2026. 07. 31

2Q 2026

Earnings Release

WeConnectScience

LG Chem

Contents

2Q 2026 Business Results 3 – 4

Results and Outlook by Business 5 – 9

Appendix 10 - 14

- Income Statement / Financial Position / Cash Flows
- CAPEX and R&D Expenses
- Introduction to Electronics Materials

The business results currently under audit review are presented here for investors' convenience. Hence, please be advised that some of the contents **may be altered in the course of audit.**

The financial information included in this material has been prepared on a **consolidated basis** in accordance with Korea International Financial Reporting Standards (K-IFRS).

Forecasts and projections contained in this material are based on current business environments and management's strategies.
Please note it may differ from actual results, due to uncertainties including changes in the future business environment and strategy.

2Q 2026 Business Results

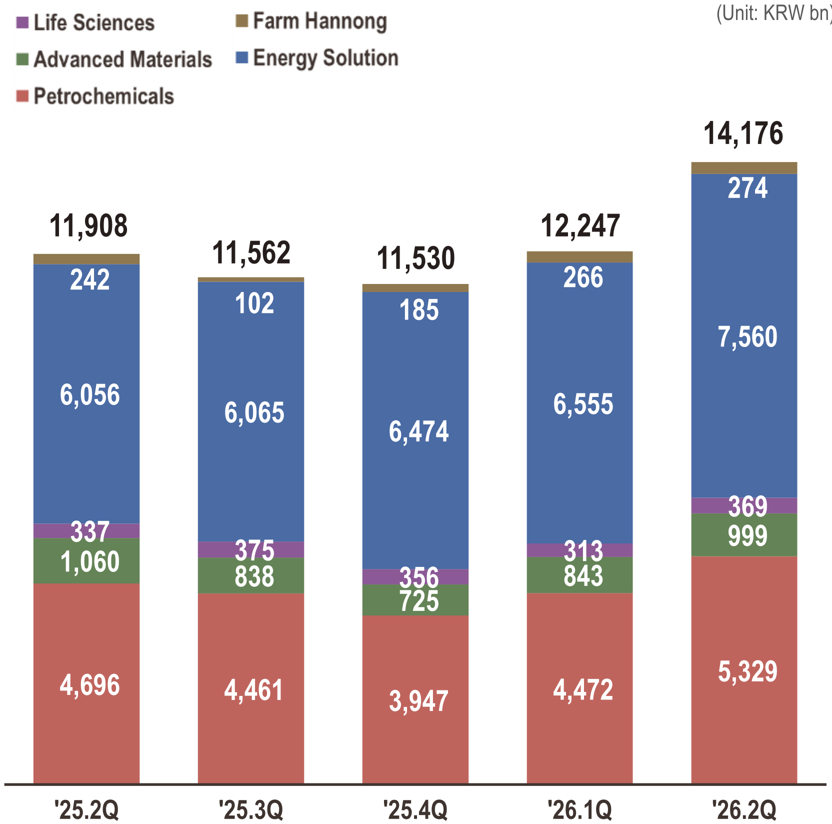
Sales & Profits Trends (Consolidated)

(Unit: KRW bn)

LG Chem	2025			2026	
	2Q	3Q	4Q	1Q	2Q
Sales	11,908	11,562	11,530	12,247	**14,176**
Operating Profit (%)	477 4.0%	680 5.9%	-413 -3.6%	-50 -0.4%	**600** **4.2%**
EBITDA (%)	1,715 14.4%	1,992 17.2%	1,103 9.6%	1,442 11.8%	**2,206** **15.6%**
Pre-tax Income (%)	-185 -1.6%	457 4.0%	-2,489 -21.6%	-566 -4.6%	**429** **3.0%**
Net Income (%)	-112 -0.9%	447 3.9%	-1,573 -13.6%	-782 -6.4%	**67** **0.5%**

Sales trend by business

(Unit: KRW bn)



※ Following our decisions to discontinue and divest certain businesses, the relevant business results have been compiled retroactively.

※ Starting from the fiscal year 2026, North America Production Incentive of LG ES will be consolidated into the revenue figures due to changes in accounting presentation methods. For comparison purposes, past financial figures are also be adjusted accordingly.

