

SK chemicals
2025 4Q Earnings Release



We care for the future.
Healthcare, Earthcare

Disclaimer

The financial information in this document are consolidated earnings results based on K-IFRS. (Korea International Financial Reporting Standards)

The performance data for Q4 2025 included in this material has been prepared for the convenience of investors and has not yet been reviewed by an external auditor. Therefore, some of the content may change during the accounting review process.

Additionally, please note that the future outlook included in this material is based on the current business environment and the company's management strategy and may change due to future changes in the business environment and strategy adjustments.



1

Earnings Release

Company Highlight
Performance Summary

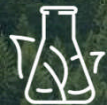
4Q25 Highlight



Performance

Revenue 622bn KRW
(+20.6% YoY, +1.9% QoQ)

Operating Profit Δ 39bn KRW
(Loss Continued YoY,
Turn to a Loss QoQ)



Green Chemicals Business

**Establish JV to build
Feedstock Innovation Center**



Pharma Business

**Viatris sales showing
continued growth**



Vaccine (SK bioscience)

**IDT Biologika Turn-around
Strengthen Global Partnership**

Performance Summary

Consolidated

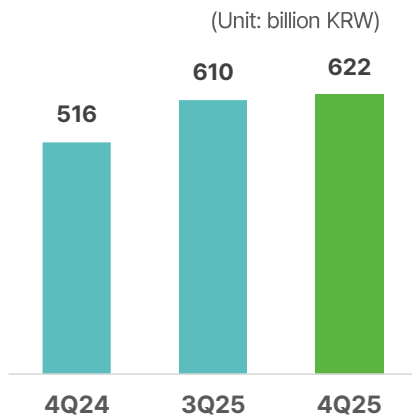
Revenue 622bn KRW (+20.6% YoY, +1.9% QoQ)

Top-line expansion driven by increased sales from consolidated subsidiaries and the Pharma business

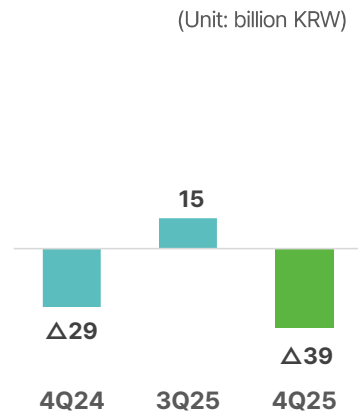
Operating Profit $\Delta 39$ bn KRW (Turn to a Loss YoY, QoQ)

Turned to Loss as losses from consolidated subsidiaries widened

Revenue



Operating Profit and Margin



Separate

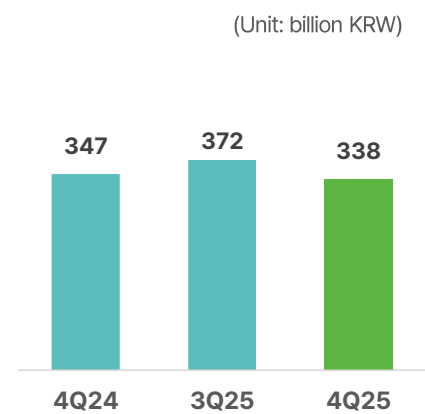
Revenue 338bn KRW ($\Delta 2.5\%$ YoY, $\Delta 9.1\%$ QoQ)

Despite increase in Pharma business, Sales decreased due to low performance in Copolyester business

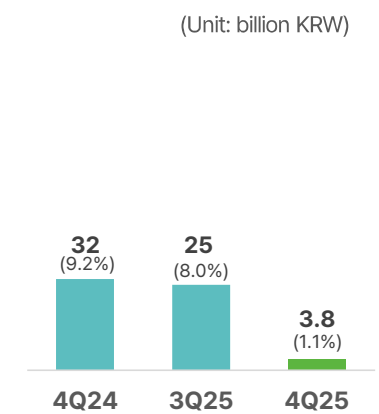
Operating Profit 3.8bn KRW ($\Delta 88.2\%$ YoY, $\Delta 87.4\%$ QoQ)

Profit decreased due to weaker profitability in Copolyester and higher one-off expenses

Revenue



Operating Profit and Margin



2 Performance



Performance by Business Unit (1)

Green Chemicals – Copolyester & Monomer

4Q25 Performance

Revenue **201bn KRW** ($\Delta 3.5\%$ YoY, $\Delta 3.7\%$ QoQ)
 Delayed recovery in global demand,
 Customer de-stocking led to lower revenue

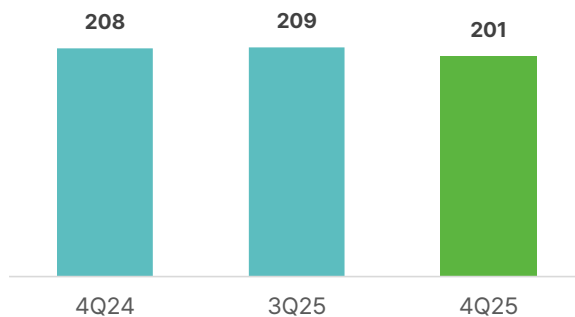
Operating Profit **19bn KRW** ($\Delta 37.3\%$ YoY, $\Delta 45.6\%$ QoQ)
 Lower sales volume and the impact of
 scheduled maintenance weighed on profit

1Q26 Outlook

Strengthen positioning
 in high-value markets
 through portfolio diversification

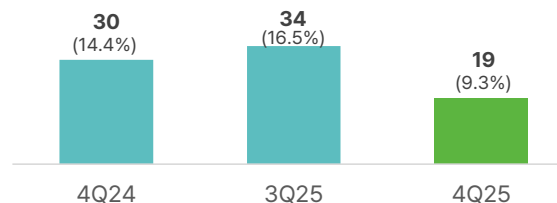
Revenue

(Unit: billion KRW)



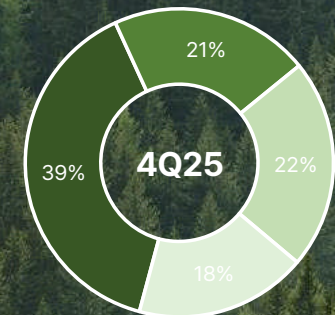
Operating Profit and Margin

(Unit: billion KRW)



