

2Q 2025 Earnings Release

Contents

2Q 2025 Business Results

3 – 4

Results and Outlook by Business

5 – 9

Appendix

10 - 13

- Income Statement/ Financial Position/ Cash Flows
- CAPEX and R&D Expenses



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 2025 Business Results

Sales & Profits Trends (consolidated)

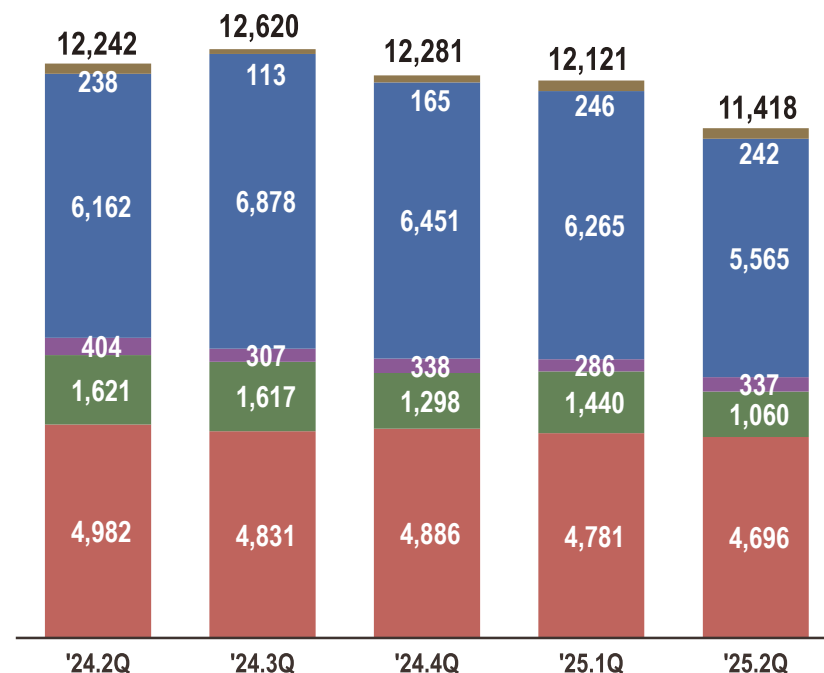
(Unit: KRW bn)

LG Chem	2024			2025	
	2Q	3Q	4Q	1Q	2Q
Sales	12,242	12,620	12,281	12,121	11,418
Operating Profit (%)	392 3.2%	490 3.9%	-261 -2.1%	438 3.6%	477 4.2%
EBITDA (%)	1,549 12.7%	1,640 13.0%	1,018 8.2%	1,723 14.2%	1,715 15.0%
Pre-tax Income (%)	174 1.4%	370 2.9%	-1,165 -9.4%	437 3.6%	-185 -1.6%
Net Income (%)	60 0.5%	1,013 8.0%	-899 -7.3%	260 2.1%	-112 -1.0%

Sales trend by business

Life Sciences Farm Hannong
 Advanced Materials Energy Solution
 Petrochemicals

(Unit: KRW bn)



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

2Q 2025 Business Results

Financial Position (consolidated)