2Q 2026 Business Results

Financial Position (Consolidated)

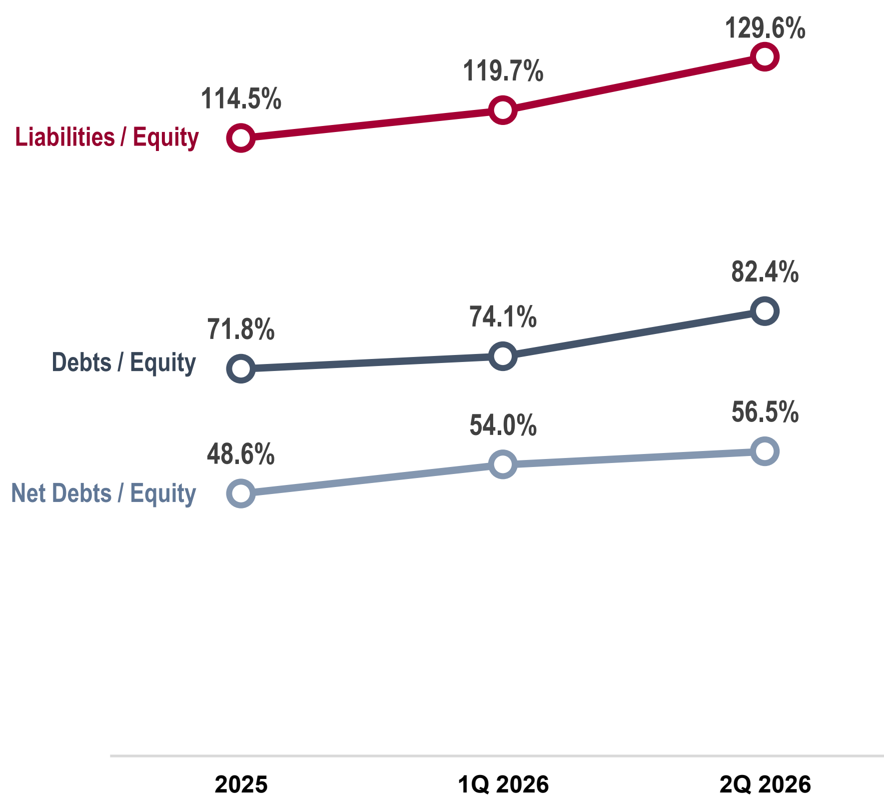
Balance Sheet

(Unit: KRW tn)

LG Chem	2025	1Q 2026	2Q 2026
Asset	101.1	105.7	**112.2**
Cash and cash equivalents	10.9	9.7	**12.7**
Liabilities	54.0	57.6	**63.3**
Debts	33.8	35.7	**40.3**
Equity	47.1	48.1	**48.9**

Financial Ratios

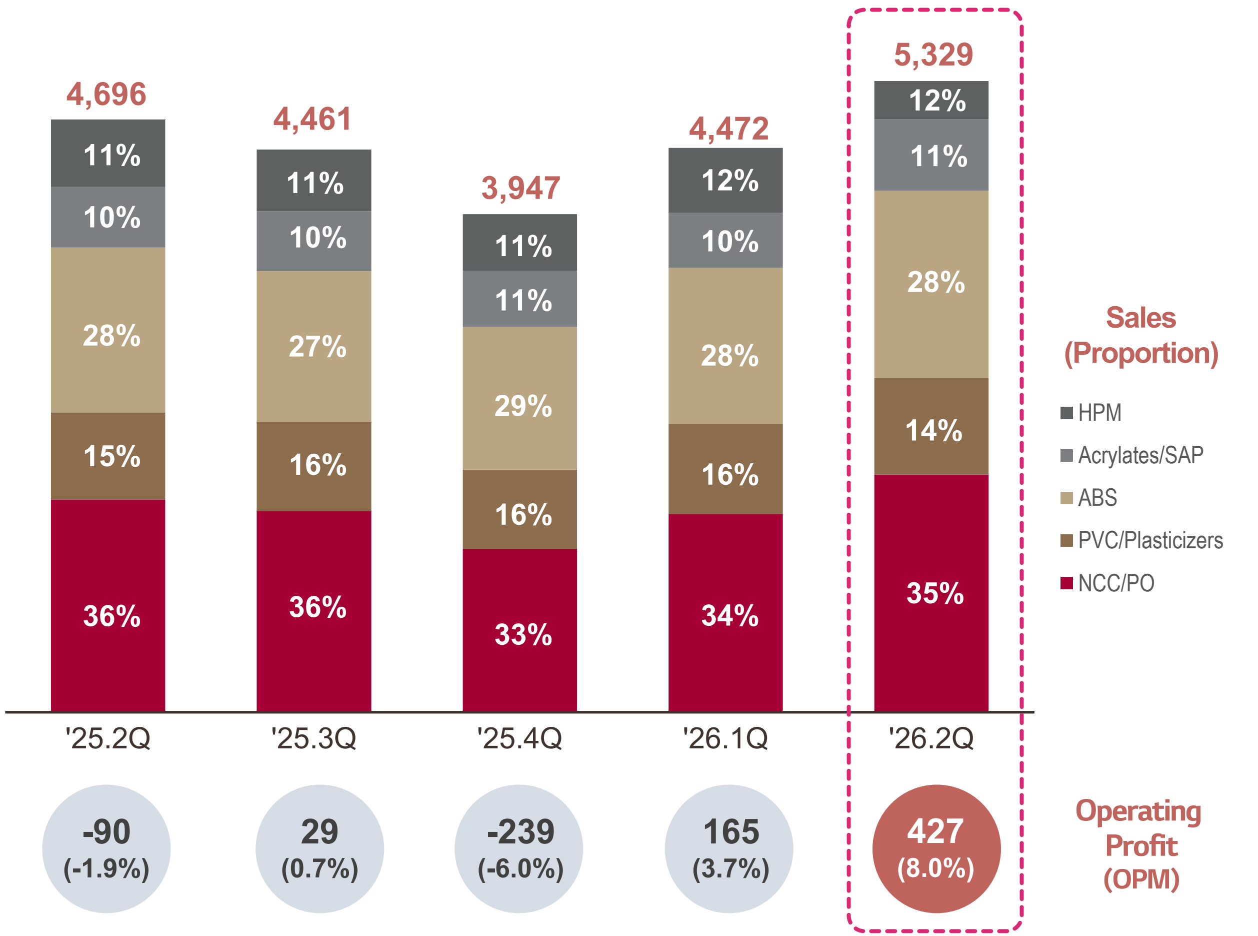
(Unit: %)