* Including performance of America/Europe copolyester sales subsidiaries

Sales Volume Proportion by Region



China EU/America Korea Japan etc

* Data above only refers to Copolyester sales

Applications



Performance by Business Unit (2)

Life Science - Pharma

4Q25 Performance

Revenue **126bn KRW** (+18.3% YoY, Δ 9.0% QoQ)

Continuing strong sales
of key products and distribution

Operating Profit **5bn KRW** (Δ 91.7% YoY, Δ 94.8% QoQ)

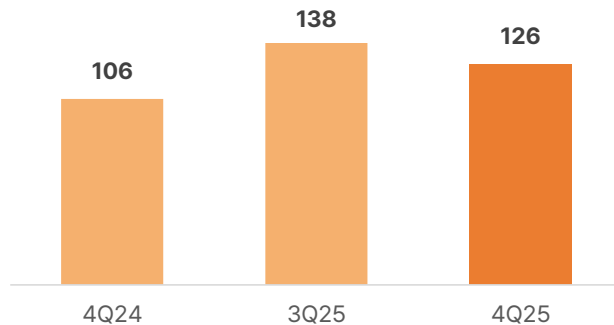
Increases in R&D, marketing, and
one-off costs compressed profit

1Q26 Outlook

Establish growth drivers based on
sales growth of key products and
expansion of in-licensed products

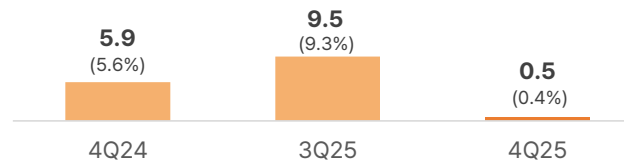
Revenue

(Unit: billion KRW)

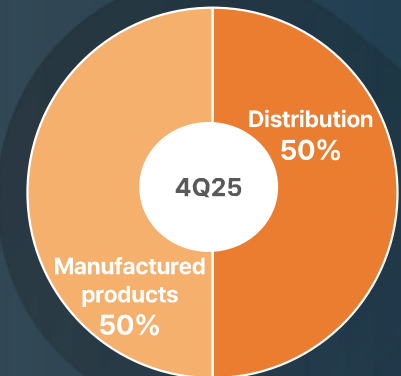


Operating Profit and Margin

(Unit: billion KRW)



Revenue Proportion



Main Products



Joins

Natural product based
anti-arthritis treatment



Ginexin

blood circulation
disorder treatment &
Cognitive enhancer



Rivastigmine patch

Anti-dementia
treatment patch



Performance by Business Unit (3)

Life Science - SK bioscience

4Q25 Performance

Revenue **184bn KRW** (+17.4% YoY, +22.2% QoQ)
Growth of Flu & Varicella Vaccines and higher IDT Sales to key customers and productivity improvements

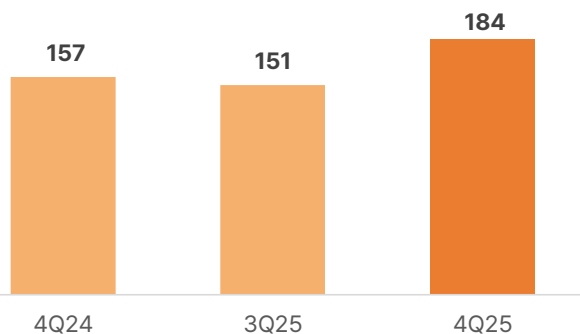
Operating Profit **Δ52bn KRW** (Loss Continued YoY, QoQ)
One-off costs such as IDT retirement benefits were recognized

1Q26 Outlook

Growth in SKYVAX exports and Sanofi Vaccine distribution, Continue to improve IDT operation efficiency

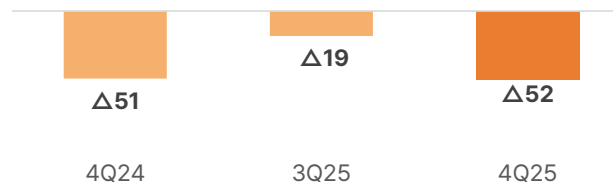
Revenue

(Unit: billion KRW)



Operating Profit

(Unit: billion KRW)



Overview

SKYVAX

- SKYCellflu: Despite price declines from the domestic shift to trivalent, sales grew on the back of expanded global exports
- SKYVaricella: Stable supply to PAHO and export expansion to Latin America and Southeast Asia
- SKYZoster: Expanded coverage through continued growth in local gov't procurement, export expansion in Asia

Vaccine distribution

- Sanofi 'Beyfortus'(RSV): Preventive antibody injection expansion, newly launched the meningococcal vaccine 'MenQuadfi'

IDT Biologika

- Sales growth centered on key customers; improved operational efficiency

RSV in-licensing agreement — Gates MRI

- Pursuing entry as the third global player; secured a pipeline targeting developed markets (U.S. Phase 1a completed)

