

# S-OIL Corporation Q2 2025 Results

July 2025



# Highlights



**-106.3 billion Won  
Income before Tax  
in Q2 2025**

Despite refining margin recovery, inventory and lagging impact from lower crude prices resulted in -344.0 billion Won of operating income and -106.3 billion Won of income before tax



**Robust Margin Expected  
on Demand Increase  
and Limited Supply**

Recent improvement in refining margins is expected to continue, supported by peak-season demand, demand increase from low oil prices, and limited supply due to refinery outage and closures



**Shaheen Project  
Progressing Smoothly**  
(Progress rate 77.7%)

Shaheen Project is progressing smoothly, which has industry-leading energy efficiency and competitive feedstock sourcing through internal supply

## DISCLAIMER

Financial results for Q2 2025 are provisional and subject to change according to the outside independent auditors' review.

This presentation contains forward-looking statements that are based on our current expectation, assumptions, estimates and projections about S-OIL and the refinery industry. We caution you not to place undue reliance on any forward-looking statement, which may involve various risks and uncertainties.

Please also note that although we believe that the assumptions on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions could be incorrect. Except as required by law, we do not undertake to release the results of any revisions of these forward-looking statements to reflect future events or circumstances.





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# Q2 2025 Performance & Outlook

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# Q2 2025 Financial Result

(Unit: bil. Won)	Q2 25	Q1 25	QoQ	Q2 24	H1 25	H1 24
<b>Revenue</b>	<b>8,048.5</b>	<b>8,990.5</b>	<b>10.5% ↓</b>	<b>9,570.8</b>	<b>17,039.0</b>	<b>18,879.3</b>
<b>Operating Income</b>	<b>-344.0</b>	<b>-21.5</b>	<b>Losses expanded ↓</b>	<b>160.6</b>	<b>-365.5</b>	614.8
(Margin)	-4.3%	-0.2%	4.0%p ↓	1.7%	-2.1%	3.3%
- Refining	-441.1	-56.8	Losses expanded ↓	-95.0	-497.9	155.4
- Petrochemical	-34.6	-74.5	Losses narrowed ↑	109.9	-109.2	157.9
- Lube	131.8	109.7	20.1% ↑	145.8	241.5	301.4
<b>Finance &amp; Other Income</b>	<b>237.7</b>	<b>-45.8</b>	-	<b>-201.5</b>	<b>191.9</b>	<b>-428.4</b>
- Net Interest gain	-57.6	-61.6	-	-57.2	-119.2	-115.7
- Net FX gain*	307.1	11.7	-	-152.2	318.8	-327.8
- Others	-11.8	4.1	-	7.9	-7.7	15.0
<b>Income before tax</b>	<b>-106.3</b>	<b>-67.4</b>	<b>Losses expanded ↓</b>	<b>-40.9</b>	<b>-173.6</b>	<b>186.3</b>
<b>Net Income</b>	<b>-66.8</b>	<b>-44.6</b>	<b>Losses expanded ↓</b>	<b>-21.3</b>	<b>-111.3</b>	<b>144.9</b>

\* Including gain/loss from derivatives for FX hedging

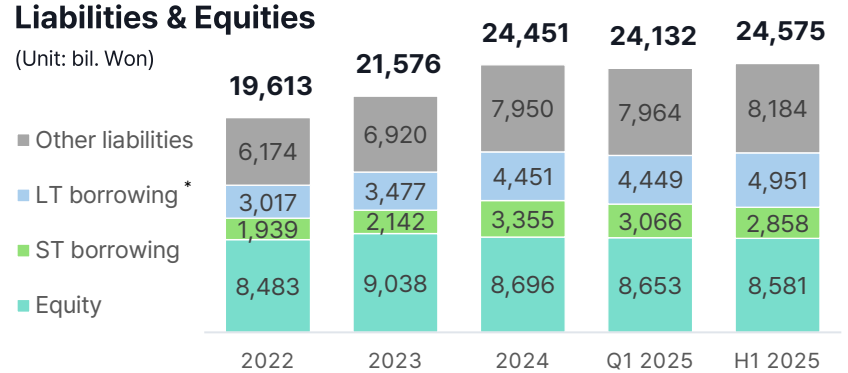
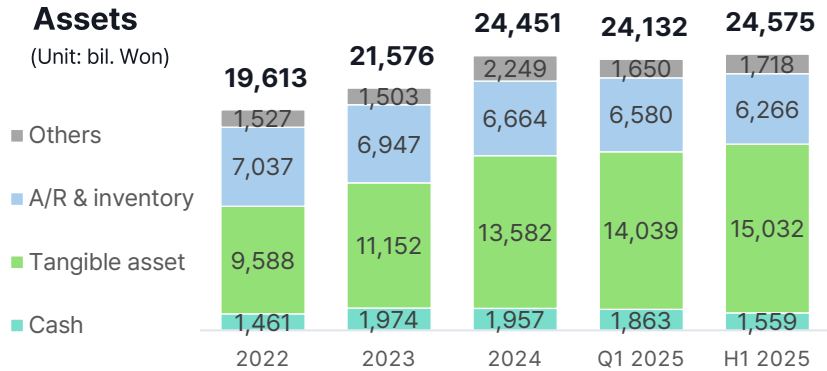
## Operating Income