Results & Outlook by Business

Petrochemicals

(Unit: KRW bn)



Results

- Profitability improved despite lower sales volumes following the temporary shutdown of Yeosu 2NCC plant, supported by positive inventory lag effects from higher feedstock prices and wider spreads.

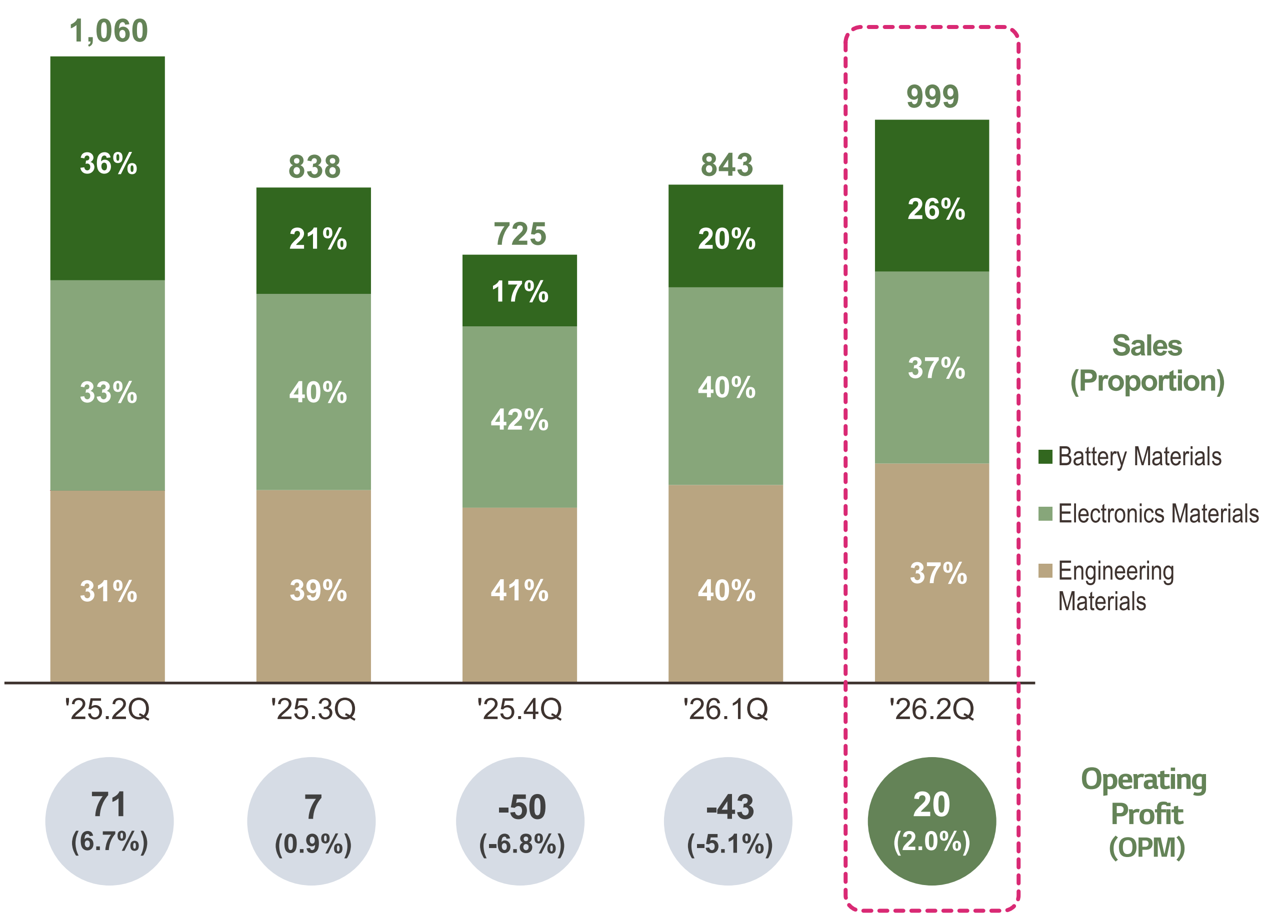
Outlook

- Profitability is expected to come under pressure from negative inventory lag effects resulting from declining feedstock prices and higher logistic costs.

Results & Outlook by Business

Advanced Materials

(Unit: KRW bn)



※ Following our decisions to discontinue and divest certain businesses, the relevant business results have been compiled retroactively.

