SONGWON

FINANCIAL RESULTS

Preliminary, unaudited

Q2 & 6 MONTHS ENDED JUNE 30 **2026**

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About this report

This report contains SONGWON Industrial Group's preliminary, unaudited financial results for the three months (Q2/2026) and six months (HY/2026) ended June 30, 2026.

All the disclosed figures are preliminary and may be subject to change during the review of the condensed interim financial statements by the Group's auditor, KPMG Samjong Accounting Corp. SONGWON Industrial Group will publish condensed interim financial statements for the three and six months ended June 30, 2026, prepared in accordance with the Korean International Financial Reporting Standards ("K-IFRS"). These will be reviewed by the Group auditor by mid-August 2026.

The financial information in this interim report reflects the consolidated figures in million KRW unless otherwise stated.

For further information about SONGWON Industrial Group, please visit: www.songwon.com or write to us at: ir@songwon.com.

Forward-looking statements & information

This preliminary report contains forward-looking statements and information concerning the outlook for our business. These statements are based on current expectations, estimates and projections concerning factors that may affect SONGWON Industrial Group's future performance, including global and regional economic conditions in the regions, major markets and industries where SONGWON does business. As a result, these forward-looking statements and information are subject to uncertainties and risks, many of which are beyond our control. These may cause our actual results to differ materially from the forward-looking information and statements made in this report and possibly affect our ability to achieve any, or all of, our stated targets. SONGWON Industrial Group believes that the expectations reflected in any forward-looking statement are based upon reasonable assumptions; however, no assurance can be given that these expectations will prove to be correct.

The forward-looking statements contained herein are current only as of the date of this document.

Key Financial Data

For the six months ended June 30,

	Q2/2026	Q2/2025		2026	2025	
	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%
Sales	328,509	265,408	23.8%	597,713	541,161	10.5%
Gross profit	78,083	38,627	102.1%	133,445	79,370	68.1%
Gross profit margin	*23.8%*	*14.6%*		*22.3%*	*14.7%*	
Operating profit	39,811	8,592	363.3%	66,369	19,529	239.8%
EBITDA	50,777	18,066	181.1%	88,388	40,023	120.8%
EBITDA margin	*15.5%*	*6.8%*		*14.8%*	*7.4%*	
EBIT	39,985	7,818	411.4%	66,716	19,361	244.6%
EBIT margin	*12.2%*	*2.9%*		*11.2%*	*3.6%*	
Profit for the period	29,619	-1,481	-2,099.9%	47,710	3,376	1,313.2%
Total assets				1,316,665	1,179,460	11.6%
Total equity				818,227	745,440	9.8%
Equity ratio				*62.1%*	*63.2%*	
Headcounts				974	981	-0.7%

Sales development

Divisions

For the three months ended June 30,

	2026	2025		2026	2025		2026	2025	
	Industrial Chemicals			Performance Chemicals					
	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%
Sales	242,504	191,019	27.0%	86,005	74,389	15.6%	328,509	265,408	23.8%

For the six months ended June 30,

	2026	2025		2026	2025		2026	2025	
	Industrial Chemicals			Performance Chemicals					
	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%
Sales	433,507	399,152	8.6%	164,206	142,009	15.6%	597,713	541,161	10.5%

Regions

For the six months ended June 30,

	Q2/2026	Q2/2025		2026	2025	
	Million KRW	Million KRW	∆%	Million KRW	Million KRW	∆%
Korea	50,164	46,107	8.8%	100,051	89,064	12.3%
Rest of Asia	100,976	77,337	30.6%	180,375	160,556	12.3%
Europe	80,348	68,231	17.8%	150,570	136,626	10.2%
North and South America	78,797	59,714	32.0%	137,511	127,555	7.8%
Middle East and Africa	18,224	14,019	30.0%	29,206	27,360	6.7%
Total sales	**328,509**	**265,408**	**23.8%**	**597,713**	**541,161**	**10.5%**

Business development

In Q2/2026, SONGWON Industrial Group achieved consolidated sales of 328,509 million KRW, representing an increase of 23.8% compared with Q2/2025 sales of KRW 265,408 million. Net profit improved to 29,619 million KRW, compared with a net loss of 1,481 million KRW in the prior-year quarter. For H1/2026, SONGWON reported revenues of 597,713 million KRW, up from 541,161 million KRW in H1/2025. The Group's gross profit margin increased by 7.6 percentage points to 22.3%, compared with 14.7% in the prior-year period. Net profit reached 47,710 million KRW, compared with 3,376 million KRW in H1/2025. The Group delivered a significant improvement in underlying profitability in H1/2026, driven by higher sales volumes, improved pricing and stronger operating performance across both Divisions, particularly in Q2. The result also reflected the positive one-off employee benefit program adjustment recognized in Q1/2026.