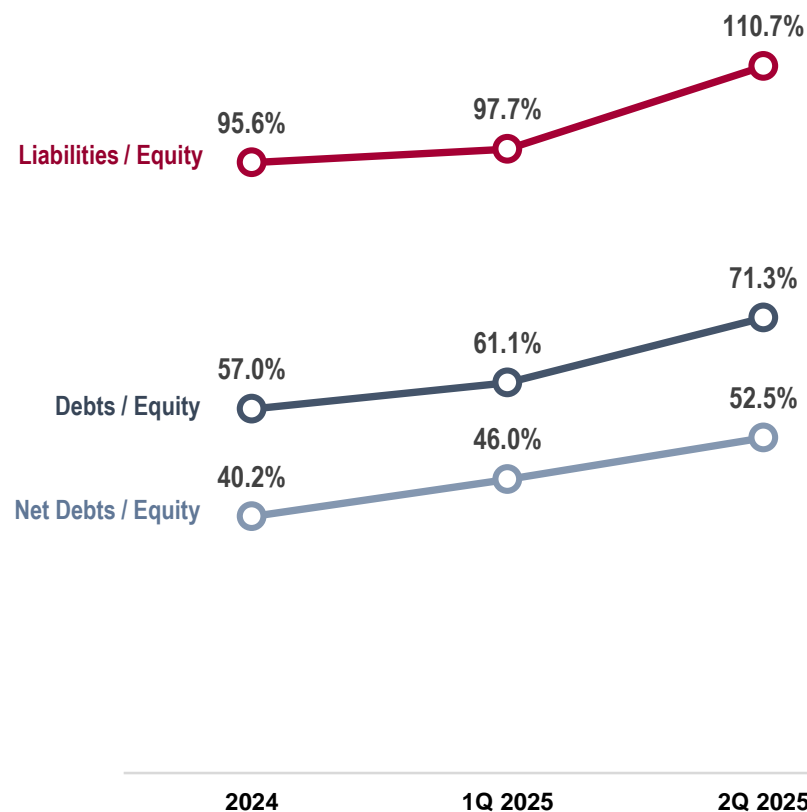
Balance Sheet

(Unit: KRW tn)

LG Chem	2024	1Q 2025	2Q 2025
Asset	93.9	95.1	94.0
Cash and cash equivalents	8.1	7.3	8.4
Liabilities	45.9	47.0	49.4
Debts	27.4	29.4	31.8
Equity	48.0	48.1	44.6

Financial Ratios

(Unit: %)