Results

- Revenue increased and operating profit turned positive, driven by higher cathode material price, increased separator shipments, and the ramp-up of the commercial production for new electronic materials products.

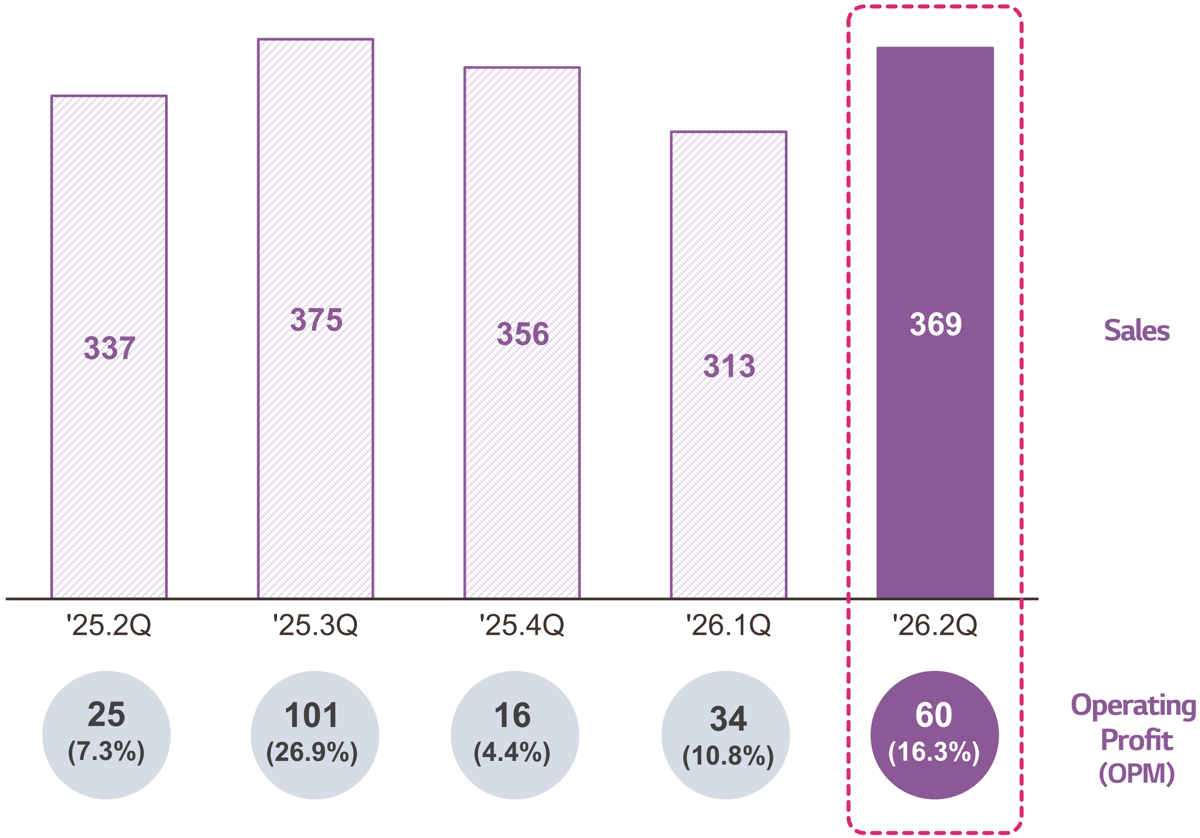
Outlook

- Battery materials sales is expected to increase, supported by the ramp-up of cathode materials shipments to new customers and the gradual expansion of separators for ESS applications.
- The electronics materials are expected to deliver solid performance driven by growing sales of new products and high-value added portfolio.

