

SONGWON reports continued growth and improved profitability in Q3/2026

- **Q3/2026 consolidated sales totaled 301,204 million KRW**
- **Gross profit margin was 20.3%, 6.7 percentage points higher than in Q3/2025**
- **Net profit rose to 13,017 million KRW from 1,697 million KRW in Q3/2025**

Ulsan, South Korea – November 13, 2026 – SONGWON Industrial Group (**www.songwon.com**) today released its financial results for the 3rd quarter of 2026. In Q3/2026, consolidated sales increased by 16.5% year-on-year to 301,204 million KRW, while net profit rose significantly to 13,017 million KRW from 1,697 million KRW in Q3/2025. During the first nine months of 2026, the Group's revenues increased by 12.4% to 898,917 million KRW and the gross profit margin improved by 7.3 percentage points to 21.6%. Net profit also improved significantly to reach 60,727 million KRW compared with 5,073 million KRW in the prior-year period. Despite the strong year-on-year financial performance, the KRW strengthened against the USD and EUR in Q3/2026, negatively impacting sales relative to raw material costs. Foreign exchange losses also weighed on the Group's results.

In Million KRW	Q3			YTD September		
	2026	2025	Δ%	2026	2025	Δ%
Sales	301,204	258,616	16.5%	898,917	799,777	12.4%
Gross profit	61,045	35,189	73.5%	194,490	114,559	69.8%
Gross profit margin	20.3%	13.6%		21.6%	14.3%	
Operating profit	23,728	5,391	340.1%	90,097	24,920	261.5%
EBITDA	34,003	15,373	121.2%	122,391	55,397	120.9%
EBITDA margin	11.3%	5.9%		13.6%	6.9%	
EBIT	23,553	4,075	478.0%	90,269	23,436	285.2%
EBIT margin	7.8%	1.6%		10.0%	2.9%	
Profit for the period	13,017	1,697	667.1%	60,727	5,073	1,097.1%

“SONGWON achieved significant year-on-year improvements in sales and profitability in Q3/2026, despite ongoing geopolitical uncertainty, competitive pressures and changing customer purchasing patterns. Supportive pricing across key areas of our portfolio helped us manage these challenges, while stable production and supply enabled us to remain a reliable partner for our customers,” said Johannes Honegger, Group CFO at SONGWON. “Our ability to identify opportunities and secure new business, even in such a demanding market environment, highlights the effectiveness of our customer-centric approach and provides a solid foundation to strengthen our position across global markets.”

Division Industrial Chemicals reported revenues of 212,538 million KRW in Q3/2026, an increase of 13.3% compared with 187,517 million KRW in Q3/2025. YTD September 2026, revenues rose by 10.1% to 646,045 million KRW, compared with 586,669 million KRW in the prior-year period. Despite ongoing macroeconomic uncertainty and fluctuating market conditions, the Division performed strongly throughout the quarter, benefiting from tighter market supply resulting from factors such as production cutbacks by competitors and force majeure events.

Q3/2026 was another strong quarter for Polymer Stabilizers. The business successfully maintained prices and volumes amid raw material availability constraints and tighter market supply resulting from the ongoing conflict in the Middle East. Throughout the quarter, SONGWON's stable production and reliability of supply also helped to secure several new customers. After a particularly strong Q2/2026, Fuel & Lubricant Additives experienced softer demand in Q3/2026 due to customer destocking, leading to lower sales volumes. Additionally, U.S. tariffs and intense spot market competition further dampened demand, while the Middle East conflict caused shortages of Group III base oils and drove up raw material and logistics costs. Compared to Q3/2025, Coatings delivered significantly higher revenues and sales volumes. Following stronger demand in Q2/2026, purchasing activity slowed due to seasonal factors and precautionary stock building earlier in the year.

During Q3/2026, Division Performance Chemicals reported a 24.7% increase in sales to 88,666 million KRW, compared with 71,099 million KRW in Q3/2025. Revenues for YTD September 2026 also grew by 18.7%, reaching 252,872 million KRW compared with 213,108 million KRW in the prior-year period. The Division successfully navigated persistent market pressures and challenging business conditions throughout Q3/2026 to achieve revenue growth both year-on-year and quarter-on-quarter.

Tin Intermediates achieved strong revenues and margins in Q3, supported by higher tin ingot prices. As the quarter progressed, the business also saw a recovery in sales volumes as customer demand improved. PVC benefited from robust demand in Southeast Asia and the EMEA region, performing well throughout the quarter. Supported by new business, Solution Polyurethanes delivered improved performance in Q3/2026, both quarter-on-quarter and year-on-year. For Thermoplastic Polyurethanes, the 3rd quarter was weaker due to lower demand in the Korean domestic market.

Looking ahead to Q4/2026, SONGWON expects market conditions to remain challenging, with volatile raw material costs continuing to impact business activity. Following precautionary stock building in Q2/2026, customers are expected to continue reducing excess inventories in Q4/2026, although purchasing activity may gradually recover as stock levels normalize. The Group believes that competitive pressures and seasonal factors will continue to limit volume growth toward year-end, with developments in the Middle East, U.S. tariff policies and logistics challenges continuing to shape the market outlook.

Going forward, SONGWON remains committed to maintaining operational excellence and ensuring supply reliability for customers. By leveraging its global manufacturing network, integrated supply chain and customer-focused approach, the Group will continue to adapt to changing market conditions, improve cost efficiency, develop long-term customer partnerships and strengthen its global presence. With its solid business foundation, extensive market experience and clear strategic priorities, SONGWON is well positioned to navigate future challenges and drive sustainable growth and long-term value creation.

The Q3/2026 Report can be downloaded at: **www.songwon.com/investors/reports-publications**.

About Songwon Industrial Co., Ltd.

A leader in the development, production and supply of specialty chemicals, SONGWON's products touch your life every day, everywhere. Since 1965, we've been driving innovation, partnering for progress and paving the way for a better, more sustainable tomorrow with 360° customized solutions.

Headquartered in South Korea, SONGWON is one of the world's leading manufacturers of polymer stabilizers. With Group companies and world-class manufacturing facilities across the globe, we are dedicated to providing customers in over 60 countries with high-performance products that meet their individual needs and the best levels of service.

For further information, please go to: **www.songwon.com**.

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