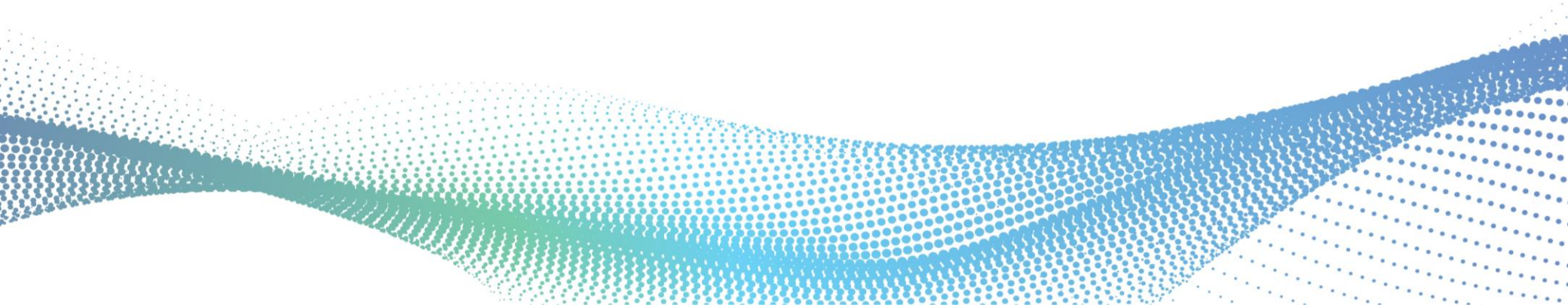


SECOND QUARTER 2021

Financial Results

HYOSUNG CHEMICAL



| What's Inside |

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Appendix 8p

1. Quarterly Income Statements by Biz Sector
2. Price Trend of Raw Materials

HYOSUNG CHEMICAL

[2Q 2021 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.

2Q 2021 Financial Results

Quarterly Profit/Loss Statement (Consolidated)

(Unit: Billion KRW)

	2Q 2020	1Q 2021	2Q 2021	QoQ	YoY
Sales Revenue	4,293	5,912	6,192	4.7%	44.2%
Gross Profit	284	844	956	13.3%	236.6%
<i>Gross Profit Margin</i>	<i>6.6%</i>	<i>14.3%</i>	<i>15.4%</i>	<i>1.1%p</i>	<i>8.8%p</i>
Operating Profit	36	611	713	16.7%	1,880.6%
<i>Operating Profit Margin</i>	<i>0.8%</i>	<i>10.3%</i>	<i>11.5%</i>	<i>1.2%p</i>	<i>10.7%p</i>
Interest Expense	130	82	76	(7.3%)	(41.5%)
Gain or Loss on Foreign Exchange/Derivatives	2	(4)	(1)	Turn deficit	Continuing deficit
Income before Tax	(91)	535	641	19.8%	Turn black
Net Profit	(130)	419	468	11.7%	Turn black
Net Profit in Controlling Interest	(126)	419	468	11.7%	Turn black
EBITDA	524	1,073	1,174	9.4%	124.1%

2Q 2021 Financial Results (Continued)

Balance Sheet (Consolidated)

(Unit : Billion KRW)

	Dec 2020	Mar 2021	Jun 2021	QoQ
Assets	24,174	26,883	26,504	(1.4%)
Current Assets	4,358	5,585	5,146	(7.9%)
Cash & Cash Equivalents	651	1,115	194	(82.6%)
Non-Current Assets	19,816	21,298	21,358	0.3%
Liabilities	20,150	22,305	21,471	(3.7%)
Current Liabilities	6,242	6,927	6,806	(1.7%)
Non-Current Liabilities	13,908	15,378	14,665	(4.6%)
Equity	4,024	4,578	5,033	9.9%
Debt	16,614	18,511	17,821	(3.7%)
Net Debt	15,963	17,396	17,627	1.3%
<i>Debt Ratio</i>	<i>500.8%</i>	<i>487.3%</i>	<i>426.6%</i>	<i>(60.7%p)</i>

2Q 2021 Financial Results (Continued)

Cashflow (Consolidated)

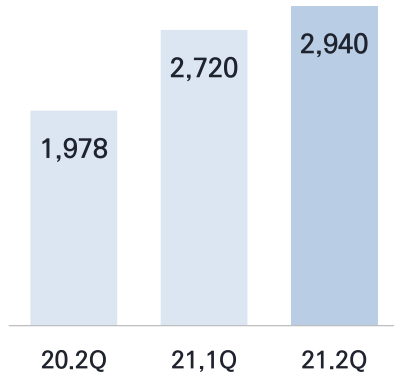
(Unit : Billion KRW)