Results & Outlook by Business

Life Sciences

(Unit: KRW bn)



Results

- Revenue and profitability increased quarter-on-quarter, primarily driven by higher export shipment volumes.

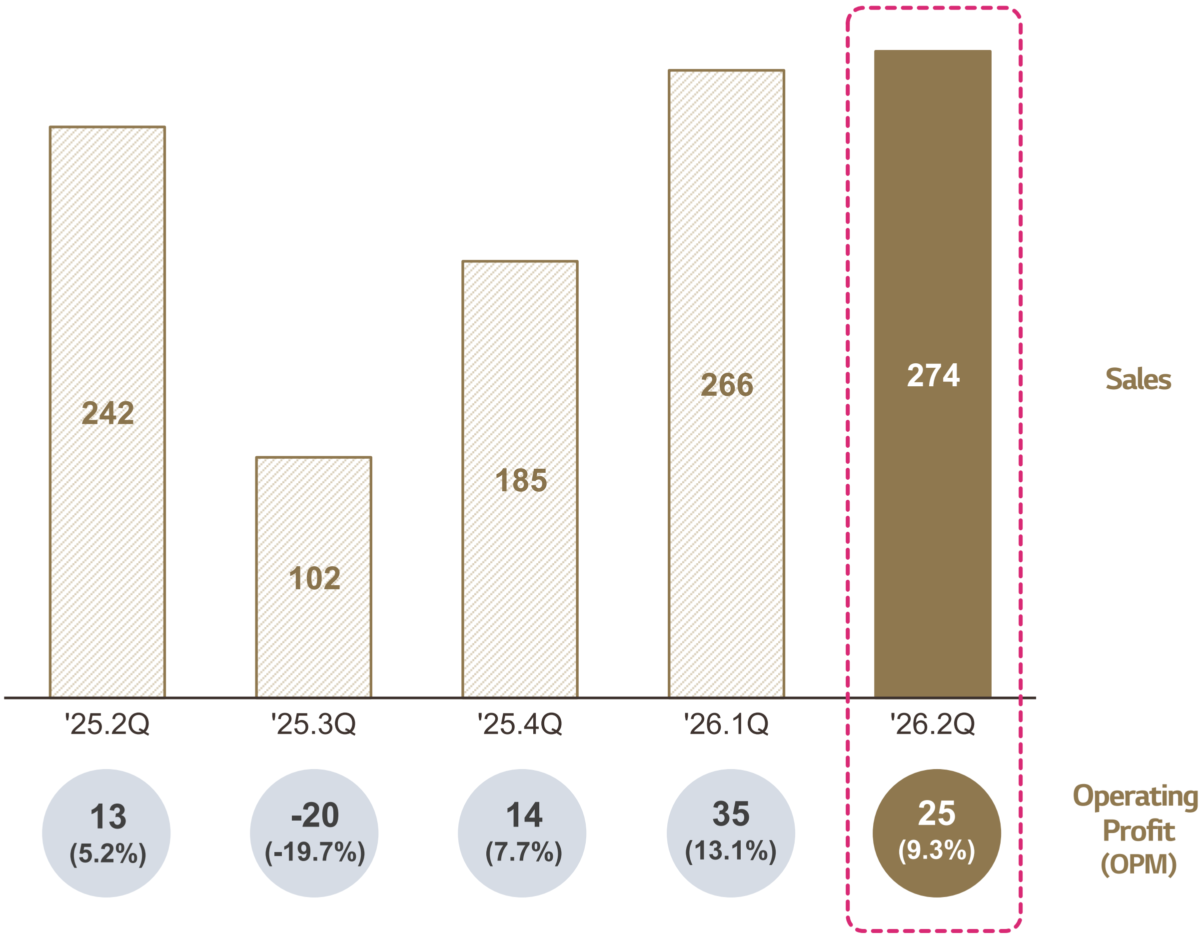
Outlook

- Profitability is expected to weaken due to the concentration of vaccines and other products shipments in Q4, as well as higher R&D expenses associated with clinical progress of key pipeline programs.