Results & Outlook by Business

Petrochemicals

● Petrochemicals

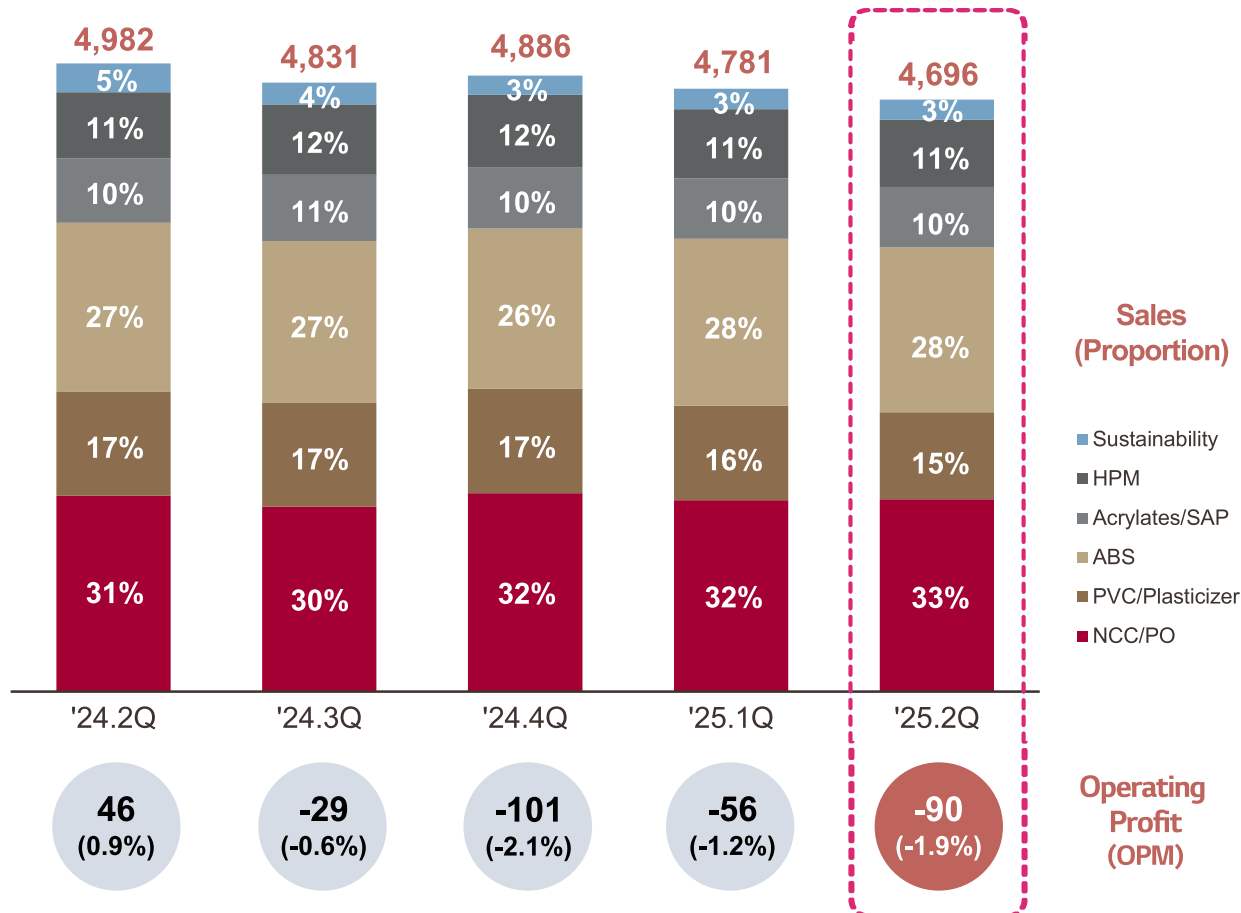
● Advanced Materials

● Life Sciences

● Farm Hanning

● Energy Solution

(Unit: KRW bn)



Results

- Despite seasonal peak demand, continued losses due to cautious purchasing sentiment driven by U.S. tariff disputes and geopolitical tensions in the Middle East, as well as adverse FX impact



Outlook

- While U.S. tariff uncertainties have been resolved, overall demand is expected to remain subdued due to tariff impact
- Profitability improvement to be pursued through normalization of new capacity and continued cost reduction efforts

※ Computed based on the reorganization as of January 1, 2025, with past performance retroactively applied

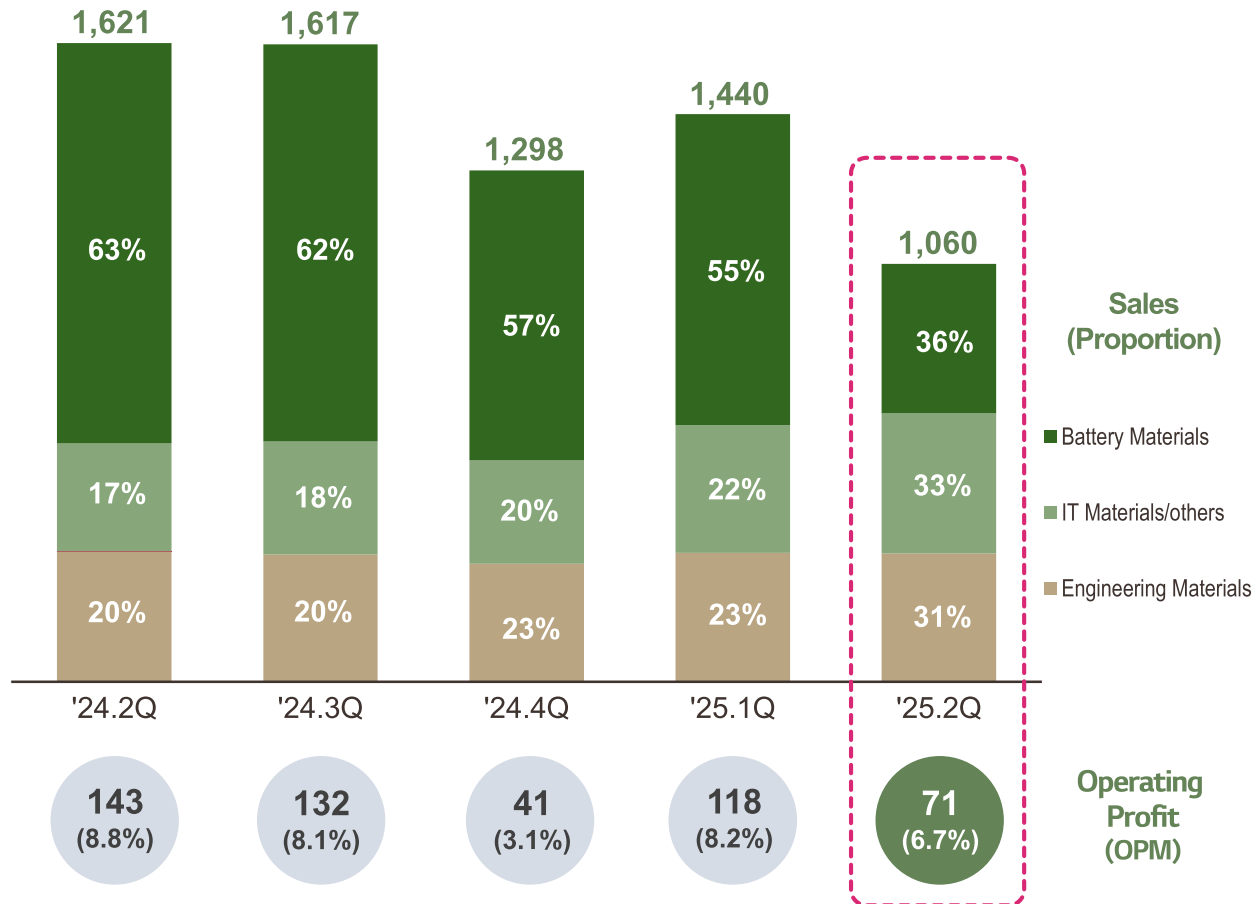
[Major Changes] - Some of the existing Advanced Materials division Battery Materials products transferred to Petrochemical division

