

S-OIL Value-up Plan

March 2025




DISCLAIMER

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1. Company Overview – ① General Information

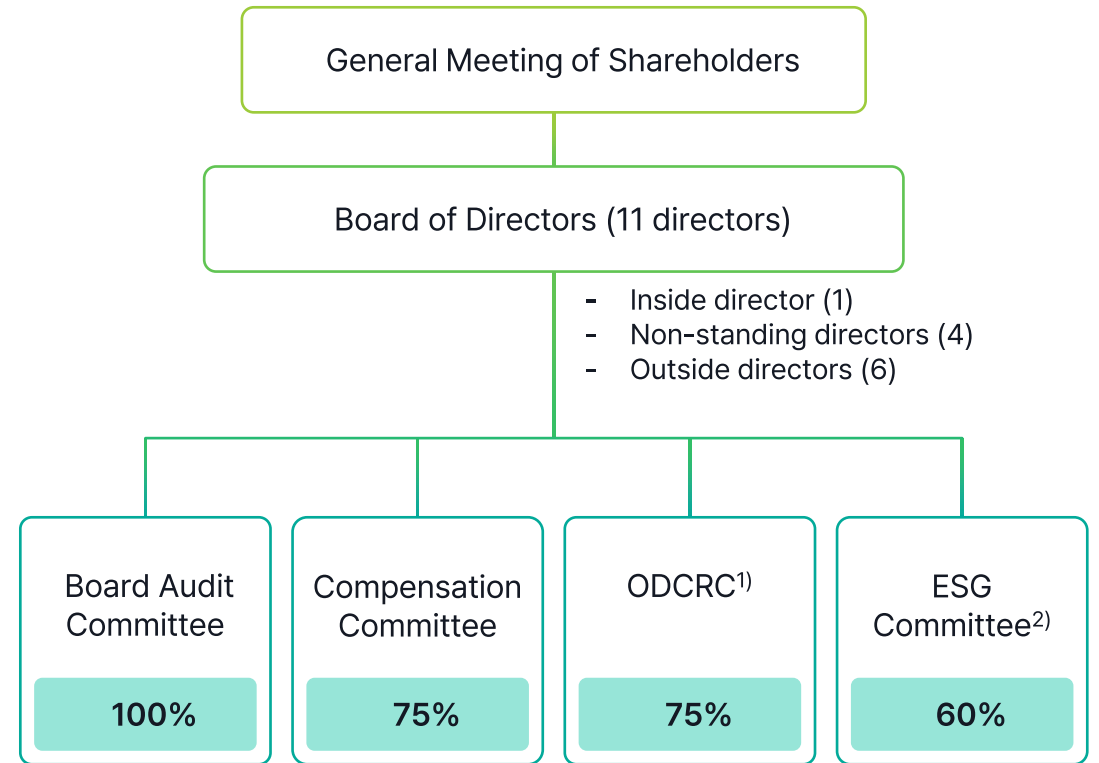
Company Profile



Company Name S-OIL Corporation	Listing Market KOSPI
RD & CEO Anwar A. Al-Hejazi	No. of employees 3,440 (As of Dec.31, 2024)
Address Head Office 192, Baekbeom-ro, Mapo-gu, Seoul, 04196, Korea Plant 68, Onsan-ro, Onsan-eup, Ulju-gun, Ulsan, 44995, Korea	
Shares Outstanding Common stock 112,582,792 Preferred stock 3,837,847	Ownership Aramco Overseas Company 63.4% National Pension Fund 7.3% (As of Nov.8, 2023)
Homepage https://www.s-oil.com	