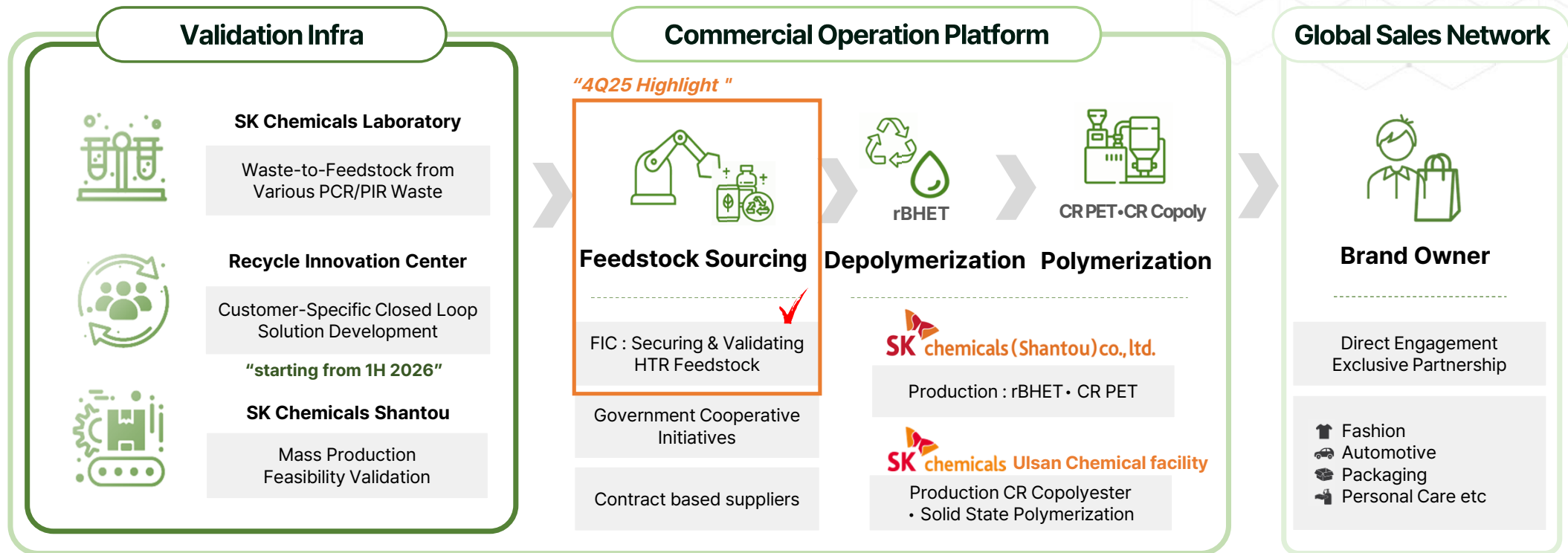
Accelerating next-generation Ebola vaccine development with CEPI

Business Update



Recycle Growth Strategy

Establishing a leading position in the global recycling market by completing the end-to-end value chain

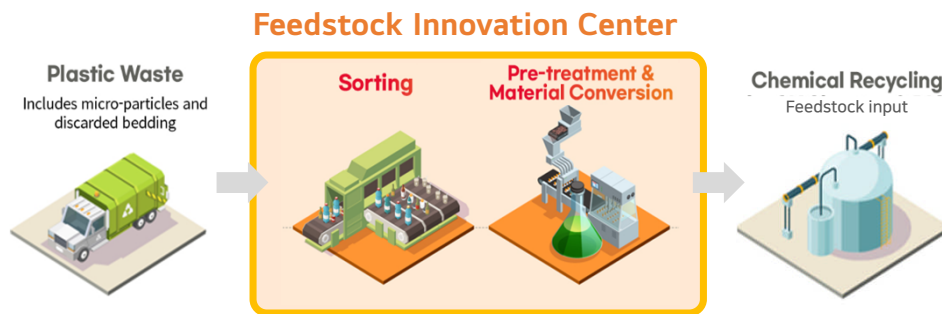


"Achieving global competitiveness through the internalization of core assets at every stage of the value chain and offering tailored, optimized solutions to customers."

Recycle Achievements

Expanding collaboration areas with key automotive partners; gradual progress becoming visible

Establishment of a JV to build Feedstock Innovation Center



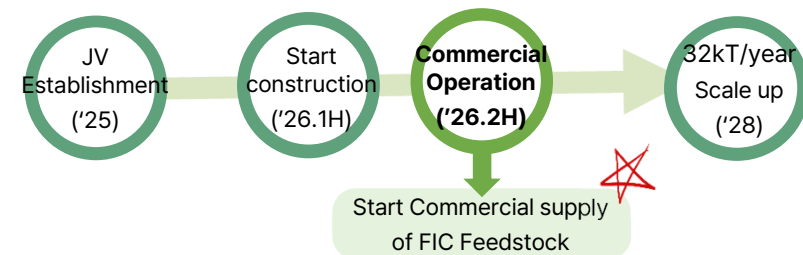
Process low-quality feedstocks such as waste blankets and fines¹⁾ to produce high-quality recycled PET raw materials at competitive prices

- ✓ **Securing stability of Feedstock Supply**
- ✓ **Reducing feedstock costs by securing new types of waste**
- ✓ **Leveraging local partner capabilities and networks**



△ Establishment of a joint venture with China's PET recycling company Kelinle

Timeline



1) Fines refer to micro-particles generated during the PET bottle shredding process, which occur as by-products when processing MR-PET

Recycle Achievements

In response to circularity regulations such as SUPD¹⁾ and ELV²⁾, expanding collaboration with key customers and results gradually becoming visible

Automotive Commercialization



Tirecord for EV cars

2Q 2024



Supplied to the global No.1 tire cord company and applied to Hankook Tire's EV tires



Carmat for major car makers

3Q 2025



"Introduce new premium brand "

Collaborated with the world's leading car mat company and completed validation for replacing nylon.



Headliners for EV3 Studycar

3Q 2025



Introduced as a partner for sustainable material technology in the 2025 Hyundai Motor Company Sustainability Report

Completed quality validation of CR PET, meeting the advantages and required performance of conventional materials

Expanding application in Packaging

F&B



Cosmetics & Household goods



Work with packaging partners that collaborate with multiple global brand owners, enabling systematic, stage-by-stage management of commercialization based on joint co-development

Expansion driven by higher processing stability and quality compared to MR PET

1) Under the Single-Use Plastics Directive (SUPD), all PET bottles produced within the EU must contain at least 25% recycled plastic from 2025, and at least 30% from 2030

2) EU Council adopts ELV regulation mandating recycled plastic usage: 15% in 6 years, 20% in 8 years, and 25% in 10 years to reduce environmental impact and promote circularity in automotive materials.

