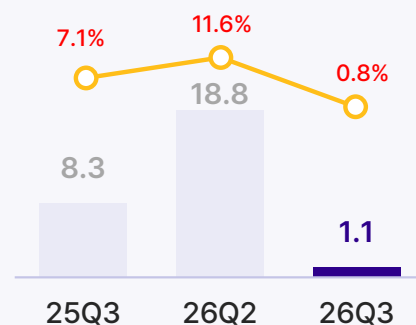
Relative drop amid customer destocking and Q2 high base effect

* Sales Revenue



* Operating Profit (Margin)

(Unit: Billion KRW)



- Film : Profitability weakened by Q3 order drop post-Q2 customer pre-buying and lagging cost pass-through
- Optical: Q3 profitability softened amid customers' conservative utilization rates post-1H sports event peak demand
- POK: Profitability softened by feedstock hikes and Q3 customer destocking, yet key approvals secured for Q3 sales expansion

Quarterly Operating Segment Performance(Consolidated)

HYOSUNG CHEMICAL

Sales Revenue

(Unit: Billion KRW)

구분	2024					2025					2026		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
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	589.9
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	143.7
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	733.6

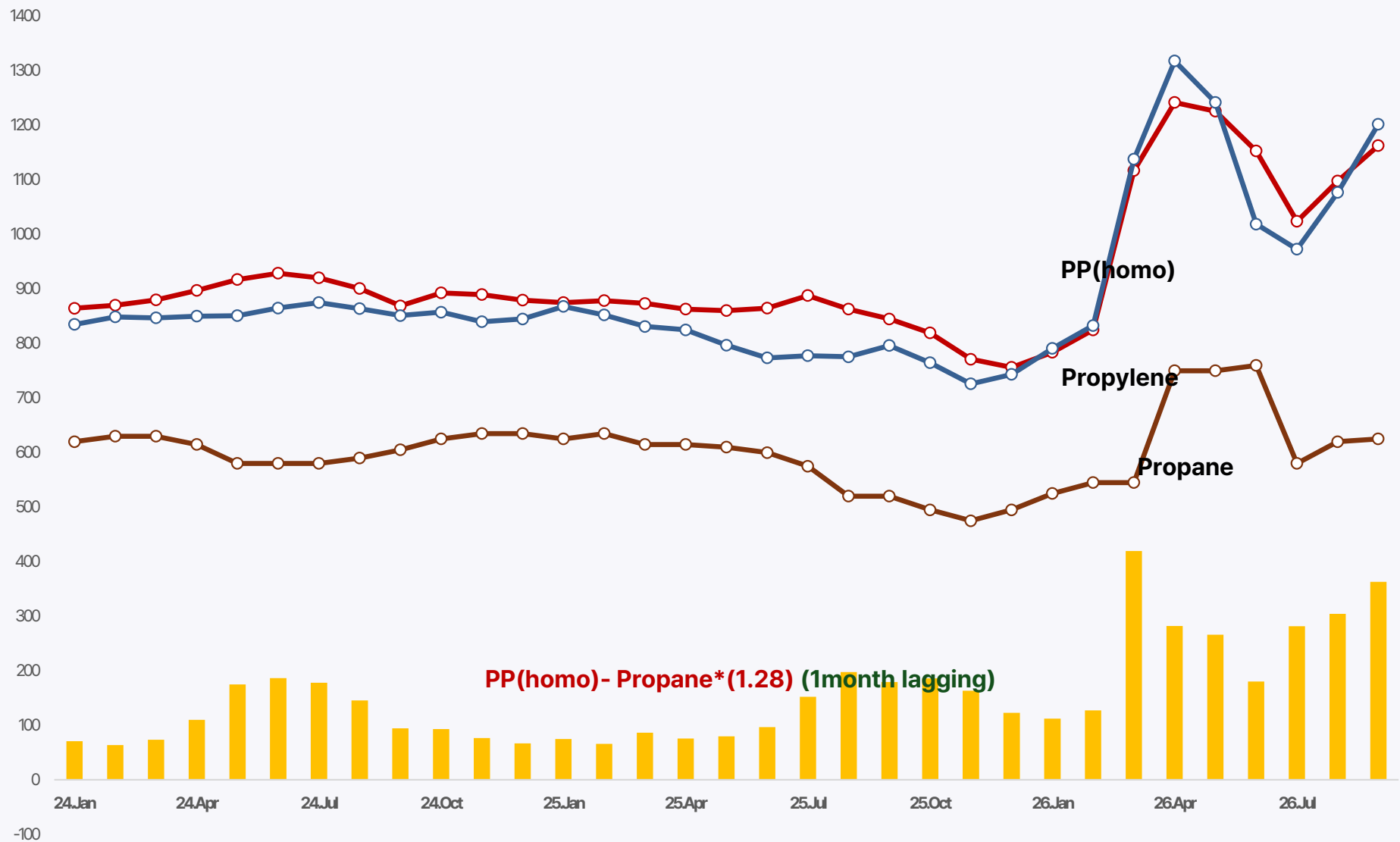
Operating Margin

(Unit: Billion KRW)

구분Q	2024					2025					2026		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
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	(20.6)
	(8.1%)	(12.3%)	(5.9%)	(8.3%)	(8.6%)	(13.0%)	(3.7%)	(7.0%)	(17.0%)	(8.6%)	(2.2%)	21.4%	(3.5%)
Others	7.2	7.9	7.9	3.7	26.7	97	92	83	10.5	26.7	10.3	18.8	1.1
	4.7%	4.7%	4.7%	2.6%	4.3%	7.4%	7.2%	7.1%	8.9%	4.3%	(7.7%)	11.6%	0.8%
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	19.5
	(4.9%)	(7.8%)	(3.3%)	(6.0%)	(5.5%)	(8.3%)	(1.5%)	(4.2%)	(11.6%)	(5.5%)	0%	20.0%	(2.7%)

Quarterly Operating Segment Performance

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



HYOSUNG CHEMICAL

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 - PP-R pipe accounts for ~55% of total PP outputs - 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>► PET/NY Flim</p> <ul style="list-style-type: none"> - Main use: Food packaging, LCD film protection - Key feedstock: PET chip, NY6 chip 	<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>Management Team</p>
<p>► Polyketon: eco-friendly product</p> <ul style="list-style-type: none"> - Brand "POKETONE" - Key feedstock: CO 	<p>Competitive Edges</p> <p>► Capability to produce eco-friendly EP</p>	<p>CEO : Cheo-Seok Lee</p> <ul style="list-style-type: none"> - Former Head of Electronic Materials R&D Center at Samsung SDI - M.S. and Ph.D. in Organic Chemistry from KAIST 
<p>► World No3. TAC(Tri-Acetyl Cellulose) Flim Provider</p> <ul style="list-style-type: none"> - LCD polarizer(PVA film) protection film 		<p>CFO : Ki-Ho Song</p> <ul style="list-style-type: none"> - Former Head of Treasury Team, Financial Management Division, Hyosung Heavy Industries - Former Yuanta Securities - M.A. in Economics from Sogang Univ. 