- Dissolution of the Nexolution business unit and transfer of products to other business units (SAP: acrylic/SAP division, NBL: HPM division, etc.)

Results & Outlook by Business

Advanced Materials

(Unit: KRW bn)



Results

- Battery material shipments declined due to weakened buyer sentiment amid policy uncertainties
- High value-added sales in IT/Engineering materials remained solid



Outlook

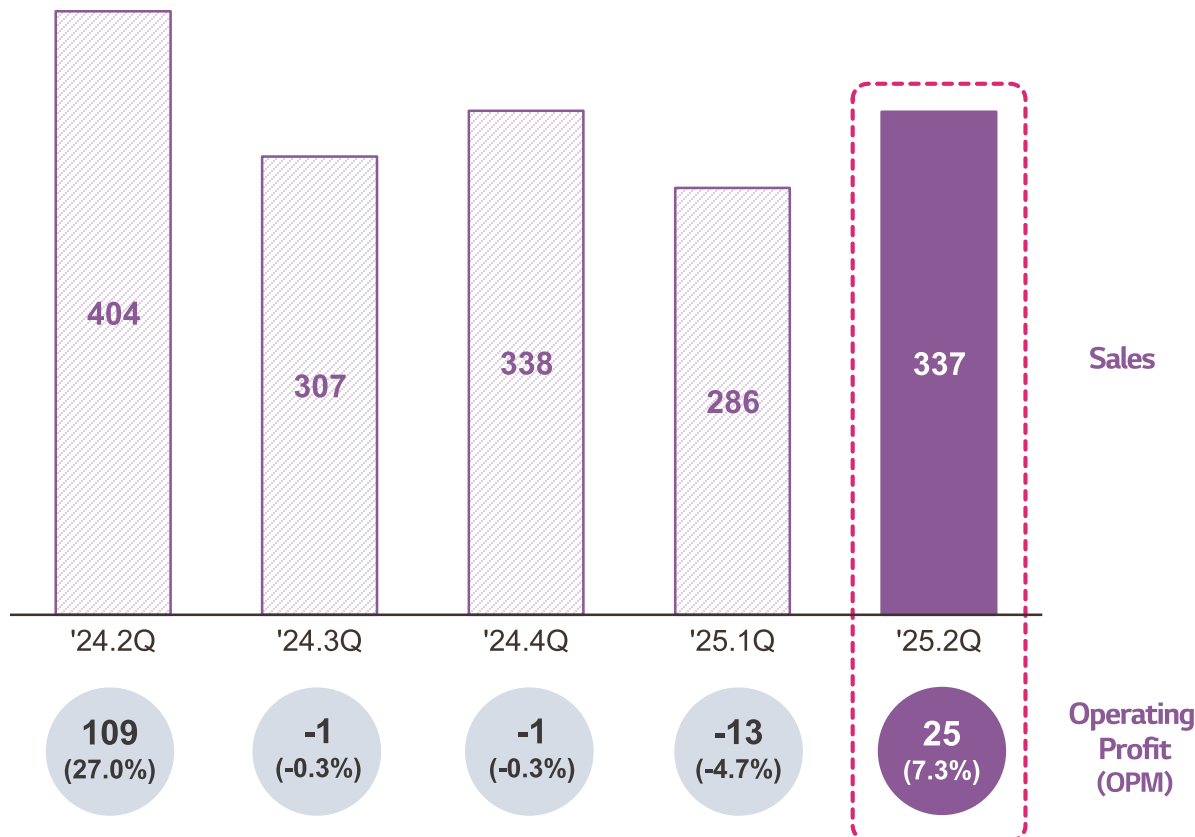
- EV battery materials demand is expected to slow down due to conservative inventory management by OEM customers, driven by the early termination of IRA subsidies