SK Multiutility – Combined Heat and Power Generation (CHP) Plant

Securing competitiveness in the utilities business by broadening Distributed Energy demand points and ensuring stable operations

Business Introduction

■ Business Overview

- Convert to LNG-LPG, establishing eco-friendly district energy system
- Stable industrial power and steam supply within the area

■ CAPEX : Approximately 673 Billion KRW ¹⁾

■ Expected Benefits

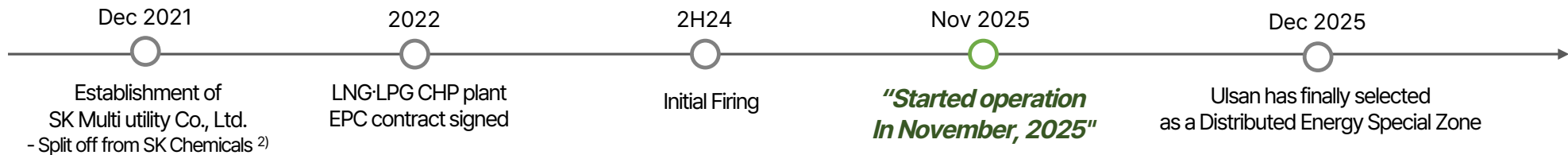
- Eco-friendly energy transition reflecting carbon-neutral policies.
- Generating stable revenue by directly supplying electricity and steam to customers

■ Facility Production Capacity

Steam : 240t/h , Electricity : 300MW(Old facilities phased out)



△ Rendering of the new LNG CHP plant



1) Disclosure on June 9, 2023, 2) 100% OV

3 Appendix



Financial Statements

Key Financial Information

Governance and Shareholders

Shareholder Returns

Financial Statements (Consolidated)

Balance Sheet

(Unit: billion KRW)

Items	2024	2025
Current assets	2,385	2,532
- Current account	1,819	1,906
- Inventory	566	625
Non-current assets	2,983	3,546
- Investment in affiliated companies and joint ventures	10	10
- Tangible property	2,459	2,729
- Intangible property	163	228
- Other Non-current assets	351	579
Total assets	5,368	6,078
Current liabilities	974	1,119
Non-current liabilities	1,360	1,818
Total liabilities	2,334	2,938
Equity attributable to the parent company	2,202	2,259
- Capital stock	99	99
- Consolidated capital surplus	1,240	1,242
- Consolidated other components of equity	△22	△18
- Accumulated other comprehensive income	22	51
- Consolidated earned surplus	862	884
Non-controlling interest	832	881
Total equity	3,034	3,140
Total liabilities and equity	5,368	6,078

Income Statement

(Unit: billion KRW)

Items	4Q24	1Q25	2Q25	3Q25	4Q25
Revenue	514	537	597	610	622
- Cost of Revenue	412	403	477	461	525
- Gross profit from Revenue	102	134	120	149	97
- Revenue and administrative expenses	131	109	121	133	136
Operating profits	-29	24	△1	16	△39
- Other non-operating income	33	3	10	15	34
- Other non-operating expense	13	2	4	7	5
- Financial income	35	25	21	26	27
- Financial expense	34	30	31	29	35
- Share of profits	△0.1	1	1	0.4	△0.2
Earnings before interest and taxes	△9	20	△4	20	△19
- Income tax expense	△19	△2	△12	△28	31
Consolidated net income	10	21	8	48	△50
- Equity attributable to the parent company	8	20	14	43	△32
- Non-controlling interest	2	1	△6	5	△18

Financial Statements (Separate)

Balance Sheet

(Unit: billion KRW)

Items	2024	2025
Current assets	812	995
- Current account	559	645
- Inventory	253	349
Non-current assets	1,294	1,329
- Investment in affiliated companies and joint ventures	444	500
- Tangible property	708	651
- Intangible property	31	33
- Other Non-current assets	110	145
Total assets	2,106	2,323
Current liabilities	708	816
Non-current liabilities	236	278
Total liabilities	944	1,093
Capital	99	99
Capital surplus	158	160
Other components of equity	△13	△9
Earned surplus	917	979
Total equity	1,161	1,230
Total liabilities and equity	2,106	2,323

Income Statement

(Unit: billion KRW)

Items	4Q24	1Q25	2Q25	3Q25	4Q25
Revenue	347	347	384	374	338
- Cost of Revenue	254	255	297	270	265
- Gross profit from Revenue	92	92	87	102	73
- Revenue and administrative expenses	61	55	62	72	69
Operating profits	32	37	25	30	4
- Other non-operating income	2	2	8	14	2
- Other non-operating expense	10	1	4	7	4
- Financial income	22	13	12	5	19
- Financial expense	22	16	22	10	20
Earnings before interest and taxes	24	34	20	31	1
- Income tax expense	4	7	4	7	△1
Net income	20	27	16	25	2

