beyond the best

Feb 4, 2025

4Q 2024 Earnings Release

KUMHO PETROCHEMICAL

The business result for the 4th quarter of 2024 is currently under the audit process, however this is presented purely for the purposes of investors' convenience.

Hence, please be advised that some of the contents may be altered in the course of audit.

Forecasts and projections contained in this material are based on current business environments and management strategies, so these may differ from the actual result upon changes and unaccounted variables.

Contents

4Q 2024 Business Results

Income Statements

(Unit: KRW bn)

Classification	24.4Q	24.3Q	QoQ	23.4Q	YoY
Sales	1,807.1	1,827.9	-1.1%	1,516.1	19.2%
Operating Profit	10.0 (0.6%)	65.0 (3.6%)	-84.6%	35.1 (2.3%)	-71.5%
EBITDA	81.0 (4.5%)	130.9 (7.2%)	-38.1%	97.2 (6.4%)	-16.7%
Pre-tax Income	70.1 (3.9%)	61.6 (3.4%)	13.8%	55.0 (3.6%)	27.5%
Net Income	61.4 (3.4%)	53.1 (2.9%)	15.6%	91.4 (6.0%)	-32.8%
Equity Income	34.4	15.1	127.8%	30.6	12.4%

* Net Income is based on Controlling interests.

4Q 2024 Business Results

Balance Sheet

(Unit: KRW bn)

Classification	24.4Q	23 (End)	Change
Asset (Cash and equivalents)	8,340.4 (429.3)	7,979.7 (452.4)	4.5% (-5.1%)
Liabilities (Debt)	2,298.3 (882.6)	2,145.7 (821.8)	7.1% (7.4%)
Shareholder's Equity	6,042.1	5,834.0	3.6%
Liabilities/ Equity (%)	38.0%	36.8%	1.3%p

Financial Ratios

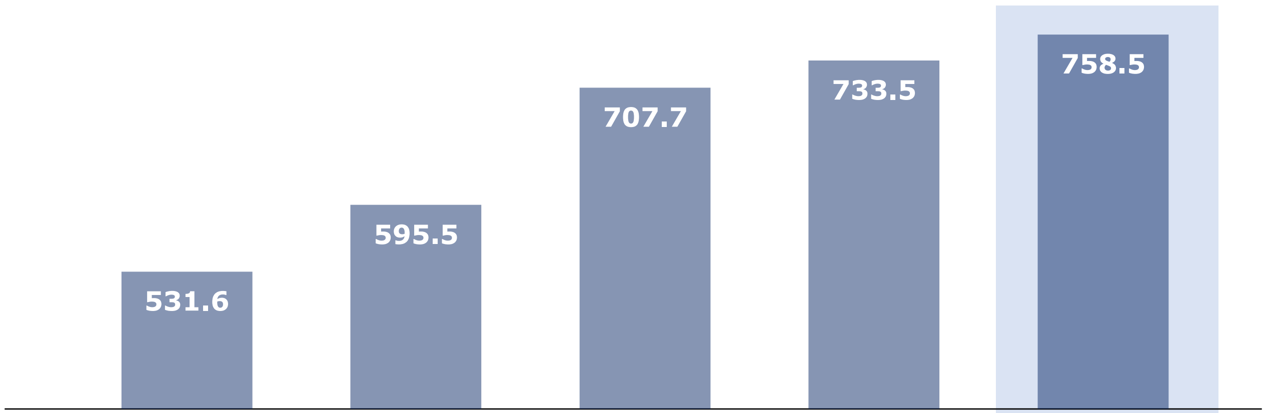
Classification	24.4Q	23 (End)	Change
Debt/Equity	14.6%	14.1%	0.5%p
Net Debt /Equity	7.5%	6.3%	1.2%p
Interest Coverage Ratio (x)	8.2	11.8	-3.7
ROE	5.9%	7.8%	-1.9%p
ROA	4.3%	5.7%	-1.4%p

Divisional Results & Outlook

(Unit: KRW bn)

Synthetic Rubbers

Sales



	23.4Q	24.1Q	24.2Q	24.3Q	**24.4Q**
Operating Profit (%)	15.3 (2.9%)	25.1 (4.2%)	46.6 (6.6%)	10.7 (1.5%)	**18.4 (2.4%)**

4Q Earnings Review

- Despite weak market demand due to decline in raw materials at the end of the year, profitability slightly improved by strengthening portfolio by market and product
- Price competition continues to intensify to secure volume in the NB Latex market.

