LOTTE Chemical Overseas NDR

2023. 6. 26



Business Results and Outlook

✓ On 2023.1Q, LCC turned to profit on parent company basis.
 Difficult business environment continues due to weak demand, but gradual improvement is expected

Income Statement

By Business Division

			(Unit: KRW bn)
	4Q22	1Q23	QoQ (Change)
Sales	5,372	4,932	△439 (△8.2%)
Operating Profit (%)	△416 (△7.8%)	△26 (△0.5%)	390↑ (7.3%p↑)
EBITDA (%)	△131 (△2.4%)	232 (4.7%)	363↑ (7.1%p↑)
Pre-tax Income ¹ (%)	△572 (△10.6%)	278 (5.6%)	850↑ (16.3%p↑)
Net Income (%)	△94 (△1.7%)	227 (4.6%)	321↑ (6.3%p↑)

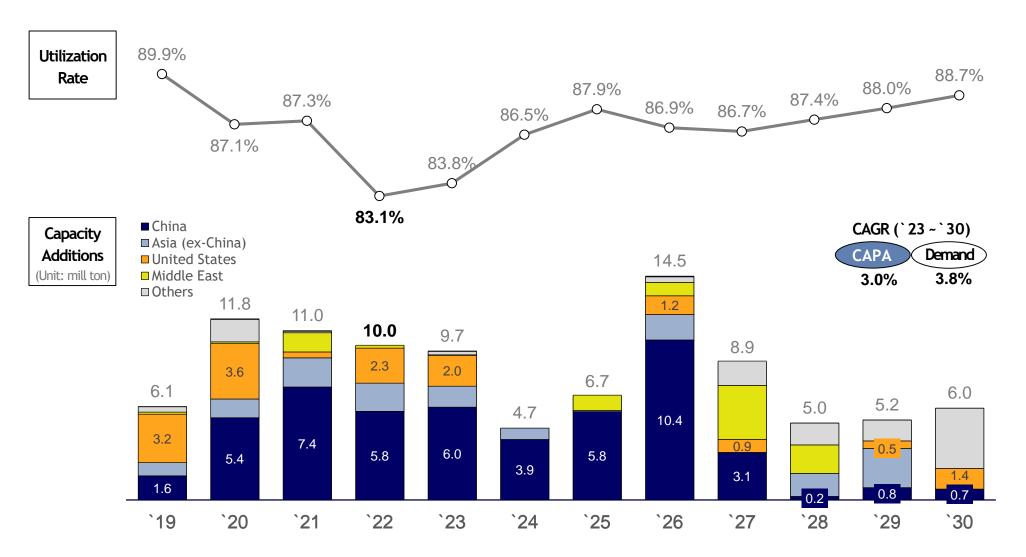
		4Q22	1Q23	QoQ (Change)
Basic	Sales	3,043 △301	2,792	△8.2%
Materials ²	OP		29	Turn to profit
Advanced	Sales	1,079	1,050	∆2.8%
Materials	OP	32	46	42.2%↑
LC Titan	Sales	620	575	△7.3%
	OP	△112	△74	Loss Continued
LC USA	Sales OP	208 △26	129 △28	∆38.4% Loss Continued
LOTTE Fine	Sales	497	525	5.7%↑
Chemical	OP	44	42	△4.8%

^{*} Note: 1. For `23.1Q non-operating income, 160 billion KRW of insurance payment for Daesan plant fire accident was recognized.

(I Init: KRW hn)

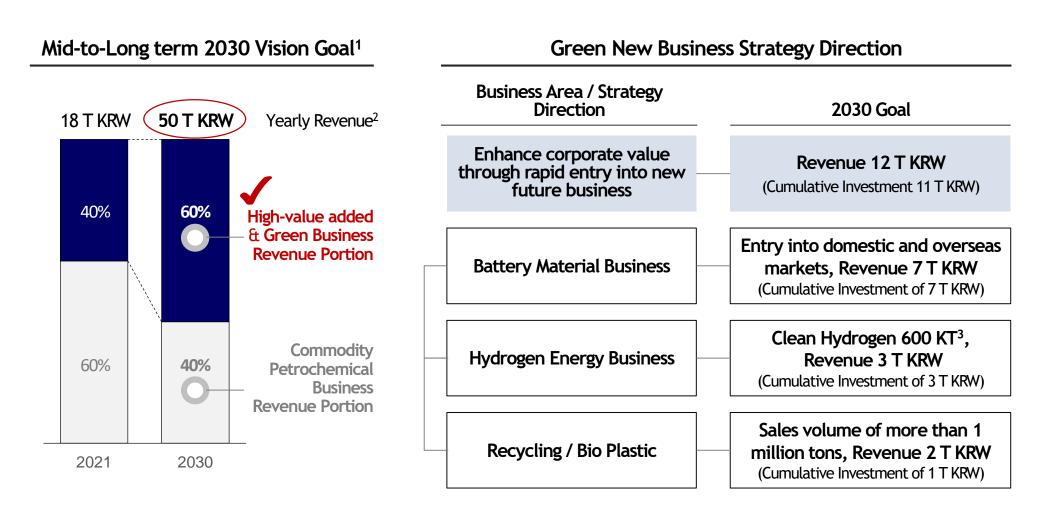
Global EL Utilization Rate, Capacity Addition Trend





Mid-to-Long Term Year 2030 VISION

- **→ ●** ■
- ✓ Focused on commodity petrochem business → Moving towards High-value added & Green business focused portfolio
- ✓ Goal for 2030: Achieve revenue growth to 50 T KRW, increase the portion of High-value added & Green business to 60%