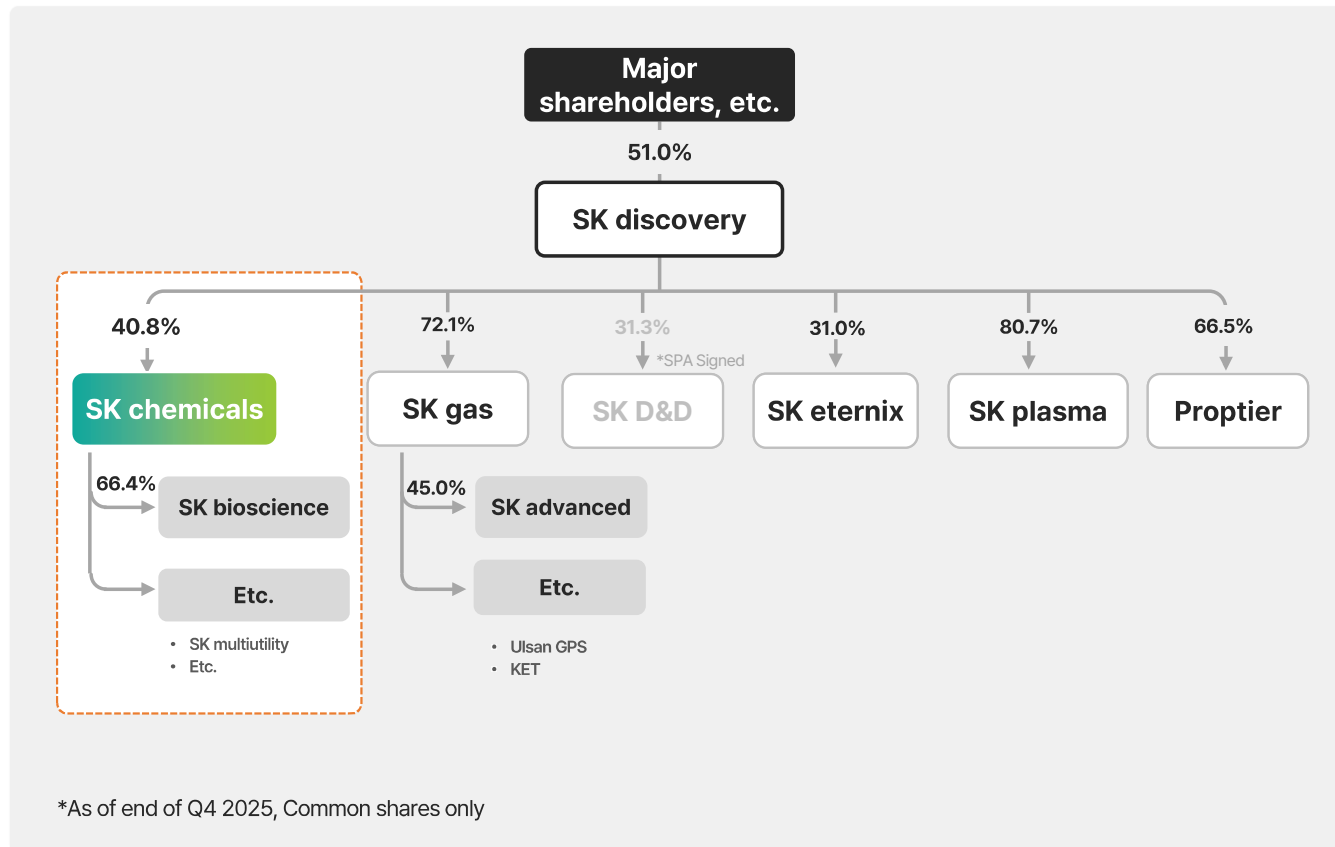
Key Financial Information (Separate)

(Unit: billion KRW)

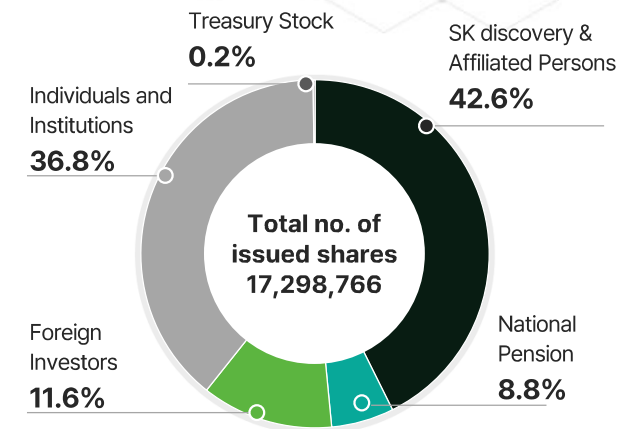
Division	2023					2024					2025				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Cash and Cash Equivalents	326	222	215	245	245	250	407	341	177	177	301	324	322	458	458
Net Debt	387	412	393	360	360	423	414	397	403	403	426	446	424	344	344
CAPEX	81	24	23	31	159	21	22	16	15	74	10	11	11	19	52
Debt Ratio	82.9%	71.5%	69.9%	74.0%	74.0%	76.4%	90.3%	81.3%	68.4%	68.4%	80.4%	80.6%	78.0%	88.9%	88.9%
Current Ratio	128.9%	133.6%	125.7%	103.1%	103.1%	91.5%	112.0%	114.7%	120.5%	120.5%	139.5%	123.6%	128.7%	121.9%	121.9%
EBITDA	39	34	38	31	141	33	46	44	48	171	53	41	46	20	160
EBITDA (%)	12.6%	10.4%	11.8%	9.4%	11.0%	10.0%	13.2%	13.3%	14.2%	12.6%	15.3%	10.7%	12.4%	5.9%	11.1%
ROE	1.5%	0.4%	1.2%	0.6%	3.7%	0.8%	2.2%	1.3%	1.7%	6.1%	2.2%	1.3%	2.0%	0.2%	5.6%

Governance and Shareholders

Governance



Shareholder Composition



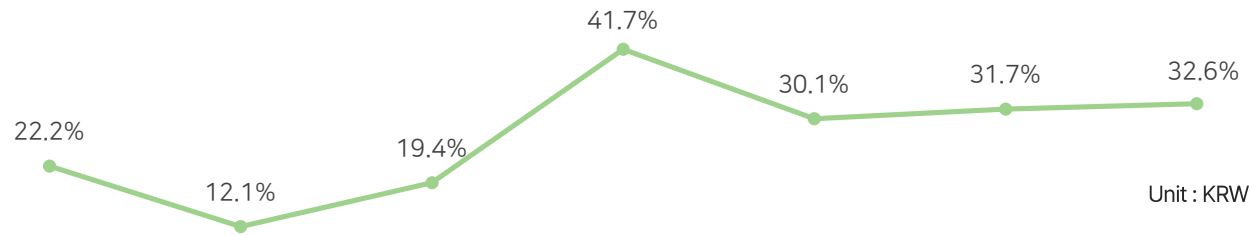
Shareholders Category	No. Shares
SK discovery & Affiliated Persons	7,368,861
National Pension	1,514,010
Foreign Investors	2,012,167
Individuals and Institutions	6,373,819
Treasury Stock	29,909
Total no. of issued shares	17,298,766