'25. 1Q Outlook

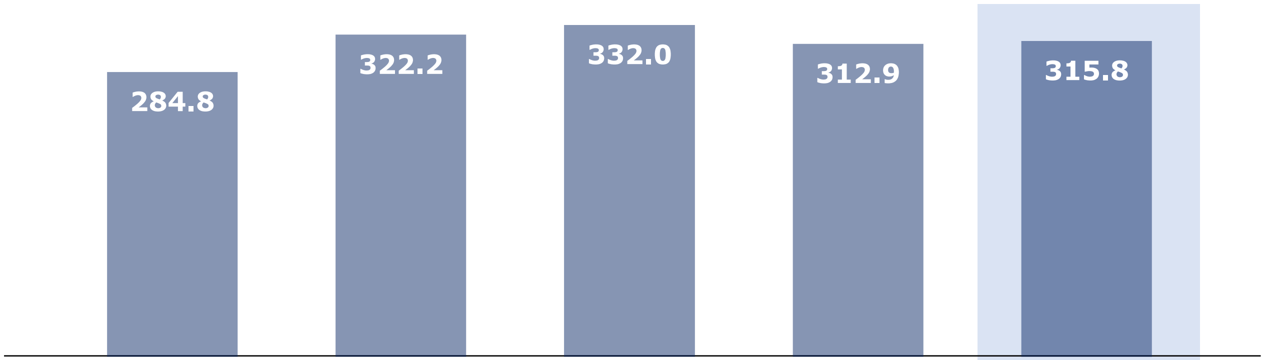
- BD: Market prices expected to remain strong due to Chinese domestic BD, natural rubber/synthetic rubber strengthening, and regular maintenance in the region.
- Profitability is expected to improve by promoting a sales price policy that reflects the rising price of raw materials and increasing product sales.

Divisional Results & Outlook

(Unit: KRW bn)

Synthetic Resins

Sales



	23.4Q	24.1Q	24.2Q	24.3Q	**24.4Q**
Operating Profit (%)	-11.5 (-4.0%)	-1.4 (-0.4%)	1.2 (0.4%)	-8.7 (-2.8%)	**-9.5 (-3.0%)**

4Q Earnings Review

- Market prices was weak due to sluggish demand from major downstream industries and minimal end-of-year inventory at customers.

'25. 1Q Outlook

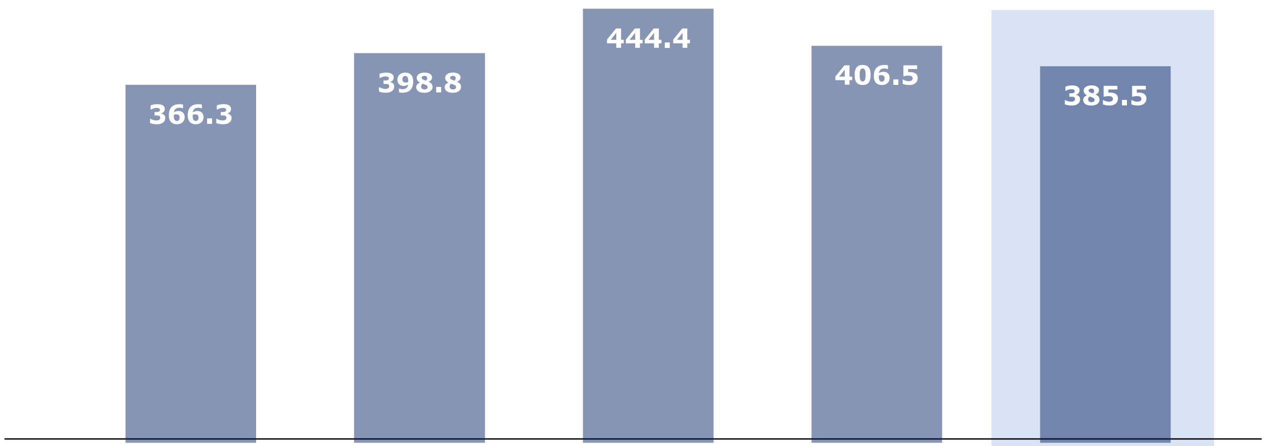
- SM: Rising international oil prices and benzene, upward trend expected to continue due to major maintenance in Northeast Asia.
- Movement to secure inventory at the beginning of the year and a gradual recovery in the market are expected, but market price increases are expected to be limited.