Corporate Governance



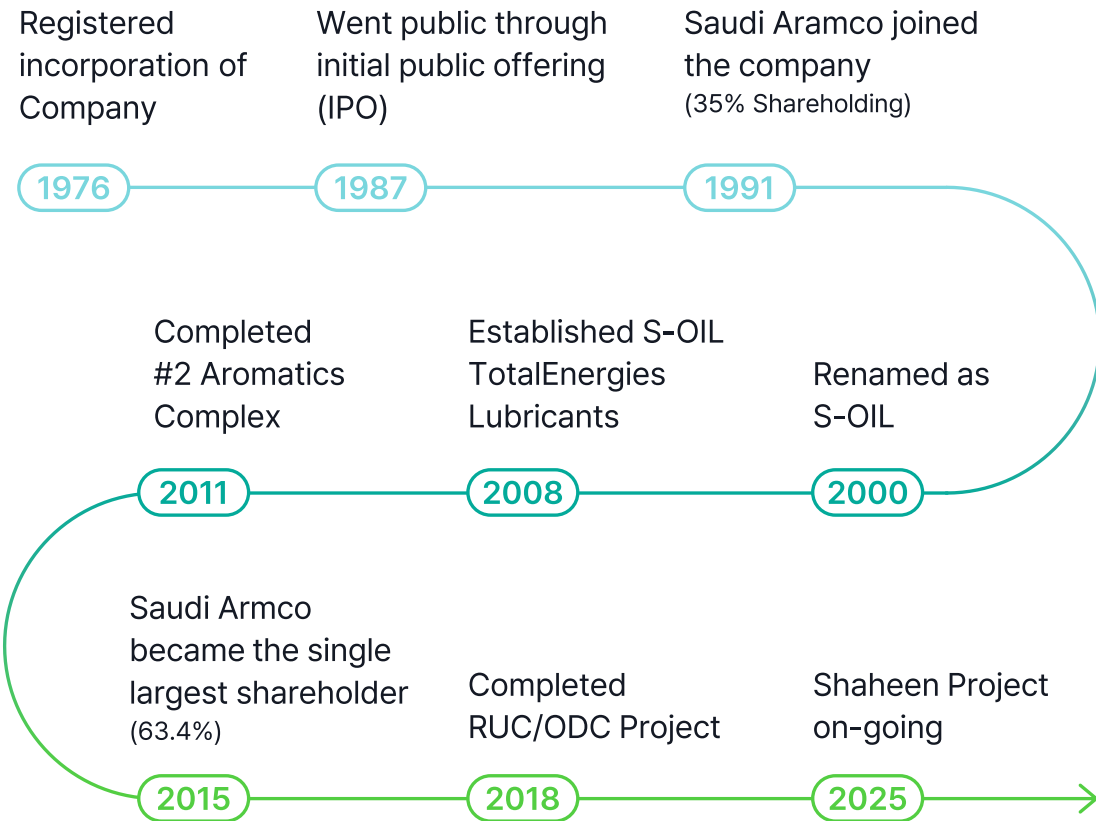
% of outside directors

1) Outside Director Candidates Recommendation Committee

2) Environment / Society / Governance Committee

1. Company Overview – ② History and Financials

Company History



Key Financials

(Unit: Bil. KRW)

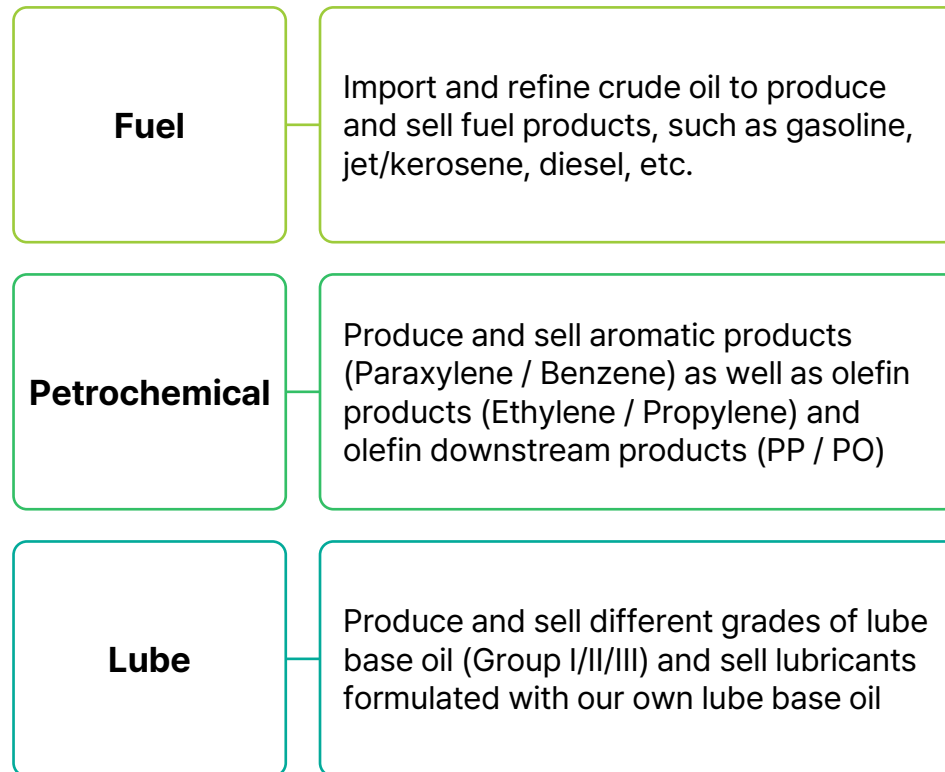
	2022	2023	2024
Revenue	42,446	35,727	36,637
Operating income	3,405	1,355	422
Net income	2,104	949	-193
Asset	19,613	21,576	24,451
Liability	11,130	12,539	15,756
Equity	8,483	9,038	8,696