- 344.0 bil. Won in Q2 25
  - Refining segment losses widened due to falling oil prices and FX rate
  - Petrochemical segment losses narrowed QoQ
  - Lube segment profit recovered thanks to rebound in spreads
- \* Inventory-related impact : -183.3 bil. Won

## Income before Tax

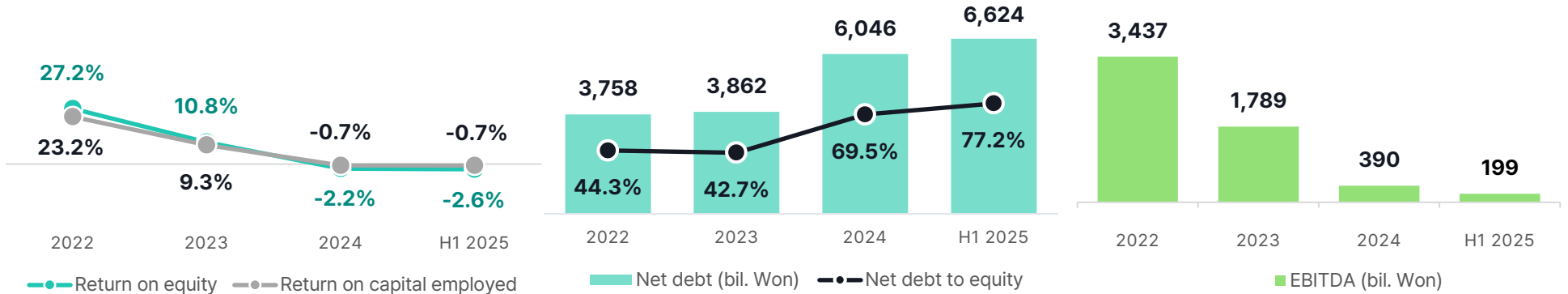
- 106.3 bil. Won in Q2 25
  - FX rate changes
    - Q2 25 : - ₩ 110.1/\$
    - Q1 25 : - ₩ 3.5/\$

# Financial Status



\* Current portion of long-term debt included

## Financial Highlights

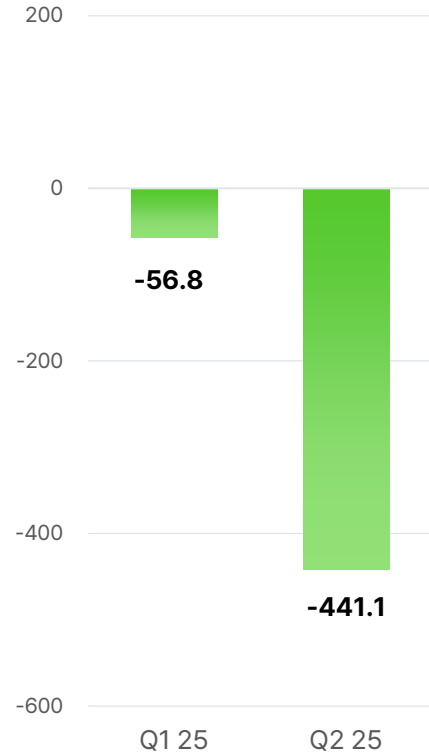


\* Net debt: Short-term borrowing + Long-term borrowing + Lease obligation - Cash

\* EBITDA: Income before tax + Net interest expense + Depreciation & Amortization (Excluding catalyst amortization cost)

# Refining

## Operating Income (Unit: bil. Won)



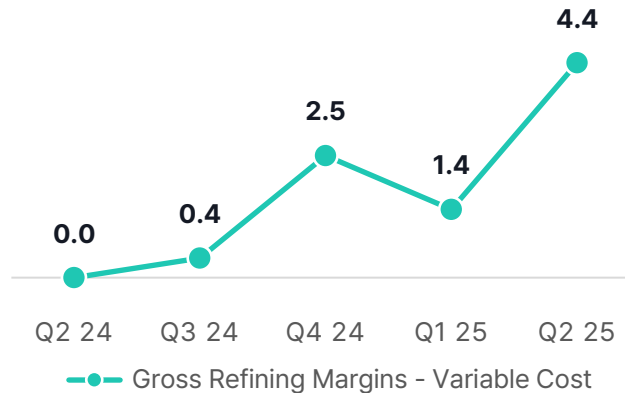
## Q2 25 Market Environment

- **Dubai crude price** faced downward pressure following OPEC+'s production increase stance, while tariff disputes and geopolitical risks triggered sharp fluctuation
- **Regional refining margins** improved on the back of stronger gasoline spreads amid increased spring maintenance, operational disruptions at several refineries, and increased export economics to the U.S