Divisional Results & Outlook

(Unit: KRW bn)

Phenol Derivatives

Sales



	23.4Q	24.1Q	24.2Q	24.3Q	**24.4Q**
Operating Profit (%)	-10.4 (-2.8%)	-2.5 (-0.6%)	5.7 (1.3%)	1.1 (0.3%)	**-22.2 (-5.8%)**

4Q Earnings Review

- Turned into a deficit due to decreased sales volume due to major maintenance and narrowed spreads for major products.

'25. 1Q Outlook

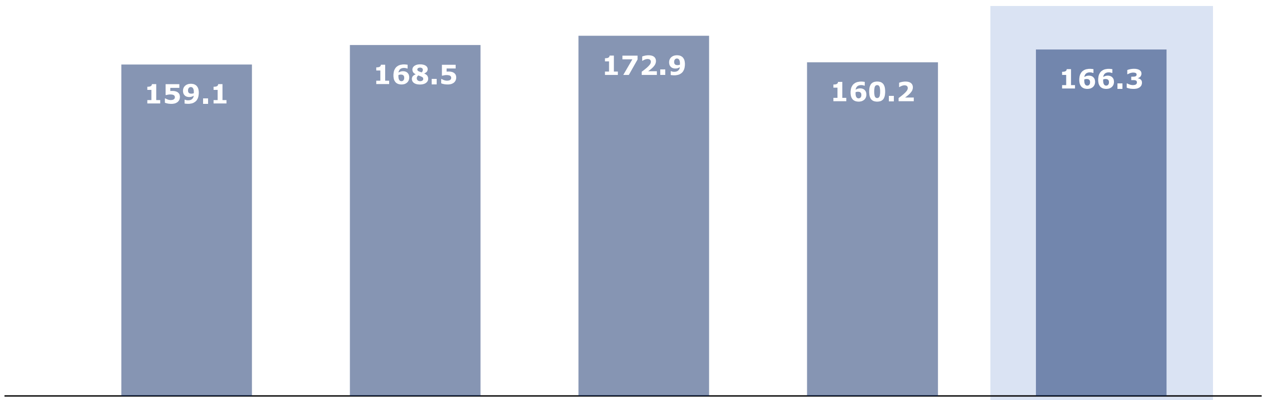
- Expected increase in sales volume and slight improvement in product spread compared to the previous quarter.

Divisional Results & Outlook

(Unit: KRW bn)

EPDM/TPV

Sales



	23.4Q	24.1Q	24.2Q	24.3Q	**24.4Q**
Operating Profit (%)	8.2 (5.2%)	23.2 (13.8%)	22.4 (13.0%)	14.0 (8.8%)	**10.5 (6.3%)**

4Q Earnings Review

- Spreads narrowed and profitability slightly decreased due to a delay in demand recovery in downstream industries at the end of the year.