* RUC (Residue Upgrading Complex), ODC (Olefin Downstream Complex)

1. Company Overview – ③ Business Areas

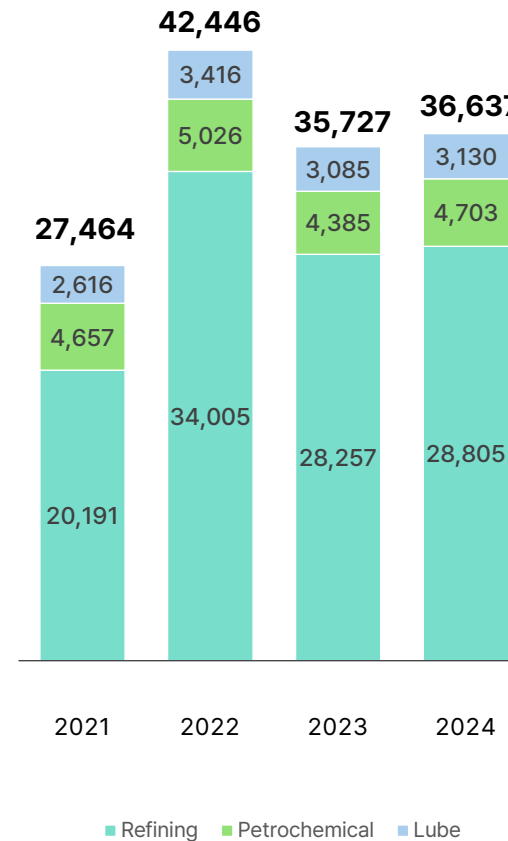
Business Segment

Manufacturing and sales of fuel, petrochemical, and lube base oil products by processing crude oil, etc.



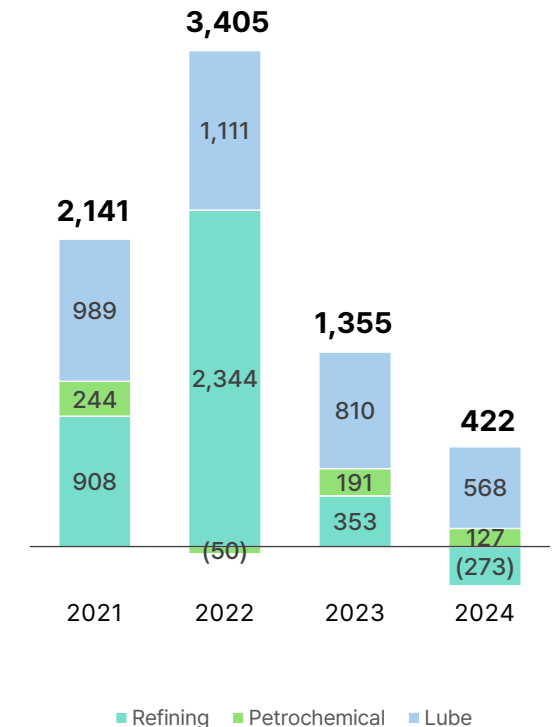
Revenue by business segment

Sales Revenue



Operating Income

(Unit: Bil. KRW)