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

Results & Outlook by Business

Life Sciences

(Unit: KRW bn)



Results

- Solid sales of key products including vaccines, oncology, and autoimmune disease treatments



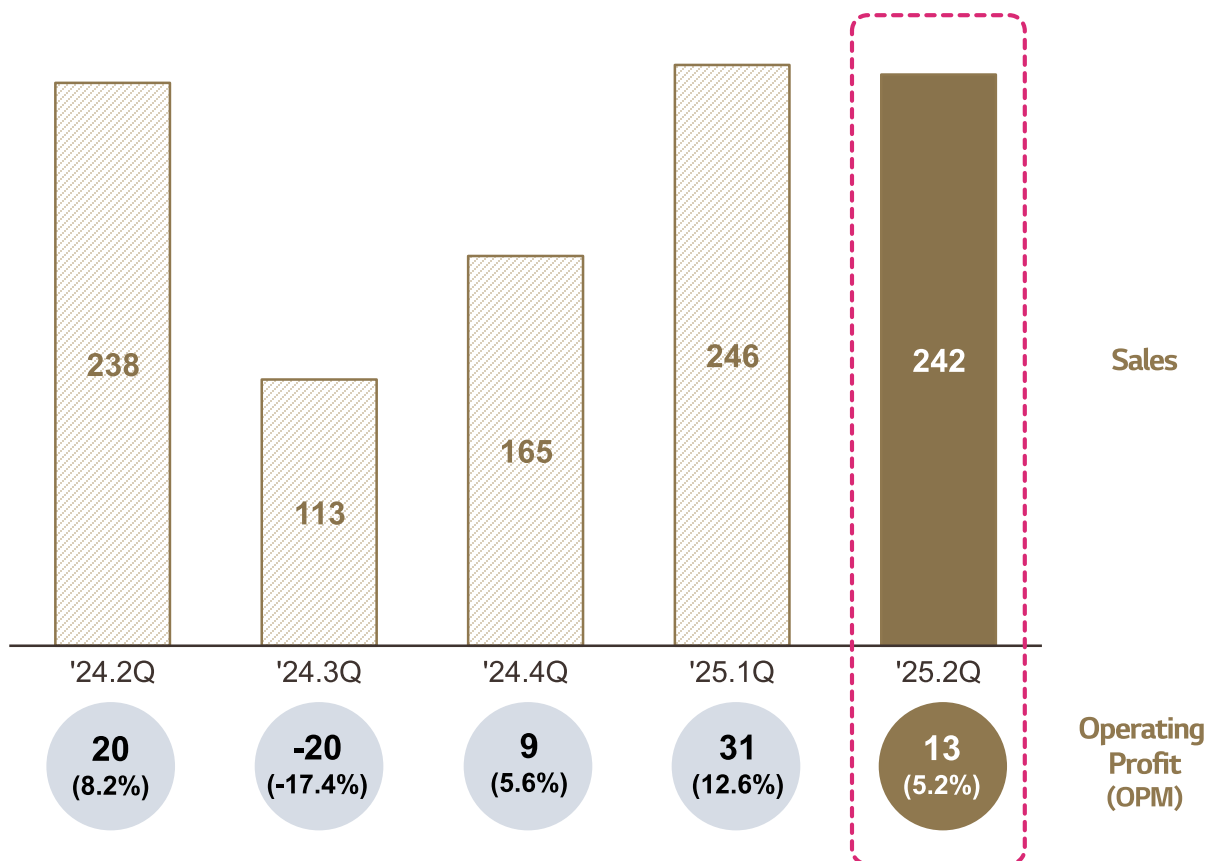
Outlook

- Revenue and operating profit expected to rise with receipt of remaining upfront from rare obesity treatment out-licensing