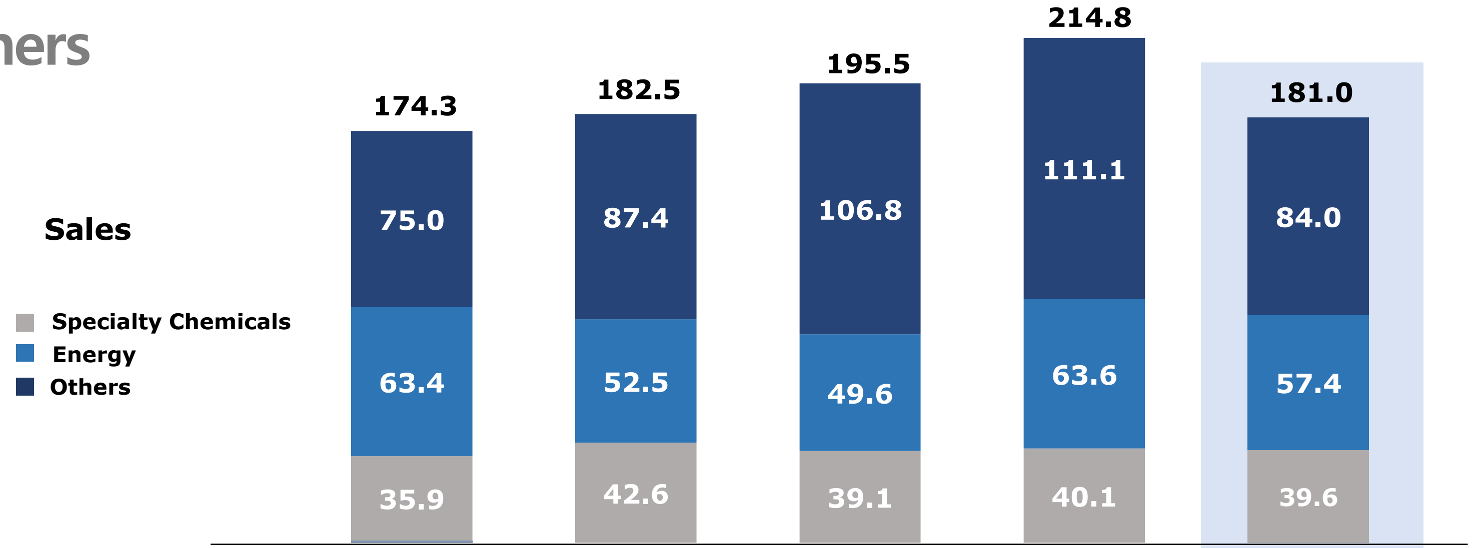
'25. 1Q Outlook

- Profitability is expected to improve as market prices maintain a slight upward trend by securing inventory before the holidays.

Divisional Results & Outlook

(Unit: KRW bn)

Others



	23.4Q	24.1Q	24.2Q	24.3Q	**24.4Q**
Operating Profit(%) Energy/Specialty Chemicals/Others	33.5 (19.2%)	34.2 (18.7%)	43.3 (22.1%)	47.9 (22.3%)	**12.8 (7.1%)**

4Q Earnings Review

- Energy: Due to regular maintenance and decrease in SMP compared to the previous quarter sales and profitability declined.

'25. 1Q Outlook

- Energy: Profitability expected to improve due to increased sales compared to the previous quarter.

APPENDIX

Quarterly Performance

(Unit: KRW bn)

Classification	2023					2024				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Sales	1,721.3	1,578.1	1,507.0	1,516.1	**6,322.5**	1,667.5	1,852.5	1,827.9	1,807.1	**7,155.0**
Operating Profit	132.0	107.6	84.2	35.1	**358.9**	78.6	119.2	65.0	10.0	**272.8**
Net Interest Expense	-6.0	-1.0	-3.9	-3.3	**-14.2**	-5.2	-4.0	4.8	-4.3	**-8.7**
Equity Income	25.4	26.0	29.1	30.6	**111.1**	20.0	24.1	15.1	34.4	**93.6**
Pre-tax Income	174.1	136.7	119.2	55.0	**485.0**	120.3	155.8	61.6	70.1	**407.8**
Net Income	136.6	113.4	105.4	91.4	**446.8**	102.5	131.5	53.1	61.4	**348.5**

* Net Income is based on Controlling interests.