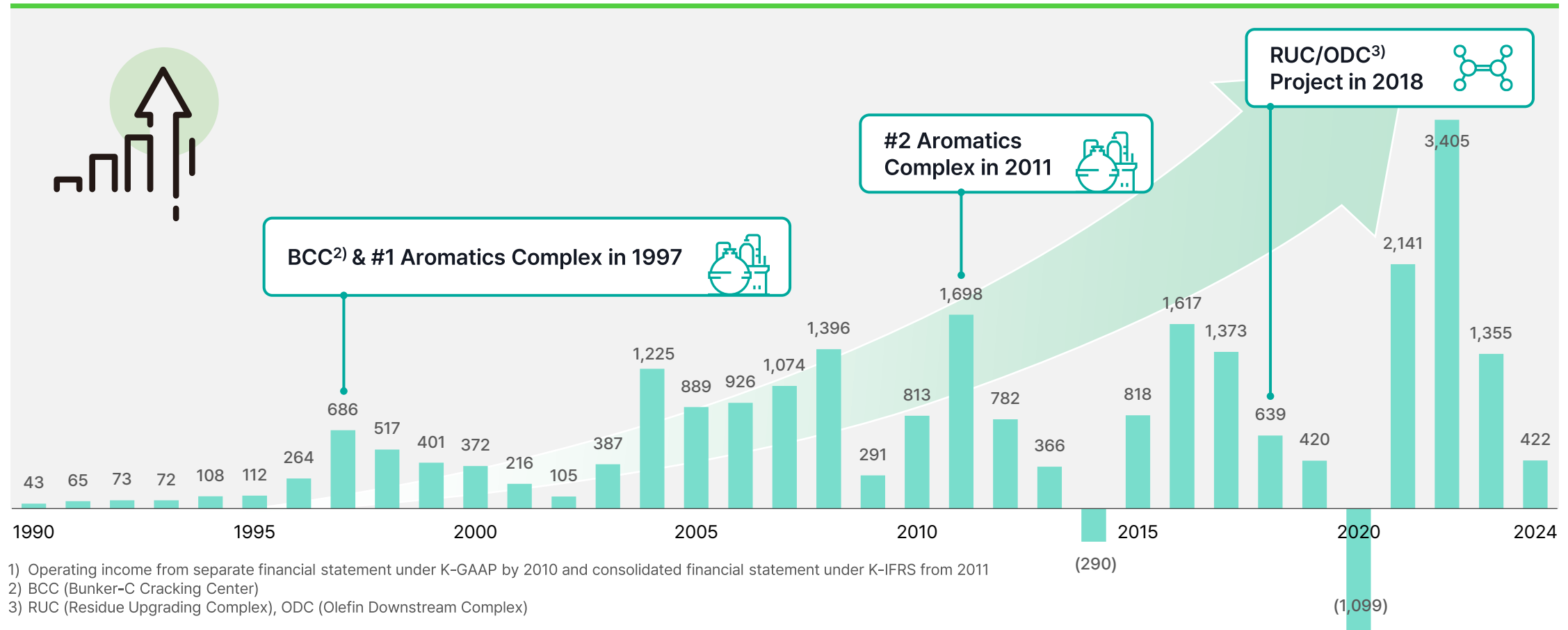


2. Status Analysis

① Continuous Growth through Strategic Investments

- Pursued sustainable growth through strategic large-scale investments consecutively during market downturns such as Asian financial crisis in late 1990s, global financial crisis in late 2000s, oil price collapse in mid-2010s

Operating Income¹⁾ (Unit : Bil. KRW)