	Jan to Dec 2020	1Q 2021	2Q 2021	Jan to Jun 2021
Cash Flow from Operations	1,084	578	300	878
Net Income	(116)	419	468	887
Depreciation	1,819	462	461	923
Changes in Net Working Capital	(619)	(303)	(629)	(932)
Cash Flow from Investing	(4,776)	(2,011)	(531)	(2,542)
PP&E and Intangibles	(4,742)	(2,011)	(531)	(2,542)
Others	(34)	0	0	0
Cash Flow from Financing	3,185	1,897	(690)	1,207
Changes in Borrowings	3,185	1,897	(690)	1,207
Dividend Payment	0	0	0	0
Cash and Cash Equivalents	(507)	464	(921)	(457)

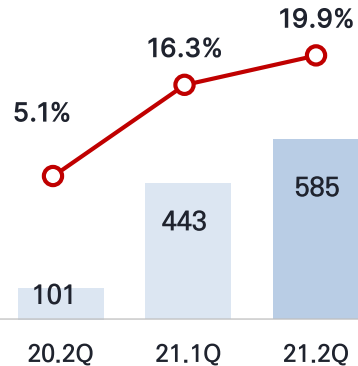
Financial Performance by Division

PP/DH (Korea) | Sales and profitability improved as the selling price mix increased

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



- Although sales volume decreased due to regular overhaul(17days), 1) premiums such as PP pipes improved and 2) prices in Europe/America rose sharply compared to Northeast Asia, leading to a rise in the selling price mix QoQ.

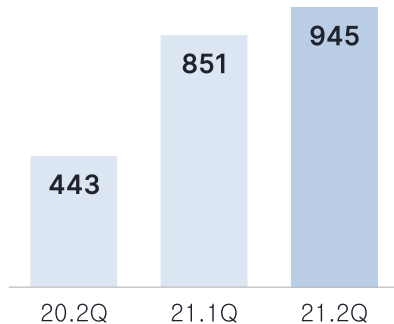
〈Differences with NEA prices based on PP-homo products by region〉

(\$/ton)	2020	21-Jan	21-Feb	21-Mar	21-Apr	21-May	21-Jun
America	156	581	1,249	1,360	1,261	1,104	1,252
Europe	129	326	539	761	1,098	1,198	1,048

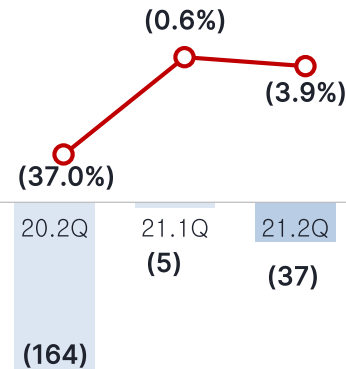
- As a result, both sales and profitability improved QoQ

PP/DH (Vietnam) | Although the selling price mix rose, additional costs for process problems occurred

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



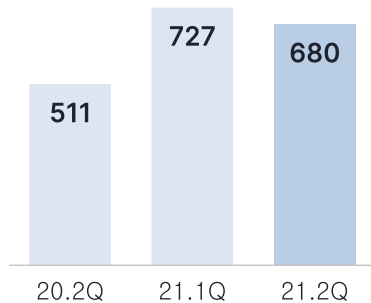
- 〈Price mix〉 increased QoQ due to additional orders for premium PP products, and as a result, sales also increased QoQ.
- As the operation was suspended for 19 business days due to process problems, sales volume decreased QoQ, and maintenance costs were incurred.



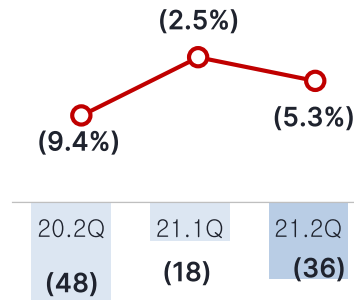
Financial Performance by Division (Continued)

TPA

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



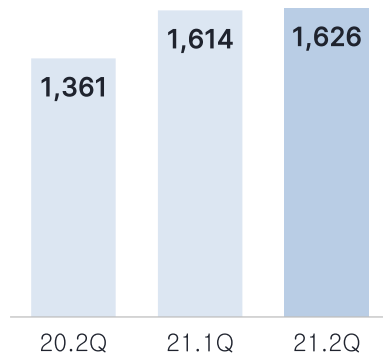
- Reduced production due to regular maintenance (17days), resulting in unit loss and additional maintenance costs
- TPA-PX (0.665) spread rises slightly from lows