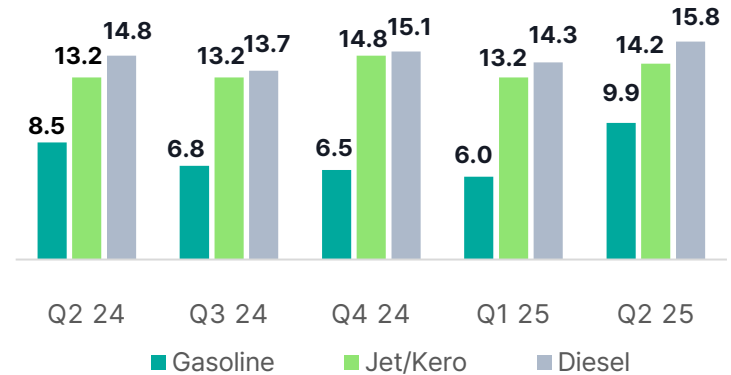
## Q3 25 Outlook

- **Regional refining margins** are expected to stay supported, led by seasonal demand uplift from driving and travel peak season
  - **Diesel spreads** may experience heightened volatility amid geopolitical risks in the Middle East

## Singapore Margin (Unit:\$/bbl)

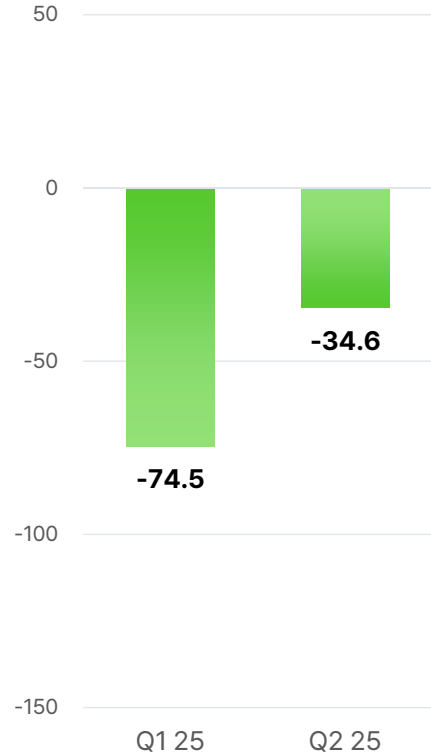


## Products Spread over Dubai (Unit:\$/bbl)



# Petrochemical

## Operating Income (Unit: bil. Won)



## Q2 25 Market Environment

### Aromatics

- PX market rebounded on the fresh demand from a new PTA facility in China
- BZ market weakened due to reduced U.S. imports following the imposition of tariffs

### Olefin downstream

- PP and PO markets recovered thanks to tighter supply from regional maintenance and easing tension between the U.S. and China

## Q3 25 Outlook

### Aromatics

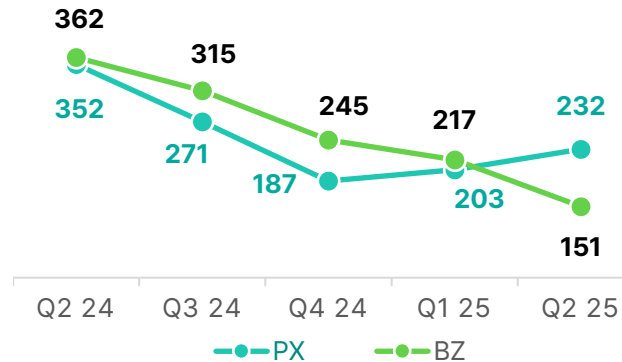
- PX market is expected to be firm from maintenance of PX plants and startup of new PTA facilities
- BZ market is forecast to remain resilient, as demand from new downstream facilities offsets decreased U.S. imports

### Olefin downstream

- PP and PO markets may remain supported as tariff uncertainties fade, despite ongoing capacity additions in China