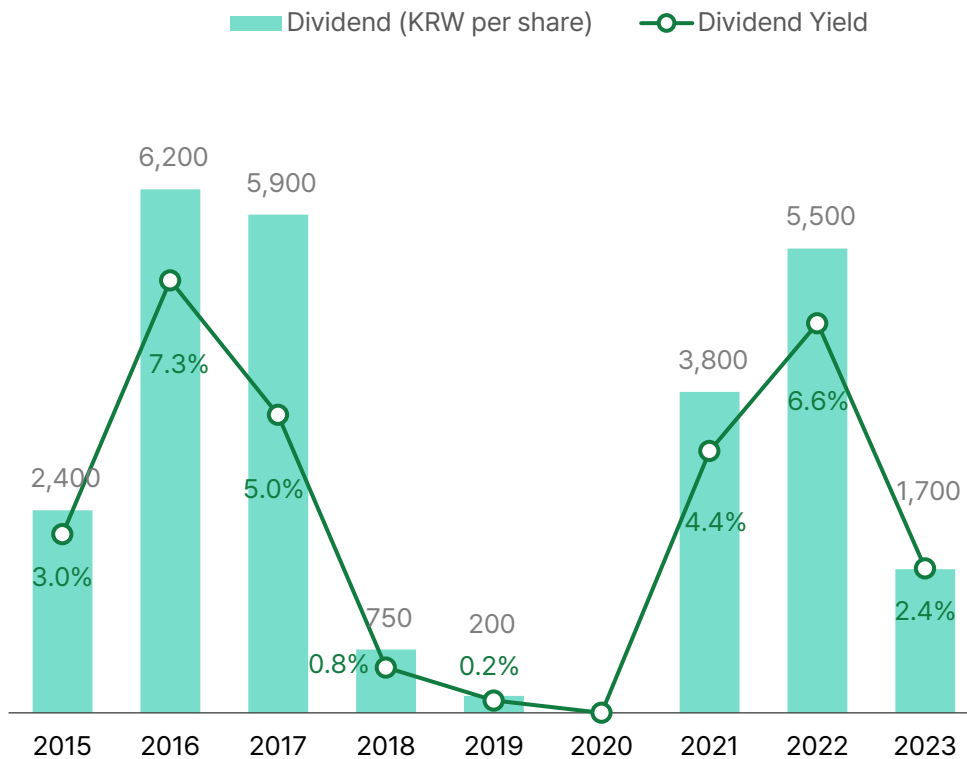


2. Status Analysis

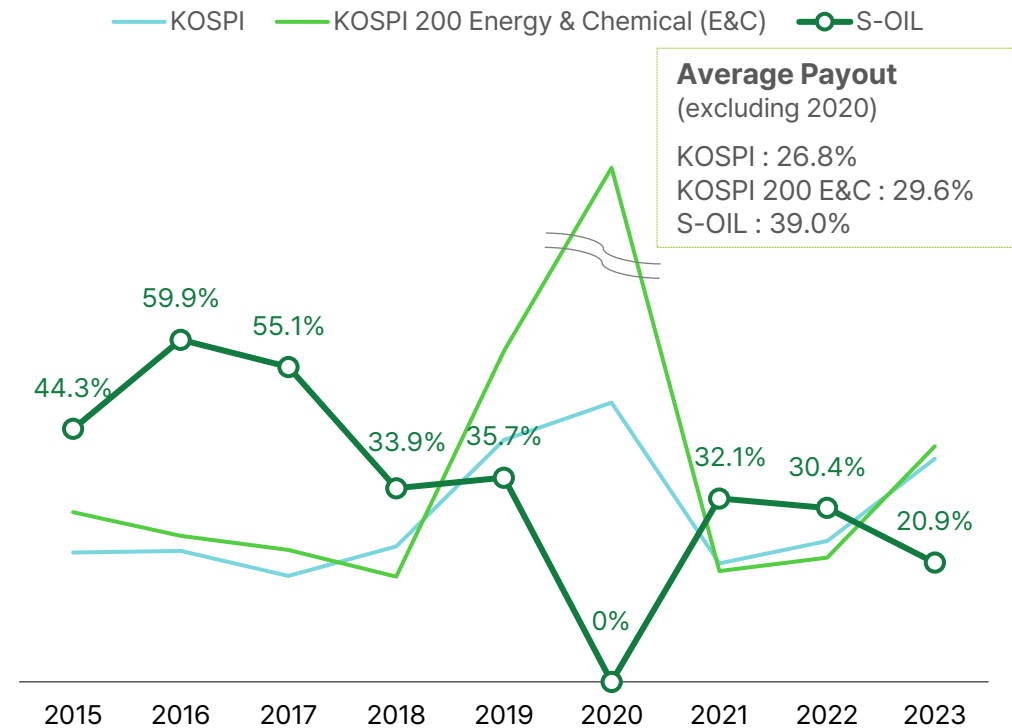
② Maximization of Long-term Shareholder Value

- Pursuing maximization of long-term shareholder value by balancing securing resources for future growth and returning profits to shareholders