APPENDIX

Production Capacity (KKPC)

Classification	Product		Capa	Unit	Note
Synthetic Rubbers	SBR		263,000	MT/Y	
	BR	HBR	165,000		
		LBR	50,000		
	S-SBR		123,000		Completion of Expansion 35,000MT/Y, 4Q, ’25
	NdBR		60,000		
	NBR		92,000		
	HSR		10,000		
	NB Latex		946,000		
	SB Latex		85,000		
	SBS		144,000		
	Total		**1,938,000**		
Synthetic Resins	PS		264,500	MT/Y	
	ABS		290,000		
	SAN/Powder		237,000		
	EPS		79,500		
	PPG		151,500		
	Total		**1,022,500**		
Specialty Chemicals	Antioxidants		70,800	MT/Y	
Energy	Steam		1,710	T/H	
	Electricity		300	MWH	
BD	Ulsan		90,000	MT/Y	
	Yeosu		147,000		
	Total		**237,000**		

APPENDIX

Production Capacity (Affiliates)

Classification	Product	Capa	Unit	Note
Kumho P&B Chemicals	Phenol	680,000	MT/Y	
	Acetone	420,000		
	MIBK	60,000		
	Cumene	900,000		
	BPA	450,000		
	Epoxy Resin	338,000		
	Total	**2,848,000**		
Kumho Mitsui Chemicals	MDI	610,000	MT/Y	
	Aniline	10,000		
	Total	**620,000**		
Kumho Polychem	EP(D)M	240,000	MT/Y	Completion of Expansion 70,000MT/Y, 1Q, ’25
	TPV/KEPA	12,000		
	Total	**252,000**		

APPENDIX

Sales Breakdown & Export Share by Region

Synthetic Rubbers

Domestic 20% | Export 80%

S.E.Asia	50%
China	21%
S.W.Asia	14%
Europe	7%
America	7%
Others	1%

Synthetic Resins

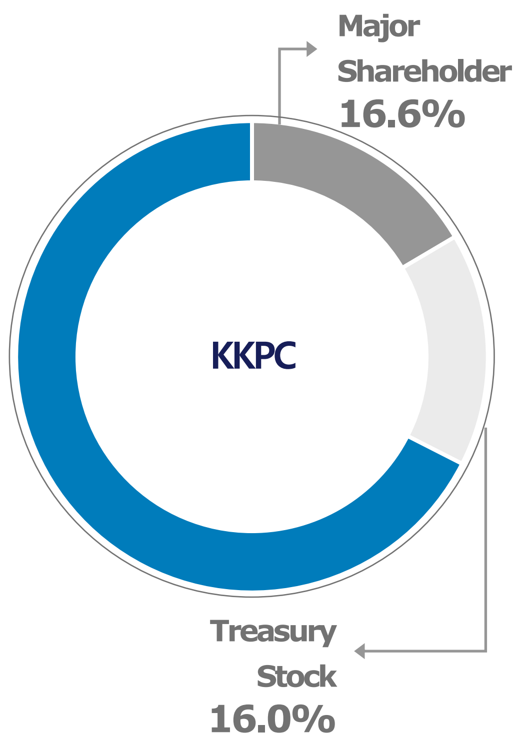
Domestic 35% | Export 65%

China	32%
S.W.Asia	16%
America	14%
S.E.Asia	14%
Europe	13%
Africa	11%

APPENDIX

Investment Shares & Financial assets at fair value

Financial assets at fair value	
Asiana Airlines	4.0%
Daewoo E&C	2.4%



Investments in Affiliates	
Kumho P&B Chemicals	100.0%
Kumho Polychem	100.0%
Kumho Mitsui Chemicals	50.0%
Kumho Terminal & Logistics	100.0%
Korea Energy Power Plants	96.1%

* As of 31st Dec, 2024.
based on common shares

Thank you