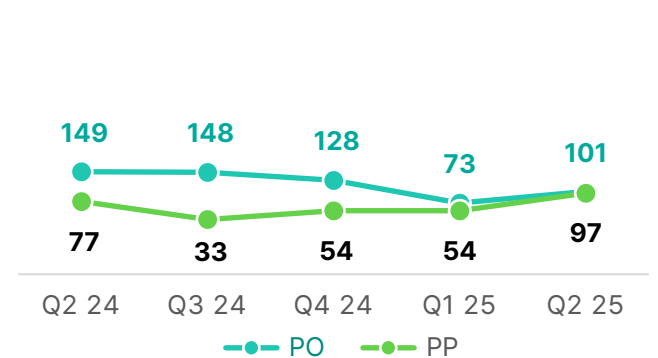
## Aromatics Spread over Naphtha

(Unit : \$/ton)



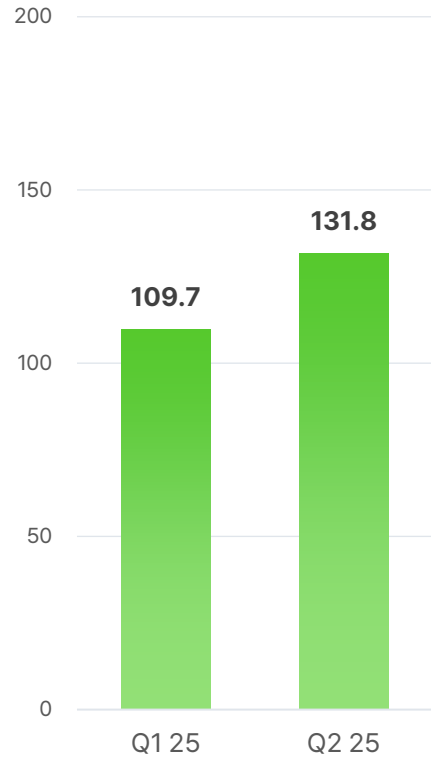
## Olefin Downstream Spread over Propylene

(Unit : \$/ton)



# Lube

## Operating Income (Unit: bil. Won)



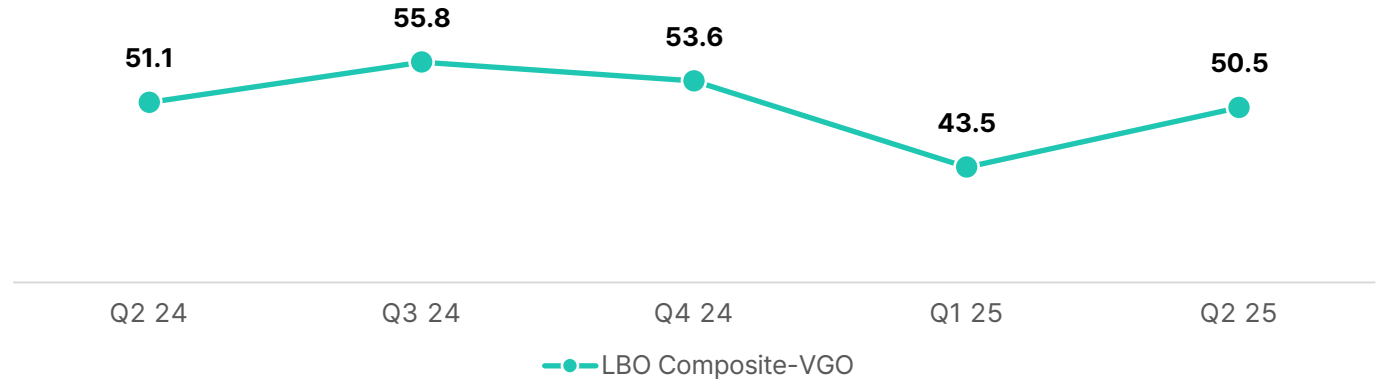
## Q2 25 Market Environment

- **LBO spread** recovered to historical average levels on stable feedstock prices and firm demand

## Q3 25 Outlook

- **LBO fundamental** is expected to remain at normal levels amid limited capacity expansion
  - Geopolitical risks may heighten the volatility of feedstock price and products spread

## Products Spread (Unit : \$/bbl)



# Key Business Update

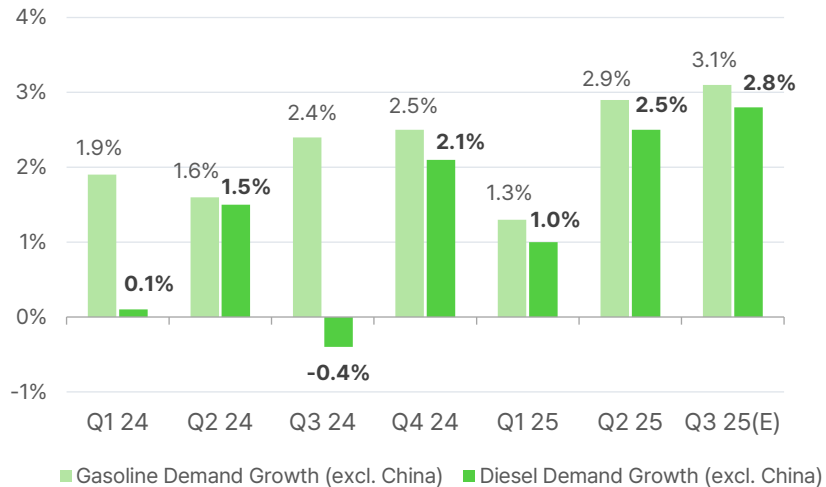
- Robust Margin Expected on Demand Increase and Limited Supply
- Shaheen Project Progressing Smoothly