Results & Outlook by Business

Farm Hannong

(Unit: KRW bn)



Results

- Solid sales in crop protection and seeds, but Profitability declined YoY due to increased raw material costs



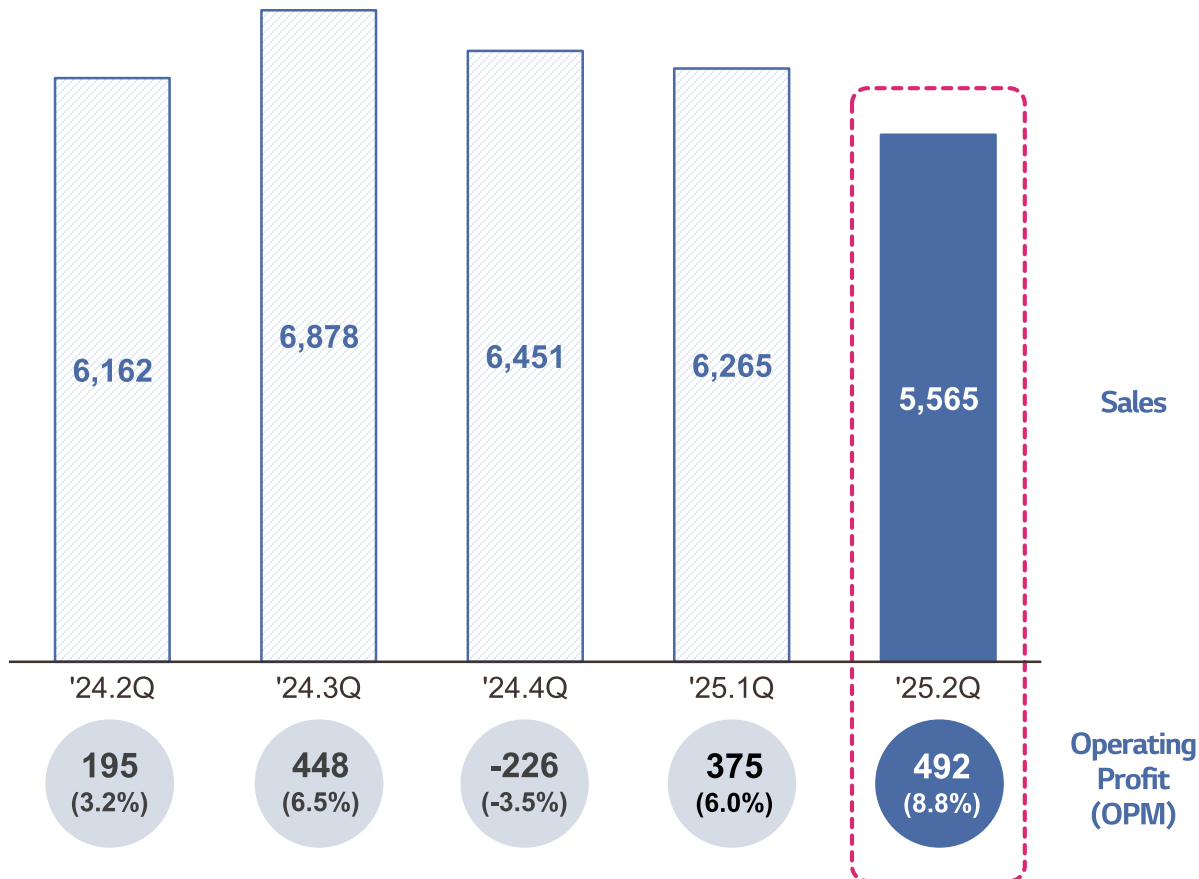
Outlook

- Despite seasonal sales decline in the 2H, Profitability expected to improve driven by growth in crop protection sales

Results & Outlook by Business

Energy Solution

(Unit: KRW bn)



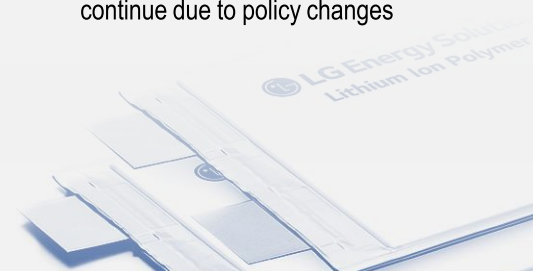
Results

- Revenue declined due to continued conservative inventory management across customers
- Operating profit (excl. North American Production Incentives) turned positive driven by improved product mix from increased North American production and cost reduction efforts, etc.