Results & Outlook by Business

Farm Hannong

(Unit: KRW bn)



Results

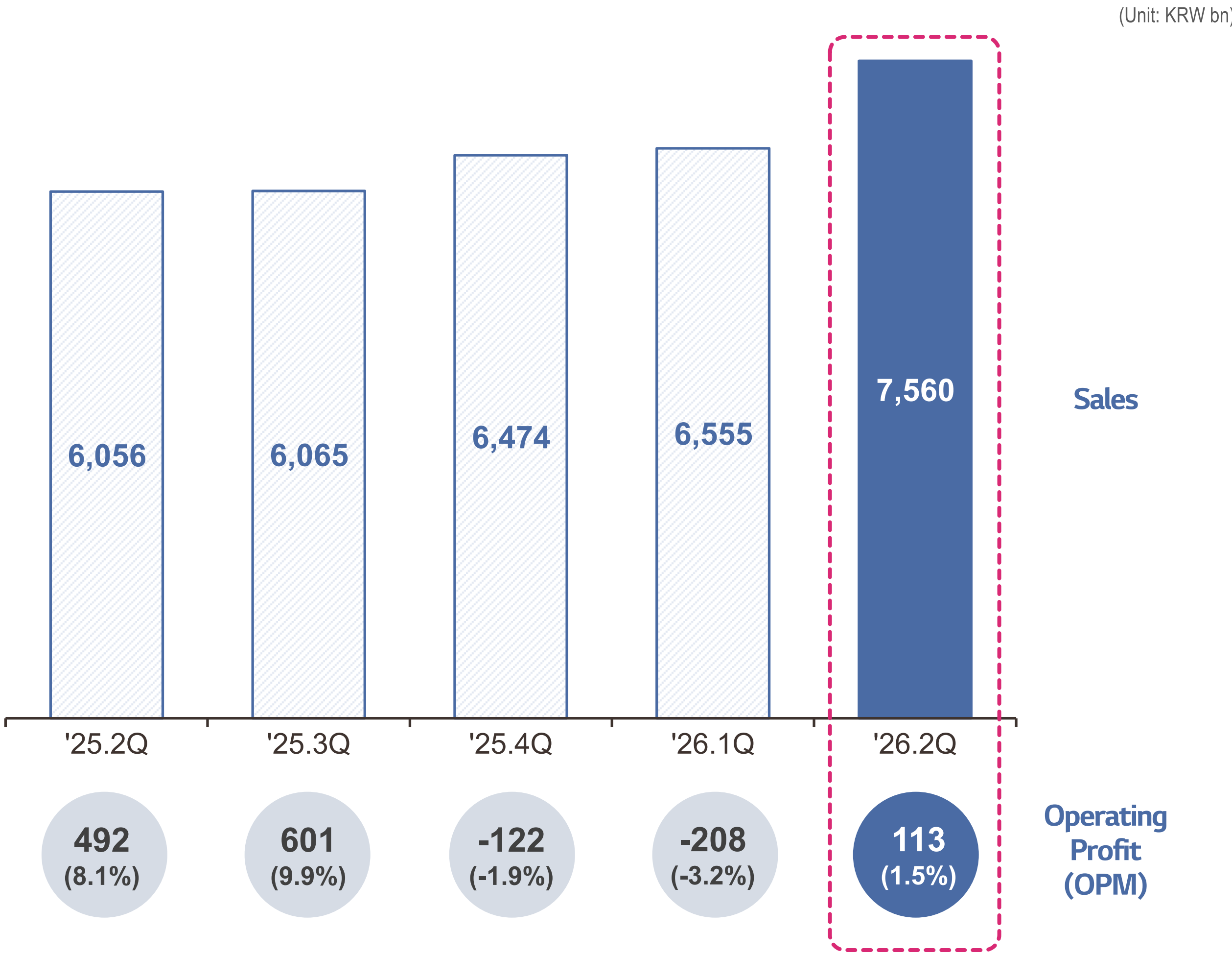
- Revenue and profitability improved YoY, driven by increased sales of crop protection products and advance fertilizer purchases amid supply concerns arising from the Middle East conflicts.

Outlook

- Despite higher sales of crop protection and seed products, profitability is expected to decline YoY due to rising raw material costs amid unfavorable exchange rates and increased R&D expenses.

Results & Outlook by Business

Energy Solution



Results

- Revenue increased, supported by shipment increase from the ESS capacity expansion in North America, along with solid demand of EV cylindrical and increased EV pouch shipments in Europe.
- Operating profit turned positive, driven by impact of volume increase in EV cylindrical and pouch as well as reduced fixed cost burden due to increased ESS production in North America.