(단위:\$/톤)	20.2Q	21.1Q	21.2Q	QoQ	YoY
TPA-PX Spread	93	91	95	4.4%	2.2%

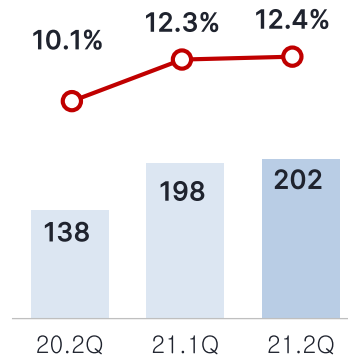
Others

Continuing to benefit from improvements in the IT industry such as semiconductors and displays

Sales Revenue



Operating Profit (Margin) Unit: Billion KRW



<NF3>

- The IT industry continued to boom, and the productivity of special gas improved

<TAC Flim_LCD polarizer protective flim>

- Display industry continued to boom, and profitability improved more QoQ thanks to basic unit improvement

<Pet/Ny Flim>

- Sales and profitability maintained at the level of the previous quarter thanks to solid demand for disposable products and IT products

<Polyketone>

- Improved profitability by reducing fixed cost per unit due to increased sales volume

Appendix 1. Quarterly Income Statements by Biz Sector

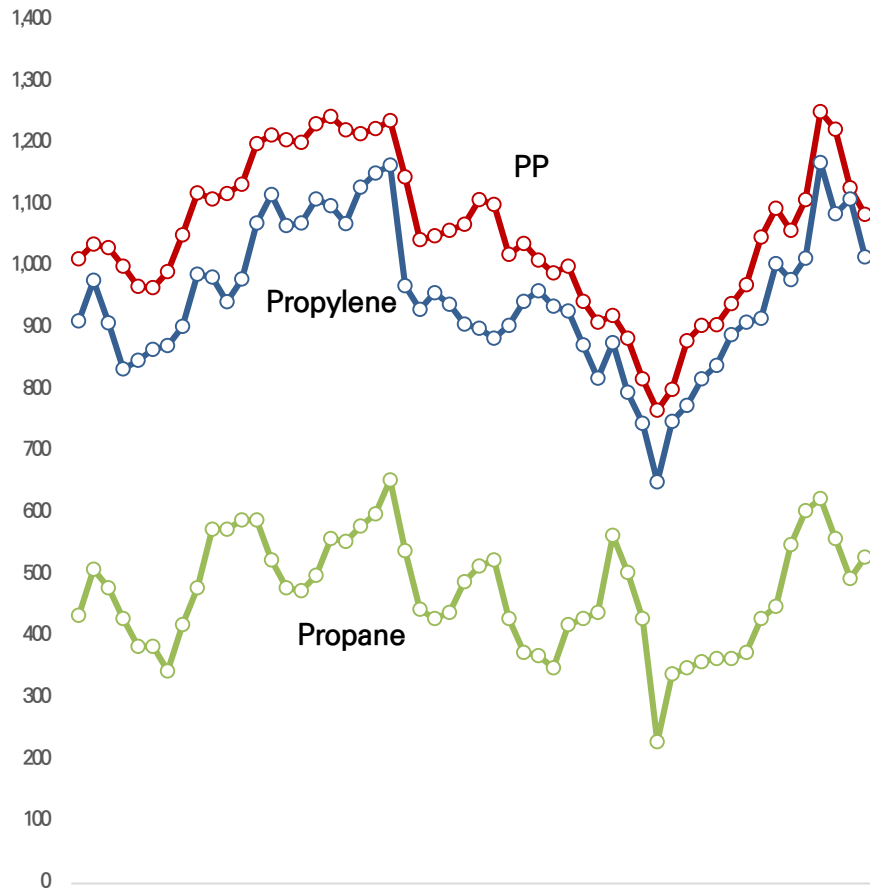
Sales Revenue		(Unit : Billion KRW)												
	2018	2019					2020					2021		
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	
PP/DH	9,838	2,198	2,530	2,473	2,272	9,473	2,104	2,421	2,850	2,701	10,076	3,571	3,886	
TPA	3,910	1,029	1,058	746	694	3,527	777	511	538	557	2,383	727	680	
Others	4,891	1,288	1,292	1,340	1,205	5,125	1,367	1,361	1,485	1,499	5,712	1,614	1,626	
Sum	18,639	4,515	4,880	4,559	4,171	18,125	4,248	4,293	4,873	4,757	18,171	5,912	6,192	