Outlook

- Cylindrical shipment and ESS production in North America centered on power-grid projects expected to increase while conservative inventory management by North American OEMs expected to continue due to policy changes



Appendix

Income Statements

(Unit: KRW bn)

LG Chem	2024					2025	
	1Q	2Q	3Q	4Q	Year	1Q	2Q
Sales	11,556	12,242	12,620	12,281	48,700	12,121	11,418
Cost of Sales	9,672	10,390	10,353	10,833	41,247	10,101	9,518
Gross Profit	1,884	1,852	2,268	1,449	7,452	2,020	1,900
(%)	16.3%	15.1%	18.0%	11.8%	15.3%	16.7%	16.6%
SG&A Expenses	1,819	1,908	2,244	2,087	8,057	2,040	1,914
Other operating income ^(*)	189	448	466	377	1,480	458	491
Operating Profit	254	392	490	-261	875	438	477
(%)	2.2%	3.2%	3.9%	-2.1%	1.8%	3.6%	4.2%
Other non-operating income(expenses)	57	-218	-119	-904	-1,185	-1	-662
Income before tax	311	174	370	-1,165	-310	437	-185
Net Income	342	60	1,013	-899	515	260	-112

※ 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.

(*) Other operating income: The amount is expected to be received under the US Inflation Reduction Act by LG Energy Solution.

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

Appendix

Financial Position

(Unit: KRW bn)

LG Chem	2024				2025	
	1Q	2Q	3Q	4Q	1Q	2Q
Assets	82,116	84,188	88,795	93,858	95,091	93,952
Cash and Equivalents	9,294	7,170	8,834	8,068	7,293	8,385
A/R	8,152	8,857	8,659	8,166	8,783	7,651
Inventory	9,666	9,760	9,482	8,847	8,529	7,846
Tangible / Intangible Assets	45,643	49,128	52,061	58,190	60,369	59,672
Liabilities	38,937	39,924	43,178	45,862	46,984	49,365
A/P	4,195	4,266	3,710	3,682	3,925	3,187
Short-term debts	7,789	8,259	9,137	7,621	8,634	9,586
Long-term debts	16,894	16,492	18,976	19,755	20,769	22,212
Equity	43,179	44,264	45,617	47,995	48,106	44,587
Liabilities / Equity (%)	90.2%	90.2%	94.7%	95.6%	97.7%	110.7%
Net debt / Equity (%)	35.6%	39.7%	42.3%	40.2%	46.0%	52.5%

※ 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	
	1Q	2Q	3Q	4Q	Year	1Q	2Q
Beginning Cash Balance	9,142	9,294	7,170	8,834	9,142	8,068	7,293
Operating Activities	454	1,490	842	4,227	7,012	1,891	1,339
Operating Profit	254	392	490	-261	875	438	477
Depreciation	1,086	1,156	1,151	1,279	4,672	1,286	1,238
Working Capital	-283	-762	-46	1,099	9	-55	1,077
Investing Activities	-4,009	-3,278	-3,202	-3,019	-13,507	-3,855	-3,508
Financing Activities	3,507	-447	4,154	-2,394	4,821	1,184	3,460
Borrow / Repay	2,755	68	3,361	-737	5,448	2,027	2,395
Ending Cash Balance	9,294	7,170	8,834	8,068	8,068	7,293	8,385

※ 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.

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Appendix

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

CAPEX

(Unit: KRW bn)

LG Chem	2024	1Q 2025	2Q 2025	2025(P)
Petrochemicals	1,007	220	158	1,003
Advanced Materials	960	260	416	1,317
Life Sciences	47	3	7	54
Common (incl. Farm Hannong)	362	34	48	445
Total	2,376	517	629	2,820

R&D Expenses

(Unit: KRW bn)

LG Chem	2024	1Q 2025	2Q 2025
Petrochemicals	239	61	55
Advanced Materials	237	62	64
Life Sciences	433	114	90
Common (incl. Farm Hannong)	190	43	45
Total	1,099	280	254

Thank you

*We***Connect**Science



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