*As of end of Q4 2025, Common shares only

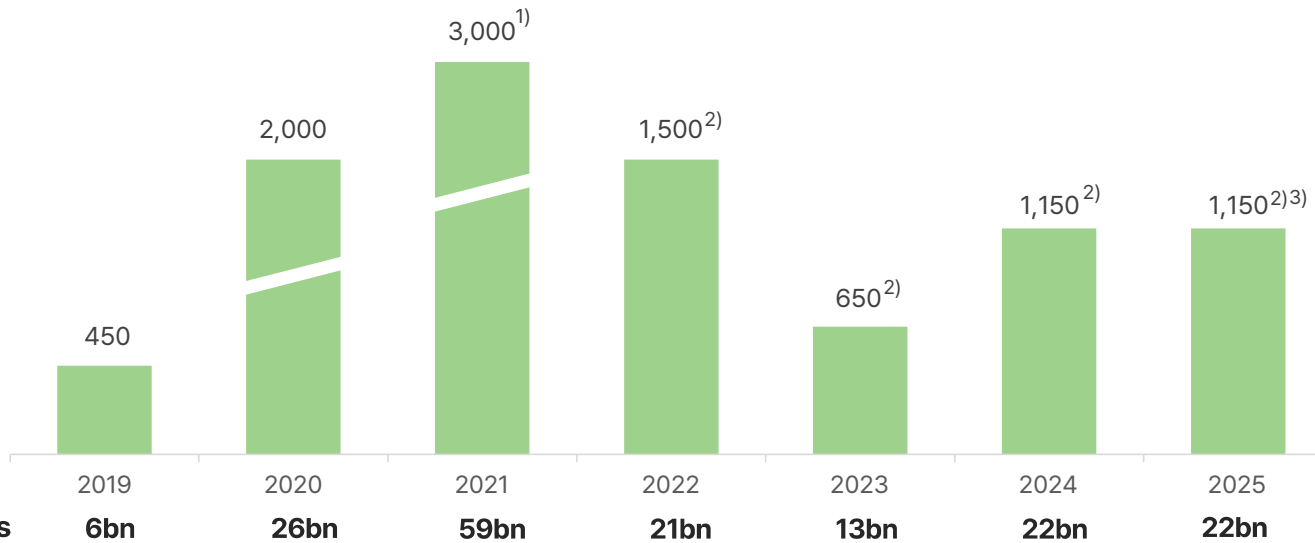
Shareholder Returns

Dividend

Payout Ratio



DPS (Common Share)



- 1) The amount includes special dividends, with a dividend of 4,500 KRW per share based on the pre-bonus issue in 2021
 2) Includes interim dividends 400KRW
 3) Record Date of Shareholder Closure is March 31, 2026

Others

Jun 2017 Retirement of Stock ¹⁾

Oct 2021 Announced dividend policy ²⁾

Nov 2021 50% capital increase without consideration

Mar 2022 Announced Buy-back of Stock (50 Bn KRW)

Oct 2022 Retirement of Stock (50 Bn KRW) ³⁾

- 1) Retired 1,939,120 common shares (7.9% of the total issued shares)
 2) Total dividend amount determined at a payout ratio of approximately 30% (based on separate net income excluding non-recurring gains and losses)
 3) Retired 389,489 common shares

4 Business Introduction

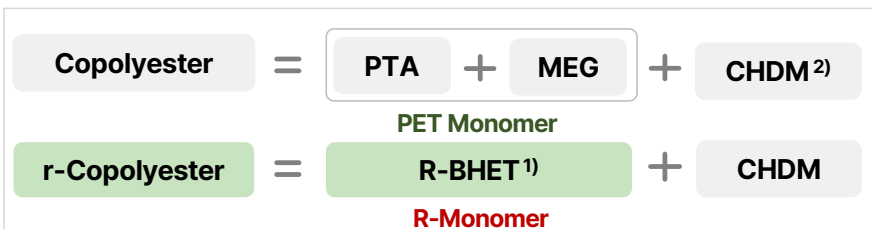
A person in a dark suit stands in a futuristic, curved corridor. The walls and ceiling are dark, while the floor is highly reflective. A series of glowing vertical lines, resembling a bar chart, extends from the floor into the distance. A large, thick, green abstract shape, possibly a stylized 'L' or a chemical structure, is mounted on the right wall. A thin green horizontal line is positioned below the main title.

Green Chemicals
Life Science
Global Network

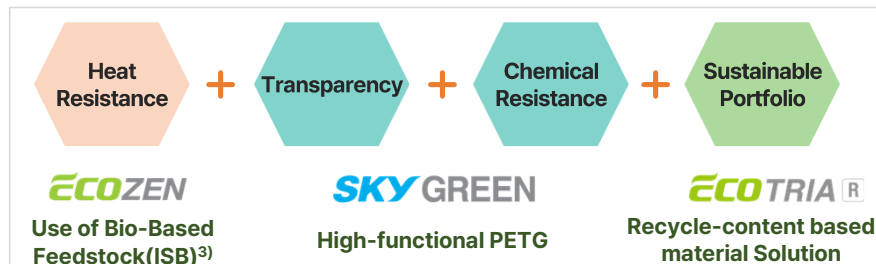
Business Introduction **Green Chemicals - Copolyester**

Business Introduction

- Functional PETG replaces PC, PMMA, PVC
- Production Process



- Key Products and Applicability



Core Strategy

- Virgin : Stable profit through high-value goods/portfolio improvement
- Recycle : Establishing entry barriers through market preemption and property standardization

Core Tasks and Strategy

Preempting CR Copolyester Market

- Expanding Recycle sales by cooperating with Global B/O
- Early customer commitments through MOUs, etc.