Dividend Payment and Yield



Dividend Payout Ratio

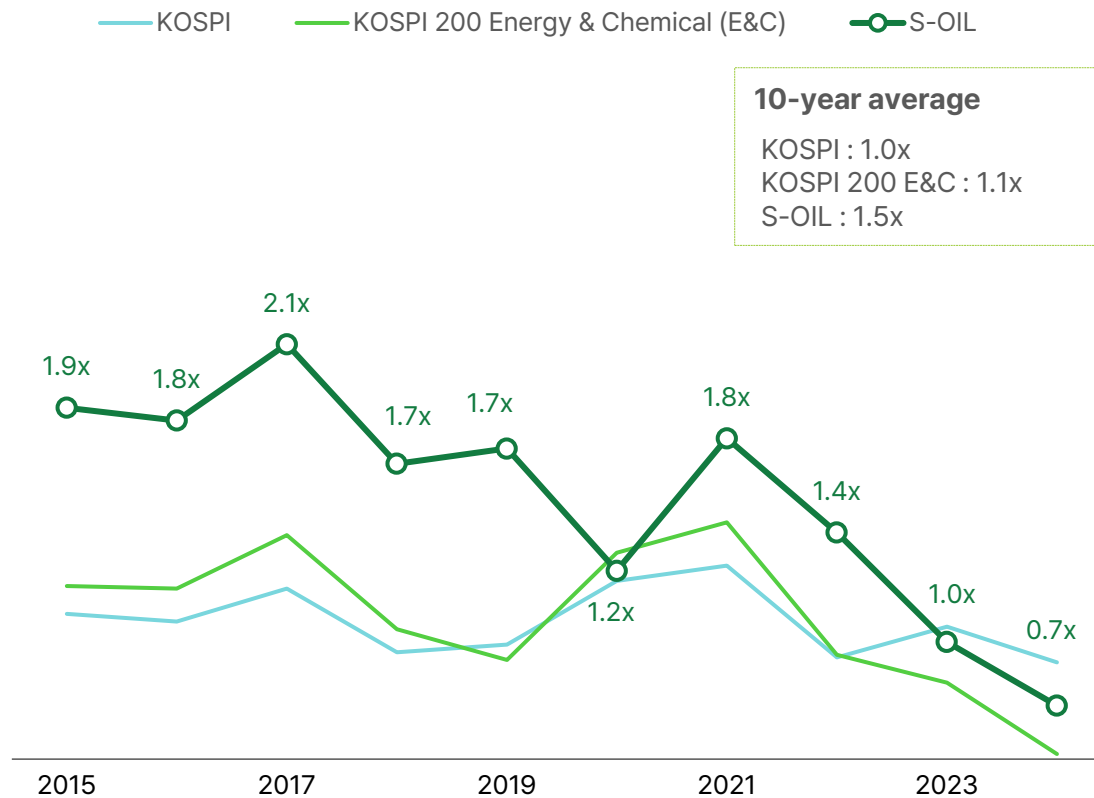


Source : Quantiwise

2. Status Analysis – ③ Key Financial Ratios

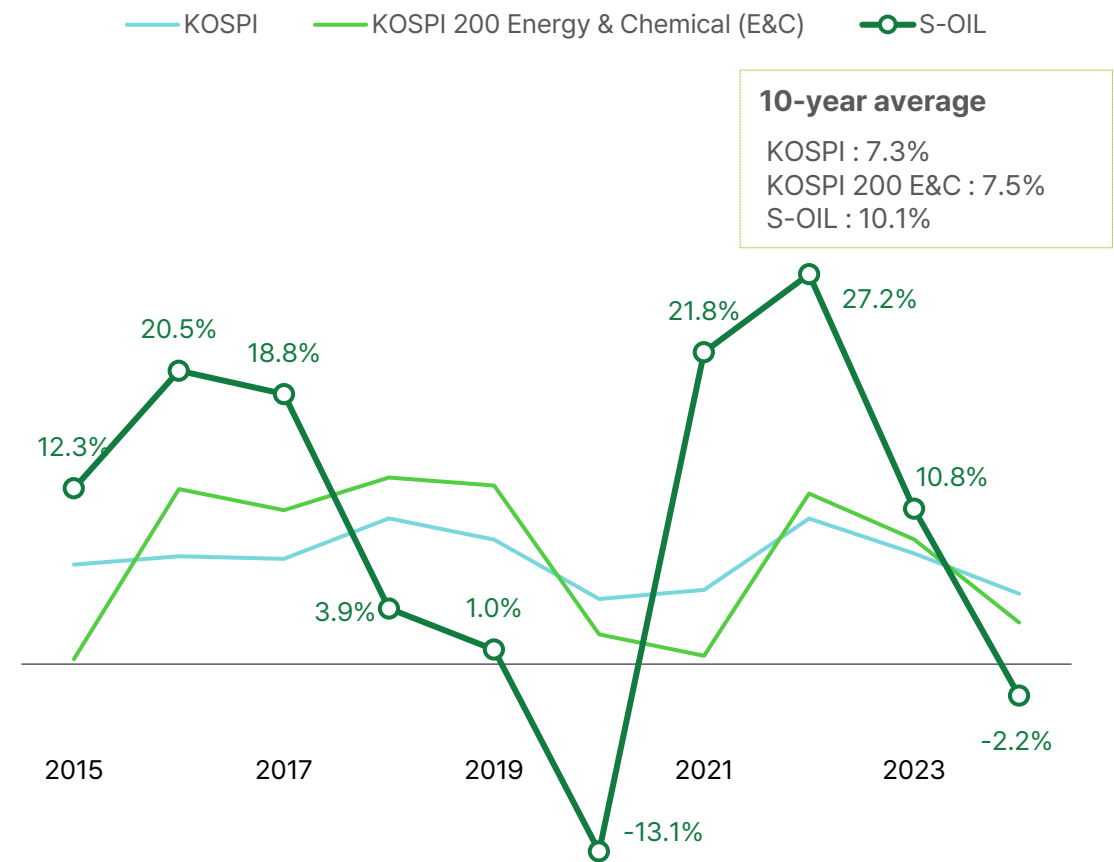
- Maintained relatively higher valuation through strategic investments and balanced shareholder returns despite the earning fluctuations caused by market volatilities