# Robust Margin Expected on Demand Increase and Limited Supply

## Demand Increase Driven by Seasonality & Low Oil Prices

- Demand remains strong amid the seasonal peak for transportation fuel
- Low oil prices are contributing to demand increase

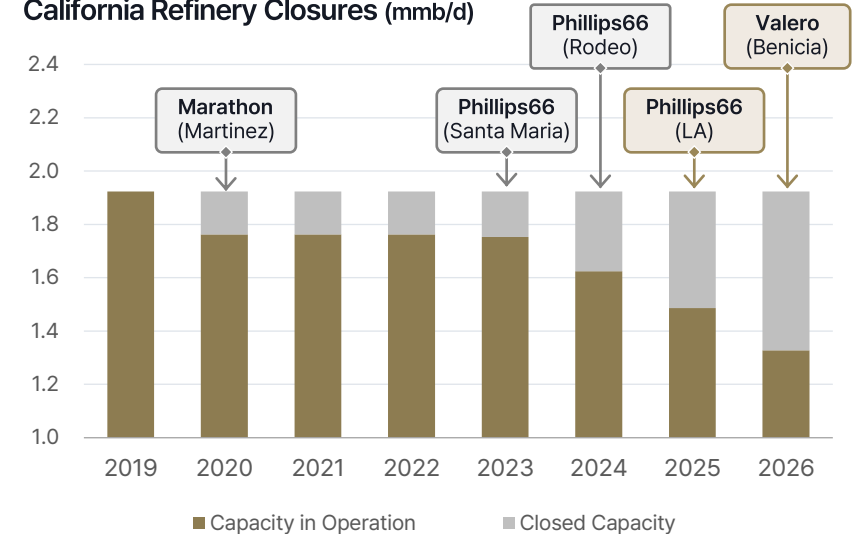
### Asia Pacific Demand Growth (YoY)