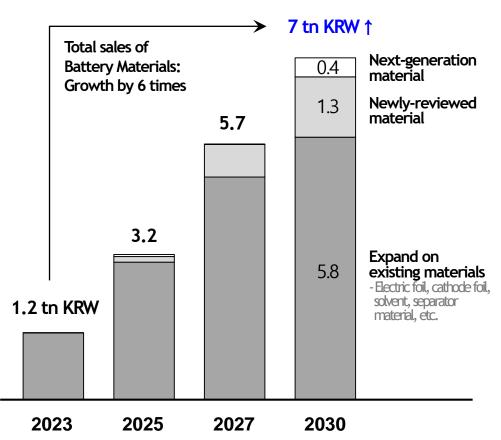
Mid-to-Long term 2030 VISION: 1 Battery Material Business



✓ 2030 Sales target of 7 trillion KRW (Cumulative investment of 7 trillion KRW)

Mid-to-Long term Sales Target

Progress So Far



Electric foil: acquisit
 Energy Materials (Mar

- Expand business with focus on major battery material (Electric foil, cathode foil, electrolyte organic solvent, separator material)
- Electric foil: acquisition completed, established LOTTE Energy Materials (Mar. 2023, Previously: Iljin Materials)
- Cathode foil: Construction in the U.S. (Oct. 2022) ** Construction completion plan: 2H 2024
- Electrolyte Organic Solvent: construction for Domestic production facilities underway (Expected completion date: 4Q 2024), Consider entering U.S.
- Separator Material: 2025 sales target of 100K Ton

Newlyreviewed material

Expand on existing

materials

 Review possible entry-able projects such as electrolyte, Separator, etc.

Next generation technology

- Construction for vanadium electrolyte¹ commercial plant (Construction completion plan: 4Q 2023)
- Lithium-metal anode foil, solid electrolyte² collaboration in progress

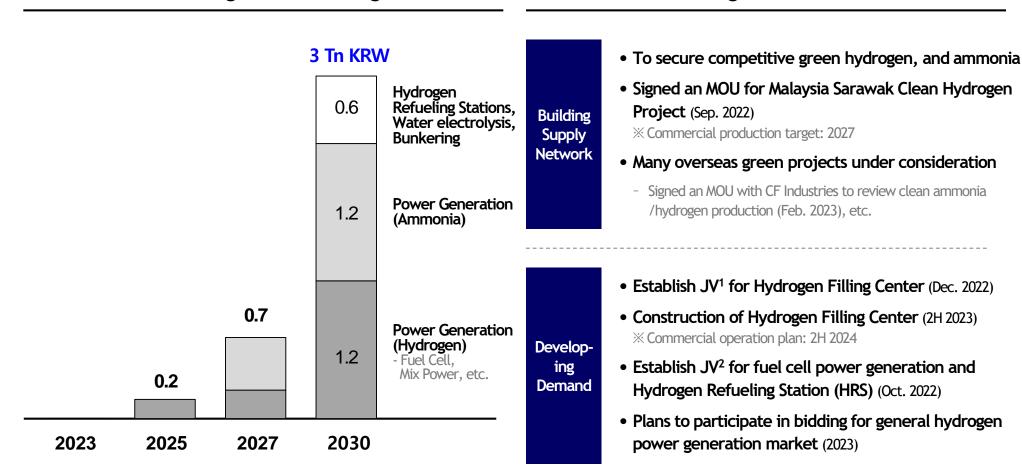
Mid-to-Long term 2030 VISION: @Hydrogen Energy Business



✓ 2030 Sales target of 3 trillion KRW (Cumulative investment of 3 trillion KRW)



Progress So Far



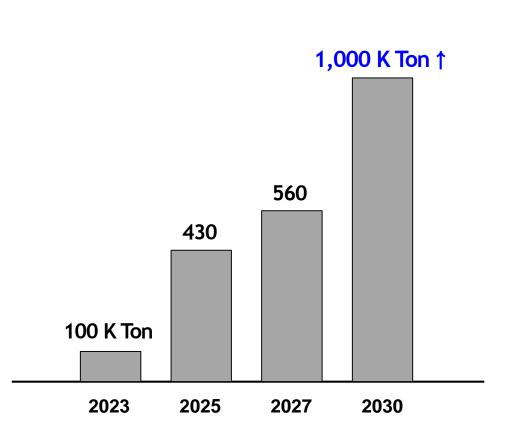
Mid-to-Long term 2030 VISION: 3 Recycling Plastic Business



✓ Annual sales target of more than 1 million ton in 2030 (Sales 2 trillion KRW, cumulative investment 1 trillion KRW)

Mid-to-Long term Sales Target

Progress So Far



Mechanical Recycling

- Possess high-quality, high-functioning resin manufacturing capabilities, required by the global IT, consumer electronics, and automotive industries
- Followed by continuous global customer demand growth, expand sales with focus on rPC, rABS, rPP
- 2023 sales target, 2 times growth by YoY (2022, 40 K Ton)

Chemical Recycling

- Complete modification for C-rPET plant and start commercial production (2022), 2025 construction completion target for BHET plant (polymerization process)
- First domestic company to produce petrochemical product by using naphtha through waste plastic pyrolysis (2022), continue expanding business through utilizing eco-friendly naphtha



사랑과 신뢰를 받는 제품과 서비스를 제공하여 인류의 풍요로운 삶에 기여한다

We enrich people's lives by providing Superior products and services that Our customers love trust