PBR



Source : Qunatiwise

ROE



Source : Quantiwise

3. Value-up Targets



Value- up

by growth through strategic investment and shareholder return

Growth through Strategic Investment

Shareholder Return



Successful Completion of Shaheen Project



Payout Ratio 20%+ for FY 2025-2026



4. Implementation Plans

› Plan to reinforce profitability through successful completion of Shaheen project and competitiveness enhancement

Shaheen Project



**Mechanical Completion
within budget & schedule**



Project Quality Management



**Stable Commercial Operation
and Marketing**

Competitiveness Enhancement



Downstream Transformation



Digital Transformation



New Business & Decarbonization

4. Implementation Plans – ① Shaheen Project

› Thoroughly manage Shaheen Project to ensure stable commercial operation

Mechanical Completion within the budget & schedule



Project Budget:
9,258 bil. Won

Project Progress

- Nov. 2022
Final Investment Decision
- Jan. 2023
Starting EPC* work
- Jan. 2025
EPC* progress 54.9 %
- By 1H 2026
Mechanical Completion
- By 2H 2026
Starting Commercial Operation

Shaheen Project Quality Management



Systematic project quality management to ensure the high quality of the project

Effective inspection of materials and equipment based on strengthened inspection and test procedure

Intensive construction quality management, such as welding monitoring and preservation surveillance

Regular quality audits

Encouragement of EPC contractors' systematic and strengthened construction safety management

Stable Operation & Marketing



Preparation for Stable Operation

- Developing safe and efficient commissioning plans and procedures
- Building competent operational workforce through effective training
- Ensuring seamless readiness for facility and system
- Executing safety and health programs for the operation of Shaheen Project

Marketing Plan for Shaheen Project

- Pre-marketing for rapid ramp-up of the project
- Sales via pipeline to replace import demand of chemical companies in Ulsan area
- Export sales through Aramco's global network
- Lab infra preparation & technical services for PE marketing

4. Implementation Plans – ② Competitiveness Enhancement

- › Plan to improve competitiveness through downstream transformation program, company-wide digital transformation, and new business & decarbonization, etc

Downstream Transformation

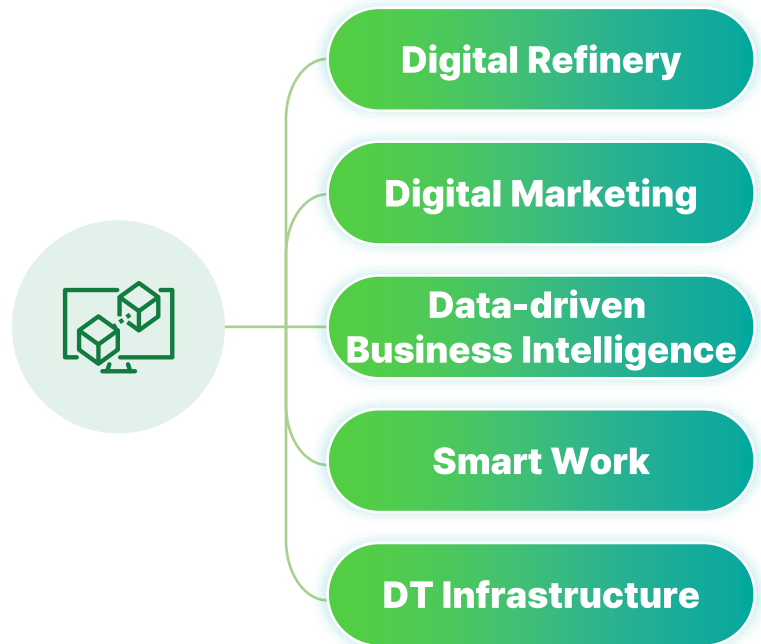
Identify and implement value adding initiatives to enhance competitiveness of existing business