Operating Margin		(Unit : Billion KRW)												
(OPM)	2018	2019					2020					2021		
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	
PP/DH	1,073	210	396	457	275	1,338	37	(53)	116	95	194	437	547	
	10.9%	9.6%	15.7%	18.5%	12.1%	14.1%	1.8%	(2.2%)	4.1%	3.5%	1.9%	12.2%	14.1%	
TPA	76	27	68	20	(34)	81	(8)	(48)	(17)	(34)	(108)	(18)	(36)	
	1.9%	2.6%	6.4%	2.7%	(4.9%)	2.3%	(1.0%)	(9.5%)	(3.2%)	(6.1%)	(4.5%)	(2.5%)	(5.3%)	
Others	(69)	13	32	74	2	121	95	138	150	140	523	192	202	
	(1.4%)	1.0%	2.5%	5.5%	0.2%	2.4%	6.9%	10.1%	10.1%	9.3%	9.1%	11.9%	12.4%	
Sum	1,080	250	496	551	243	1,540	124	36	249	201	609	611	713	
	5.8%	5.5%	10.2%	12.1%	5.8%	8.5%	2.9%	0.8%	5.1%	4.2%	3.4%	10.3%	11.5%	

Appendix 2. Price Trend of Raw Materials

PP – Propylene – Propane

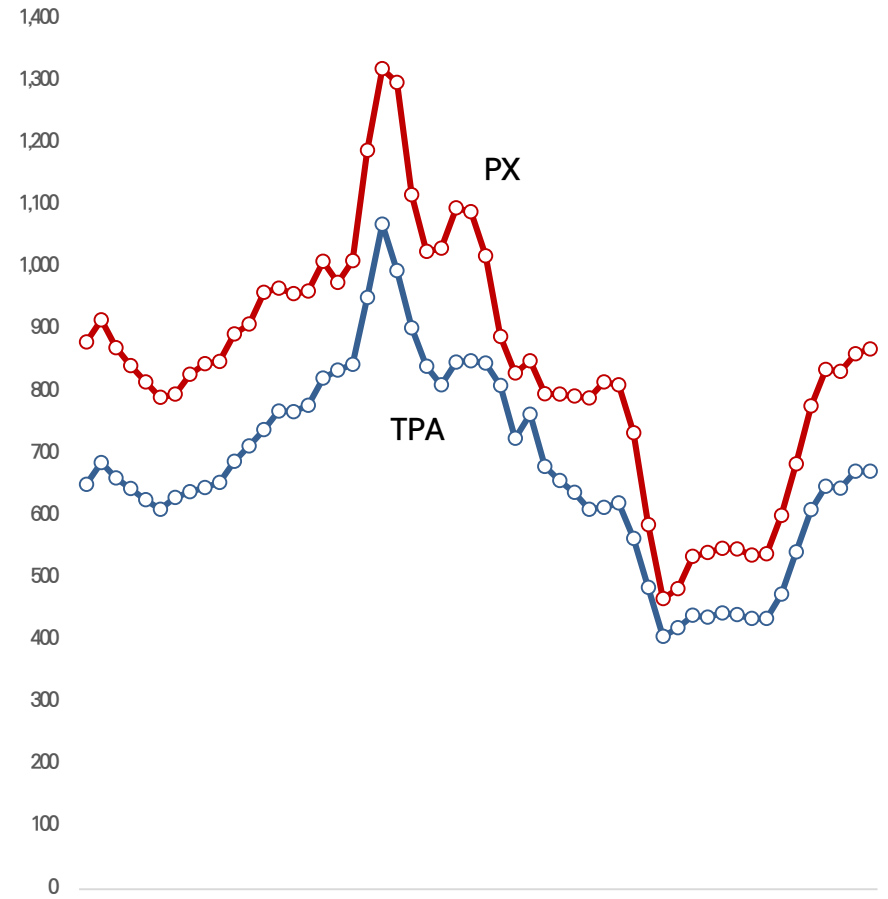
(unit: \$/ton)



17Jan 17Apr 17Jul 17Oct 18Jan 18Apr 18Jul 18Oct 19Jan 19Apr 19Jul 19Oct 20Jan 20Apr 20Jul 20Oct 21Jan 21Apr

PX – TPA

(unit: \$/ton)



17Jan 17Apr 17Jul 17Oct 18Jan 18Apr 18Jul 18Oct 19Jan 19Apr 19Jul 19Oct 20Jan 20Apr 20Jul 20Oct 21Jan 21Apr