## Limited Supply & Growing Export Opportunities to the U.S.

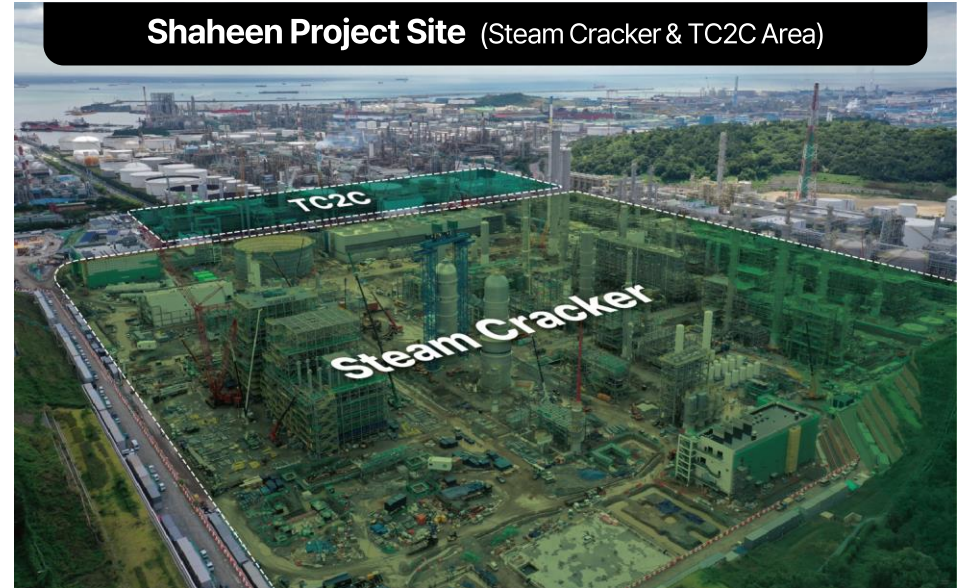
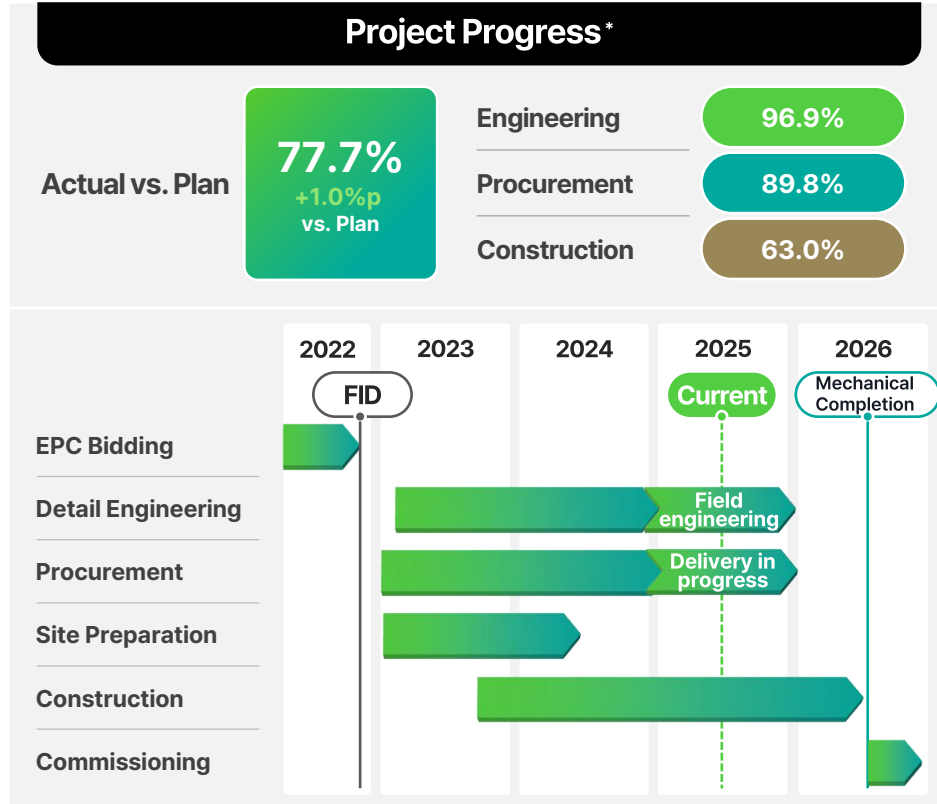
- Supply decrease due to operational disruptions at several refineries
- Increasing closures of California refineries:  
Export opportunities to the U.S. West Coast expected to rise

### California Refinery Closures (mmb/d)



# Shaheen Project Progressing Smoothly

➤ EPC progressing smoothly, targeting mechanical completion by H1 2026



#### Status

- Major towers installed; cracking heater installation in progress
- TC2C Reactor and key units installed
- Installation of LLDPE/HDPE reactors & extruders completed