High-Value Portfolio Expansion

- Targeting High-Value Markets Based on Quality Competency
 - Expanding sales in high-value end-markets (cosmetics/HHG/HA)
 - Leading standardization by securing cosmetics B/O
 - Expanding sales through new applications, replacing other materials
- Expanding Strategic Products/Markets by Facility Optimization
 - Shortening the expansion period of heat-resistant copolyester through investment in upgrading facility
 - Accelerating M/S expansion through property enhancement and application expansion

1) R-BHET : Recycled bis-(2-hydroxyethyl) terephthalate, Partial or Full Replacement of Fossil-Based Feedstocks for PTA and MEG 2) CHDM : Cyclohexanedimethanol 3) Use of Biomass-Derived Ingredients (total content ≤15%; biomass content determined via radiocarbon analysis in accordance with ASTM D6866)

Business Introduction **Green Chemicals - Recycle**

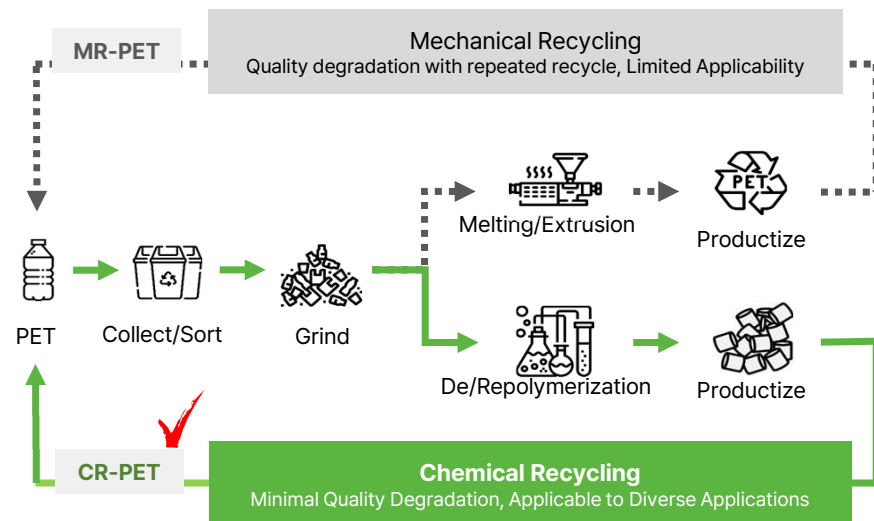
Business Introduction

Production Process



Mechanical Recycling vs. Chemical Recycling Comparison

Pursuing a Closed-Loop Model via Glycolysis-Based Chemical Recycling



Core Strategy

- Acquired competency as the 1st to commercialize CR-PET in 2023
- Leading the CR-PET market through quality and cost competency

Core Tasks and Strategy

Vertical Integration of Raw Material Supply: Feedstock Innovation

- Internalizing key recycled raw materials (R-BHET) SK Shantou
- Expanding W-PET value chain through extended partnerships

Stabilization of SK Shantou and Advancing of HTR Technology

- Price and quality competitiveness of recycled products and expanding R-BHET production capacity
- Purification process improvement → washing process Normalization → HTR Conversion

Securing Cost Competitiveness at the Level of MR-PET

- Reduction in production costs: Alleviating customer price resistance and promoting market development

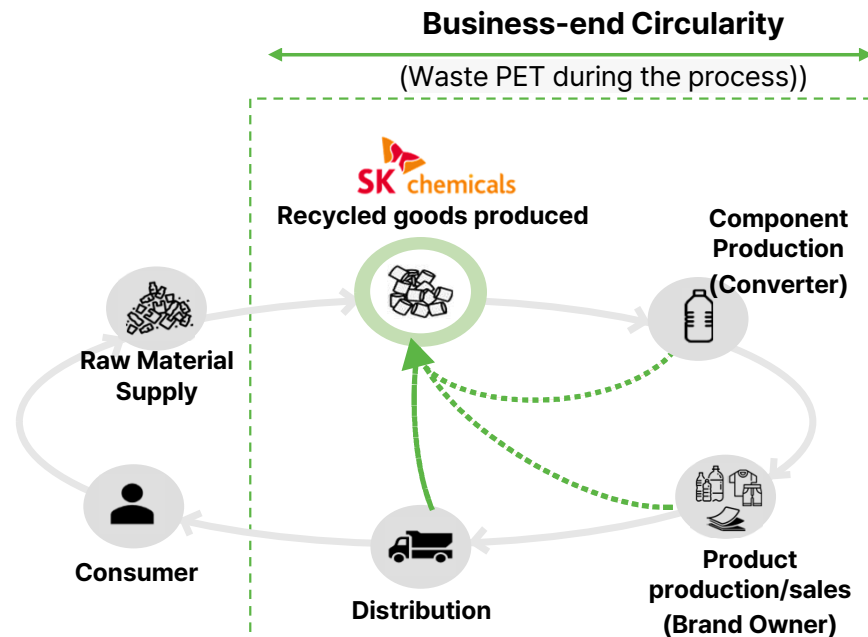
Strategic Expansion of CR-PET Sales

- Securing opportunities in the high-value CR-PET market and mass market based on cost competitiveness

Business Introduction **Green Chemicals - Circular**

Business Introduction

- Aim to enable Circular Economy Solution for Recycling Waste PET Generated During Customers' Production Processes
- Chemical Recycling for Enhanced Circularity



* Note: Some waste may not be recycled, and the actual circularity rate depends on collection, sorting conditions, and process efficiency

Core Strategy

- Recycling market is expected to form across various industries due to recycling regulations



EEE
WEEE¹⁾

- Obligated to recover and recycle 55-80% of production volume
- Need to establish a closed loop for consumables generated during the process



Automotive
ELV²⁾

- Obligation to use easily disassembled designs and recyclable/reusable materials
- Need to establish a closed loop for waste obtained from end-of-life vehicles



Fashion
ESPR³⁾

- Compliance Obligations for Apparel Producers: Ecodesign and Energy Labelling, Considering Energy/Resource Efficiency and Recycled Content
- Textiles and apparel are included among the five priority product groups subject to ESPR requirements

... and many other industry needs

1) Waste of Electrical & Electronic Equipment: EU directive on the manufacture/use/disposal of electrical/electronic equipment

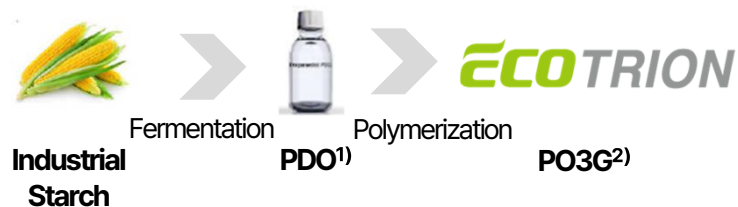
2) End of Life Vehicles Regulation: EU regulation on the recycling/reuse of end-of-life vehicles (legislative process underway)