Outlook

- Revenue growth underpinned by accelerating North American ESS volumes on robust demand and steady increases in EV cylindrical and pouch shipments.
- Profitability improvement and order-backed growth momentum are expected from stabilized North American ESS operations and higher EV utilization

※ Starting from the fiscal year 2026, North America Production Incentive of LG ES will be consolidated into the revenue figures due to changes in accounting presentation methods. For comparison purposes, past financial figures are also be adjusted accordingly.

Appendix

Income Statements

(Unit: KRW bn)

LG Chem	2024	2025					2026	
	Year	1Q	2Q	3Q	4Q	Year	1Q	2Q
Sales	**50,180**	**12,579**	**11,908**	**11,562**	**11,530**	**47,579**	**12,247**	**14,176**
Cost of Sales	41,247	10,101	9,518	8,808	9,696	38,123	9,932	11,180
Gross Profit	8,932	2,478	2,390	2,754	1,834	9,456	2,315	2,996
(%)	17.8%	19.7%	20.1%	23.8%	15.9%	19.9%	18.9%	21.1%
SG&A Expenses	8,057	2,040	1,914	2,074	2,247	8,275	2,365	2,396
Operating Profit	**875**	**438**	**477**	**680**	**-413**	**1,181**	**-50**	**600**
(%)	**1.7%**	**3.5%**	**4.0%**	**5.9%**	**-3.6%**	**2.5%**	**-0.4%**	**4.2%**
Other non-operating income(expenses)	-1,185	-1	-662	-223	-2,076	-2,961	-516	-171
Income before tax	-310	437	-185	457	-2,489	-1,780	-566	429
Net Income	**515**	**260**	**-112**	**447**	**-1,573**	**-977**	**-782**	**67**

※ The business results currently under audit review are presented here for investors' convenience. Hence, please be noted that some of contents may be altered in the course of audit.

※ Following our decisions to discontinue and sell some of our businesses, the relevant business results have been compiled retroactively.

※ Starting from the fiscal year 2026, North America Production Incentive of LG ES will be consolidated into the revenue figures due to changes in accounting presentation methods.
For comparison purposes, past financial figures are also be adjusted accordingly.

WeConnectScience

Appendix

Financial Position

(Unit: KRW bn)

LG Chem	2024	2025				2026	
	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Assets	**93,858**	**95,091**	**93,952**	**98,475**	**101,062**	**105,663**	**112,210**
Cash and Equivalents	8,068	7,293	8,385	8,593	10,903	9,685	12,696
A/R	8,166	8,783	7,651	7,711	6,725	8,343	9,476
Inventory	8,847	8,529	7,846	8,629	8,177	9,351	11,157
Tangible / Intangible Assets	58,190	60,369	59,672	62,809	59,960	61,890	65,443
Liabilities	**45,862**	**46,984**	**49,365**	**52,247**	**53,956**	**57,572**	**63,339**
A/P	3,682	3,925	3,187	3,478	3,537	4,513	5,354
Short-term debts	7,621	8,634	9,586	11,860	11,738	13,117	11,603
Long-term debts	19,755	20,769	22,212	21,727	22,074	22,538	28,686
Equity	**47,995**	**48,106**	**44,587**	**46,229**	**47,106**	**48,091**	**48,871**
Liabilities / Equity (%)	95.6%	97.7%	110.7%	113.0%	114.5%	119.7%	129.6%
Net debt / Equity (%)	40.2%	46.0%	52.5%	54.1%	48.6%	54.0%	56.5%

※ Cash and Equivalents includes cash, cash equivalents, and some deposits at financial institutions.

※ The business results currently under audit review are presented here for investors' convenience. Hence, please be noted that some of contents may be altered in the course of audit.

Appendix

Cash Flows

(Unit: KRW bn)

LG Chem	2024	2025					2026	
	Year	1Q	2Q	3Q	4Q	Year	1Q	2Q
Beginning Cash Balance	**9,142**	**8,068**	**7,293**	**8,385**	**8,593**	**8,068**	**10,903**	**9,685**
Operating Activities	**7,012**	**1,891**	**1,339**	**2,461**	**2,544**	**8,234**	**-176**	**1,344**
Operating Profit	875	438	477	680	-413	1,181	-50	600
Depreciation	4,672	1,286	1,238	1,312	1,517	5,353	1,492	1,606
Working Capital	9	-55	1,077	-552	1,496	1,966	-1,815	-2,098
Investing Activities	**-13,507**	**-3,855**	**-3,508**	**-3,046**	**-1,272**	**-11,681**	**-1,226**	**1,516**
Financing Activities	**4,821**	**1,184**	**3,460**	**667**	**932**	**6,243**	**23**	**-5**
Borrow / Repay	5,448	2,027	2,395	1,790	225	6,436	1,843	4,635
Ending Cash Balance	**8,068**	**7,293**	**8,385**	**8,593**	**10,903**	**10,903**	**9,685**	**12,696**

※ The financial information contained in this material has different standards from the cash flow statement in the audit report.
※ Beginning cash and ending cash include cash, cash equivalents, and some deposits at financial institutions. Accordingly, it was retroactively revised to the same beginning/ending-period cash basis.
※ The business results currently under audit review are presented here for investors' convenience. Hence, please be advised that some of contents may be altered in the course of audit.