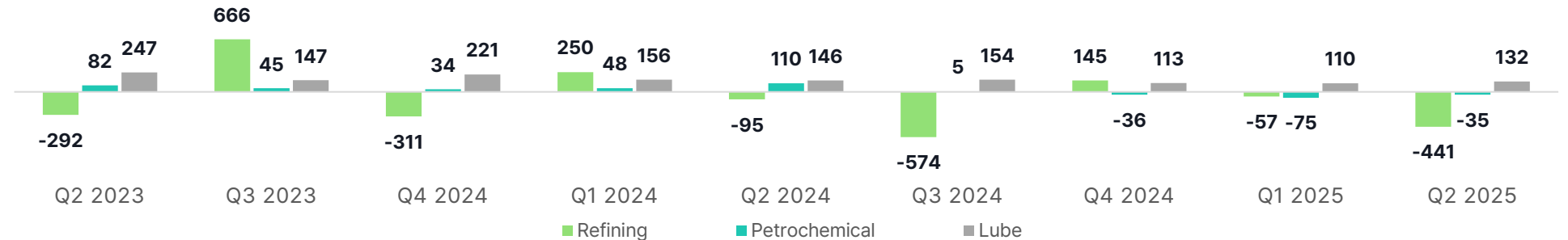
\* As of Jul. 16, 2025

# Supplementary Information

# Performance by Business Segment

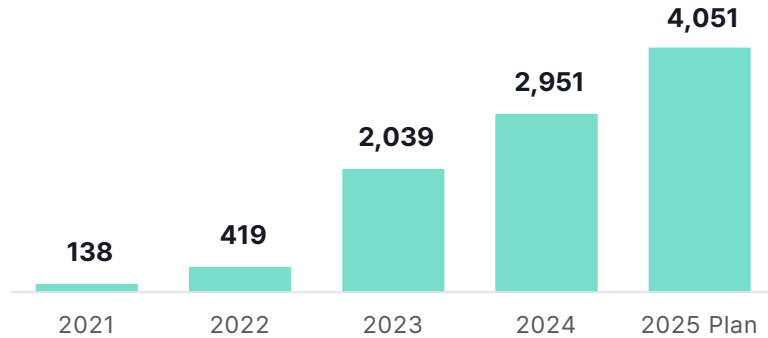
Segment	(Unit: bil. Won)	Q2 25	Q1 25	QoQ	Q2 24	H1 25	H1 24
Refining	Revenue	6,259.9	7,072.0	11.5% ↓	7,451.4	13,331.9	14,896.2
	Operating Income	-441.1	-56.8	Losses Expanded ↓	-95.0	-497.9	155.4
	(Margin)	-7.0%	-0.8%		-1.3%	-3.7%	1.0%
Petrochemical	Revenue	1,033.7	1,128.0	8.4% ↓	1,308.5	2,161.7	2,405.3
	Operating Income	-34.6	-74.5	Losses Narrowed ↑	109.9	-109.2	157.9
	(Margin)	-3.4%	-6.6%		8.4%	-5.0%	6.6%
Lube	Revenue	754.9	790.5	4.5% ↓	810.9	1,545.4	1,577.8
	Operating Income	131.8	109.7	20.1% ↑	145.8	241.5	301.4
	(Margin)	17.5%	13.9%		18.0%	15.6%	19.1%
Total	Revenue	8,048.5	8,990.5	10.5% ↓	9,570.8	17,039.0	18,879.3
	Operating Income	-344.0	-21.5	Losses Expanded ↓	160.6	-365.5	614.8
	(Margin)	-4.3%	-0.2%		1.7%	-2.1%	3.3%

## Operating Income Trend (Unit: bil. Won)



# CAPEX & Operation

## CAPEX



(Unit: bil. Won)	2024	Q2 25	H1 25	2025 Plan
Shaheen Project	2,607	990	1,501	3,487
Upgrade & Maintenance	264	93	146	463
Marketing related expenditure	42	7	13	53
Others	38	2	10	48
<b>Total CAPEX</b>	<b>2,951</b>	<b>1,092</b>	<b>1,669</b>	<b>4,051</b>