3) Eco-design for Sustainable Products Regulation: EU regulation for eco-design of sustainable products

Business Introduction Green Chemicals – Other Business

BIO Materials

- Bio-Materials⁴⁾, replacing fossil-based fuels, is Performance Bio-Polyol that Replaces Polyurethane Uses which is Difficult to Recycle
- Targeting eco-friendly needs by increasing applicability and cost competitiveness



High elastic recovery,
wear resistance,
high flexibility

Lower CO² Emissions
Compared to Fossil-
Derived BDO

Commercialized in
February 2022 CAPA:
5,000 Tons/yr

Key Markets and Commercialization Examples



Spandex



Synthetic
Leather



Black Yak shoe insoles
(Elastomer/Foam)



SRIXON Golf ball
(Urethane Cover)

* ECOTRION achieved USDA and TUV certifications verifying Bio-Based Content

Functional Materials

- Polyester-based adhesives and coatings (BON) and TPEE(PEL)
- Eco-friendly needs in various areas: Increased demand for chemical resistance and conversion to recycled products

Product Introduction and Applicability

SKY BON

SKY PEL

- Polyester-based adhesives and coatings
- Can Coating, Pre-coated metal, Hotmelt, Industrial adhesives, etc.
- TPEE³⁾
- Cable Jacket, Industrial tubes, Duct Mesh Chair Monofilament, etc.



1) PDO : Propanediol 2) PO3G : Poly Oxytrimethylene Glycol 3) TPEE: thermoplastic polyester elastomer 4) Bio-materials refers to products made from corn-based biomass

5) Approximately 40% Reduction in Greenhouse Gas Emissions with Bio-Based PDO Compared to Fossil-Derived BDO (Based on Supplier LCA)

Business Introduction Life Science - Pharma

Business Introduction

- Competitive product portfolio in botanical and synthetic drug market
- Possesses top-level marketing and partnership capabilities domestically

Main Products

Ginexin-F



ginkgo leaf blood circulation and cognitive function enhancer

Joins



Natural arthritis treatment

Trast



Patch-type arthritis treatment

Mvix S



World's first film-type erectile dysfunction treatment

Rivastigmine Patch



Patch-type dementia treatment

Core Strategy

Continuous business expansion through securing growth drivers based on competency

Mid-term Key Tasks

Strengthening marketing alliance competitiveness

Natural pharmaceutical Product value-up

Expanding Global C(D)MO

Securing R&D growth drivers

Implementation Strategy

Strengthening strategic partnership and operation optimization

Diversifying raw material sourcing and expanding sales

Exploring new Countries for New CMO opportunities

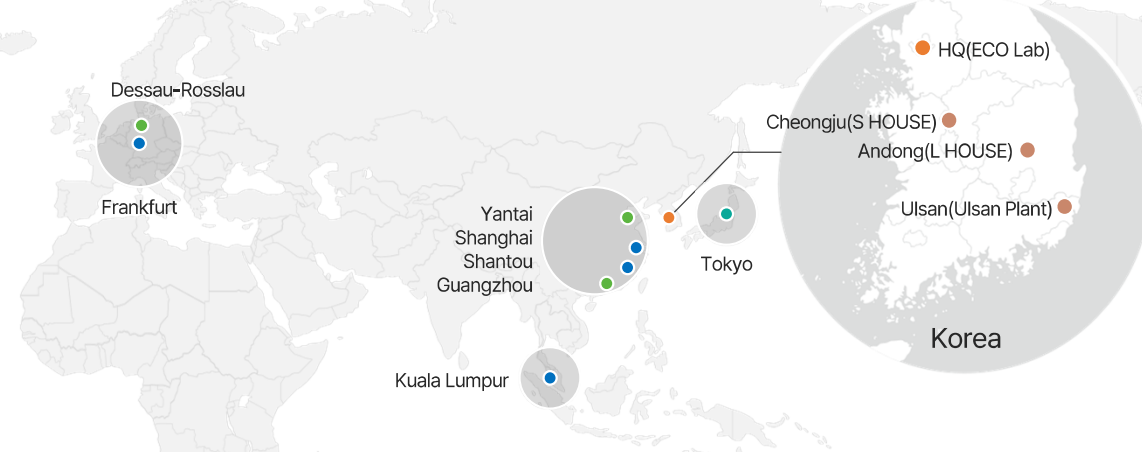
Expanding to new pipelines and accelerating open Innovation

+

Exploring New Biz Model

Global Network

● HQ(1) ● Domestic Plants(3) ● Overseas Offices (2) ● Overseas Plants (3) ● Overseas Corporations(4)



SK Shantou

Certification 2019 r-BHET , CR-PET Plant takeover (Shuye)
Mar 2023 Acquisition of Tangible Assets (Shuye)

Construction r-BHET , CR-PET etc.

Production Capacity r-BHET : 70K tons / CR-PET 50K tons Annually

Ulsan Plant

Certification ISO 14001(Environment) / ISO 45001 (Safety and Health) / ISO 9001(Quality)

Construction Sept 1989 PTA / DMT Plant completion
Jan 2001 CHDM / PETG Plant completion
Feb 2022 PO3G Plant completion

Products Copolyester resin, DMT, PO3G etc.

Production Capacity 470K tons Annually ^{1) 2)}

Cheongju Plant (S HOUSE)

Certification K GMP/ EU GMP(Solid tablets, patches)

Construction July 2009 Cheongju plant acquisition
July 2012 Production building completion
Mar 2014 Patch building reconstruction

Products Solid tablets and patches

Production Capacity 760 mil. solid tablets, 66 mil. patch pouches annually

Andong Plant (L HOUSE)

Certification MFDS & EU GMP Certification

Construction Dec 2012 Construction Completed

Products Flu vaccine, varicella/herpes zoster vaccine, COVID vaccine (CMO/CDMO)

Production Capacity Approximately 500 mil. doses annually based on finished products

1) Total capacity including PETG, DMT etc.