2023	Implemented about 300 initiatives* to improve margin and save cost
2024	Implemented about 430 initiatives* Obtained FID on Gas Turbine Generator(GTG)
2025~	Proceed with GTG project and further identify initiatives

* Cumulative number of initiatives

Digital Transformation (DT)

Implement DT initiatives according to the Company's DT roadmap



New Business & Decarbonization

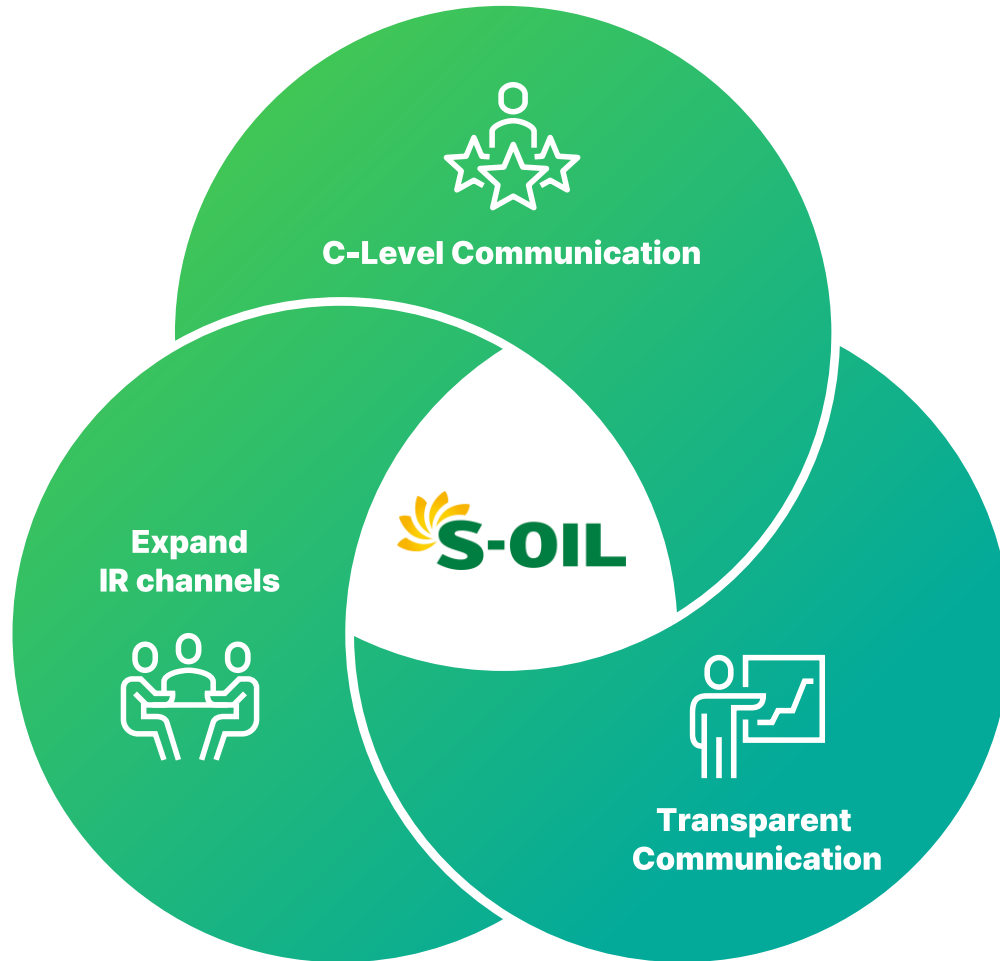
Implement initiatives in preparation for energy transition



	Pursue co-processing of bio-feedstock and waste plastic pyrolysis oil
	Implement carbon abatement initiatives according to the Company's decarbonization roadmap

5. Communication Plans

➤ Continue to communicate the Company's vision and initiatives to investors in an effective and transparent manner



C-Level Communication

- Active C-Level IR activities (i.e., earning release, NDR, IR conference, etc.) to provide investors with valuable management insights



Expand IR channels

- Domestic/Overseas conferences
- In-person/virtual Non-Deal Roadshows
- Investor and analyst meetings



Transparent communication

- Communicate the Company's information (i.e., earning release, ESG report, corporate governance report, etc.) through public disclosures in a transparent and timely manner
- Increase the number of public disclosures in English

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM



S-OIL is the first and the only company named to DJSI World for the 15th consecutive year among Asia Pacific refiners.

S-OIL Investor Relations

www.s-oil.com 