Throughout Q2/2026, performance was supported by higher demand in several product lines, reliable product availability and pricing measures implemented in response to increased raw material and logistics costs. Amid a challenging business environment, close collaboration between the commercial, operational, procurement and supply chain teams enabled the Group to respond quickly to changing market conditions, maintain operational stability and capitalize on additional demand, while reinforcing SONGWON's reputation as a reliable supplier to customers across its global markets.

Division Industrial Chemicals
Division Industrial Chemicals delivered a strong performance in Q2/2026, reporting revenues of 242,504 million KRW in Q2/2026, an increase of 27.0% compared with 191,019 million KRW in Q2/2025. For H1/2026, revenues increased by 8.6% to 433,507 million KRW, compared with 399,152 million KRW in H1/2025.

As customers sought to secure additional volumes amid supply chain uncertainty, rising input costs and ongoing geopolitical tensions, the Division responded swiftly to the increased demand supported by SONGWON's global manufacturing network and integrated supply chain. Polymer Stabilizers recorded a particularly strong quarter. Performance was driven by increased demand following the escalation of the conflict in the Middle East and further supported by tighter market supply, as raw material and logistics constraints affected parts of the industry. These conditions contributed to higher volumes, selling prices and margins. Fuel and Lubricant Additives also performed strongly, with demand exceeding expectations and volumes increasing compared with Q1/2026. This partly reflected precautionary purchasing by customers amid broader market uncertainty. Revenues benefited from the higher sales volumes, while revenue per kilogram and formula-based pricing remained stable quarter on quarter. Coatings delivered a significant increase in net sales following timely pricing adjustments to offset higher raw material and freight costs, while sales volumes remained broadly stable. The business continued to manage the challenging supply environment effectively and ensured an uninterrupted supply of key products despite disruptions in the Gulf region.

Division Performance Chemicals

Division Performance Chemicals also recorded higher revenues, increasing by 15.6% to 86,005 million KRW in Q2/2026 from 74,389 million KRW in the prior-year quarter. For H1/2026, revenues rose by 15.6% to 164,206 million KRW, compared with 142,009 million KRW in H1/2025.

Despite continued geopolitical volatility and challenging global market conditions, Division Performance Chemicals delivered solid results in Q2/2026. Tin Intermediates reported improved revenues and margins compared with Q1/2026, supported by elevated tin ingot prices. However, volumes remained subdued due to weaker demand in automotive and catalyst applications. PVC benefited from heightened geopolitical uncertainty, which led customers to diversify their supply sources and accelerate product homologation activities. This created additional business opportunities and supported higher revenues. Solution Polyurethanes and Thermoplastic Polyurethanes achieved results broadly in line with the previous quarter, although sales volumes were slightly lower. Net sales increased as selling prices were adjusted to reflect higher raw material costs. Customer pre-ordering to secure supply in the uncertain market environment also supported revenues.

Outlook

Going into Q3 2026, SONGWON anticipates that geopolitical and macroeconomic uncertainty, together with ongoing supply chain disruptions and raw material price volatility, will persist. These factors are expected to continue limiting customers' ability to forecast demand and plan their requirements accurately, thereby making purchasing patterns and market developments difficult to predict. Based on current customer ordering patterns and market demand, SONGWON expects business conditions in Q3/2026 to remain similar to those in Q2/2026. However, market visibility beyond the 3rd quarter of 2026 remains limited, as demand trends are influenced by geopolitical developments, supply-chain dynamics and customer inventory management decisions.

Looking towards the 2nd half of 2026, SONGWON will continue to closely monitor market developments and adapt to changing business conditions while maintaining operational flexibility, managing competitive pressures and ensuring reliable supply to customers. With its global manufacturing network, integrated supply chain and strong collaboration across regions and functions, the Group is well-equipped to respond effectively to customer needs and navigate periods of market disruption and uncertainty. Building on its industry expertise, strong commitment and close-to-the-customer approach successfully demonstrated during H1/2026, SONGWON will focus on continuing to strengthen its long-term customer relationships and further develop recently acquired business opportunities into long-term partnerships. With its diverse product portfolio, global footprint and commitment to operational excellence, SONGWON is confident that it is well-positioned to navigate the current environment while continuing to create sustainable value for both its customers and shareholders.