Appendix

CAPEX & R&D Expenses (excl. Energy Solution)

CAPEX

(Unit: KRW bn)

LG Chem	2025	1Q 2026	2Q 2026	2026 (P)
Petrochemicals	915	99	**164**	790
Advanced Materials	1,671	131	**143**	612
Life Sciences	70	2	**6**	30
Common (incl. Farm Hannong)	237	17	**25**	284
Total	2,893	249	**338**	1,716

R&D Expenses

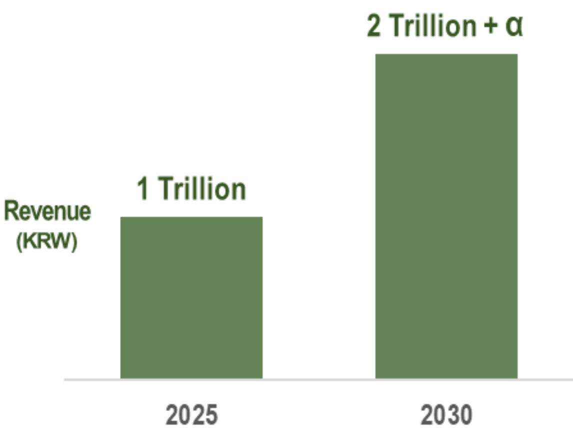
(Unit: KRW bn)

LG Chem	2025	1Q 2026	2Q 2026
Petrochemicals	230	58	**60**
Advanced Materials	269	70	**78**
Life Sciences	373	79	**149**
Common (incl. Farm Hannong)	185	46	**47**
Total	1,058	253	**334**

Appendix

Introduction to Electronics Materials

Growth



Over 2x Revenue by 2030, Driven by Customer and Product portfolio expansion

Display Long lifespan, Low driving voltage, etc

- **Sustaining core business growth through differentiated product development and strengthened partnership with OLED market leaders.**

Semiconductor CCL for FC-BGA, Heat dissipating NCF, PID, etc

- **Diversifying prod. portfolio for AI & non-memory applications**

Automobile

- **Increasing SGF supply to premium OEMs and accelerating new product development**
- **Expanding applications into ESS thermal management and Automotives adhesives**

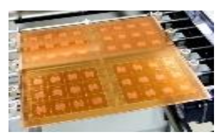
Key Semiconductor and Automotive Materials

Semiconductors | Advancing Memory Next gen technologies & Commercializing New Materials for AI (Targeting mass production in 2027~2028)

CCL (Copper Clad Laminate) Substrate material composed of copper foil / insulating layers
- No.1 Market Share in memory applications (e.g., DDR5)
- Expanding into non-memory applications, with multiple spec-in activities underway across various substrate platforms, including FC-BGA

NCF (Non-Conductive Film) Film for stacking chips in the advanced packaging (HBM)
- Co-developing next-gen NCF solutions with customer for high-layer HBM, featuring high heat resistance, high reliability, and ultra-thin designs

PID (Photo Imageable Dielectric) Photosensitive insulating material for packaging
- Developed a liquid type with high-resolution & Low-temp curing based on proprietary tech
- Developing a film type capable of forming fine circuit patterns on large-area panels



Glass Core Substrate The Next Generation Substrate
- Replacing the core layer of Substrates(FC-BGA) and interposers with glass core tech.
- Secured tech for enhanced glass crack resistance and improved copper plating uniformity (co-developed with customers)

Automobile | Stabilizing SGF mass production and developing new products & Expanding Adhesive customer base and applications

SGF (Switchable-Glazing Film) Film with transparency controlled by electrical signals
- Ramping up mass production for a premium OEM in 2026
- Developing next generation products to achieve high contrast ratios

Adhesives Thermal & Insulating Adhesives for High-Voltage, High-Power Vehicle Systems
- Expanding automotive adhesive applications into adjacent markets
- Mass production of thermally conductive adhesives for U.S. ESS customers in 2026
- Broadening automotive qualifications coverage for connectivity and sensor applications

Thank you

WeConnectScience

LG Chem

LG Twin Tower, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 07336, Korea
Tel. 02-3773-1114 / www.lgchem.com