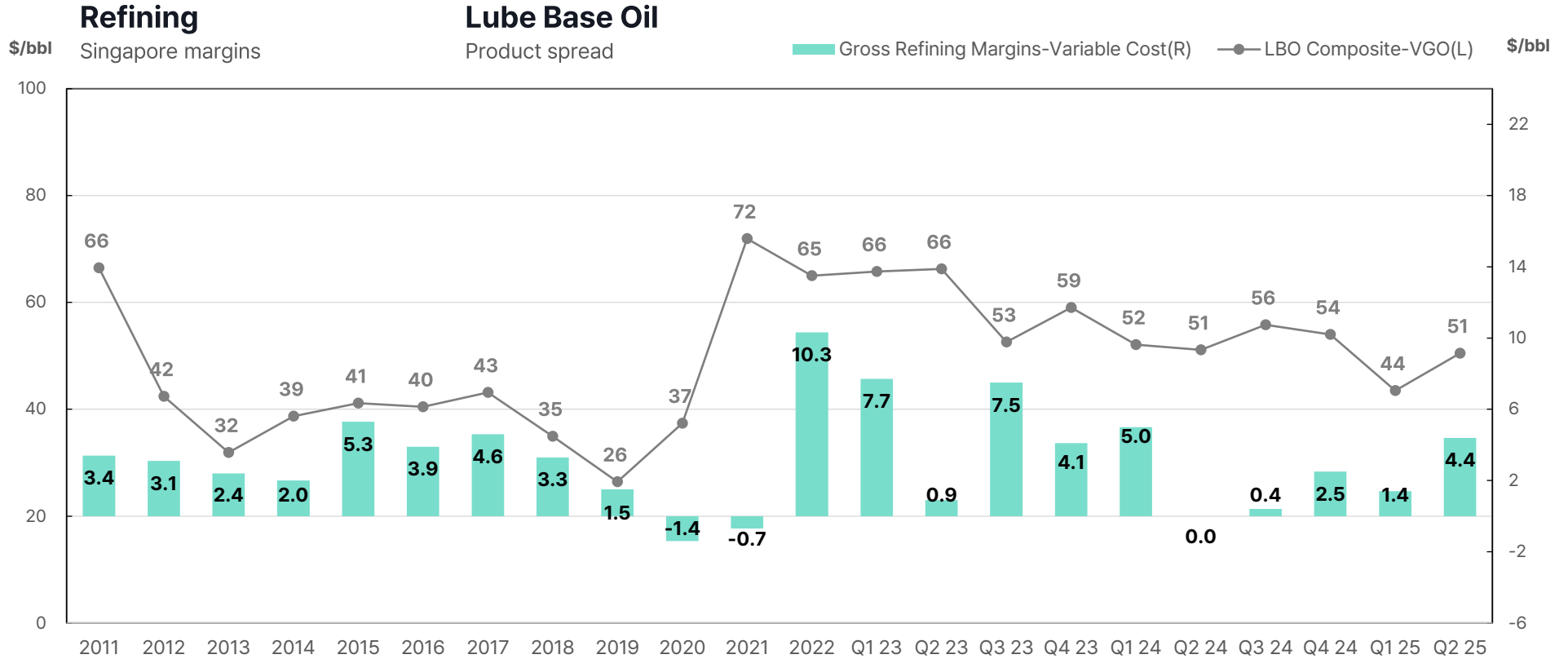
## Maintenances

	2023	2024	Q1~Q3 25	Q4 25
Refining	#3 CDU/CFU	#1 CDU	-	-
	#2 RFCC/HYC	-	-	#1 RFCC
Petrochemical	#2 PX/PP	-	-	-
Lube	-	#1 Lube	-	-

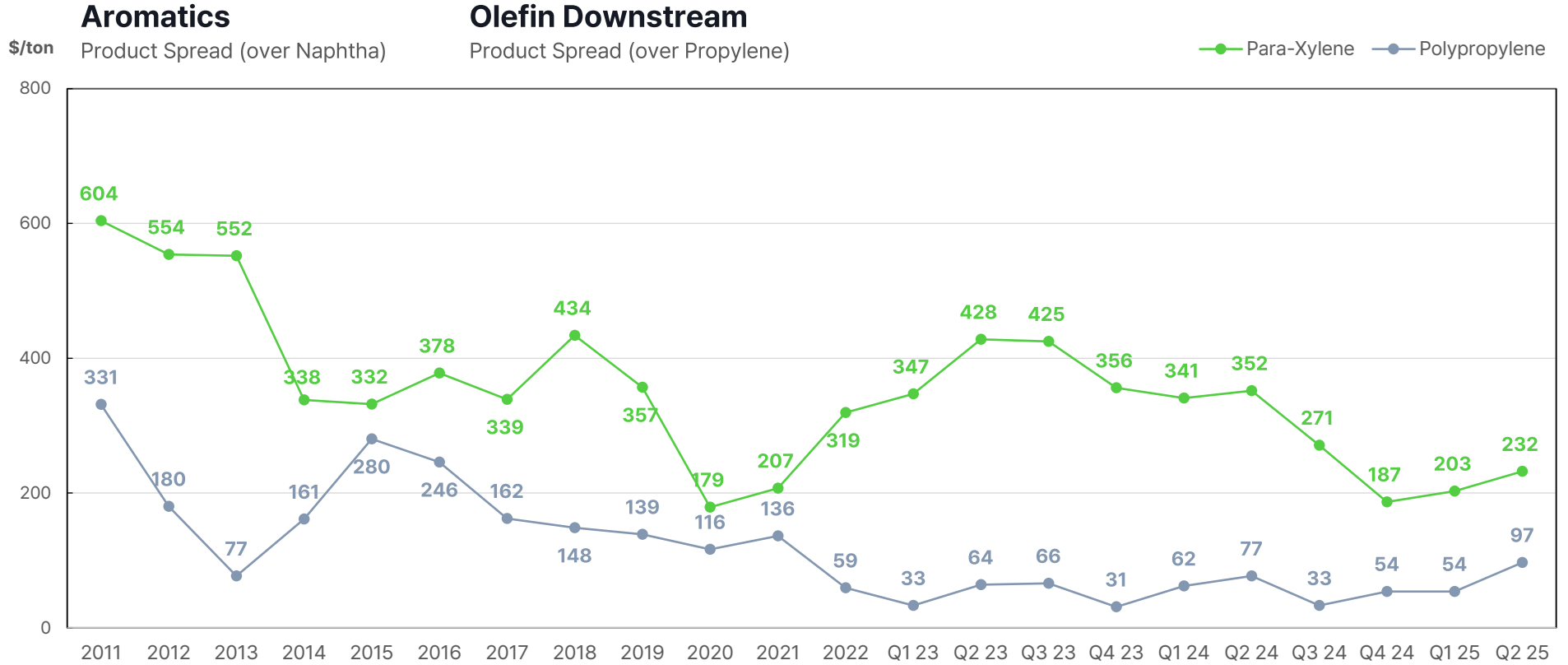
## Utilization Rate

	2023	2024	Q1 25	Q2 25
CDU	90%	93%	94%	95%
RFCC/HYC	91%	98%	94%	97%
PX Plants	75%	71%	59%	84%
PP/PO Plants	78%	83%	78%	73%
Lube Plants	88%	96%	97%	97%

# Long-term Margin Trend

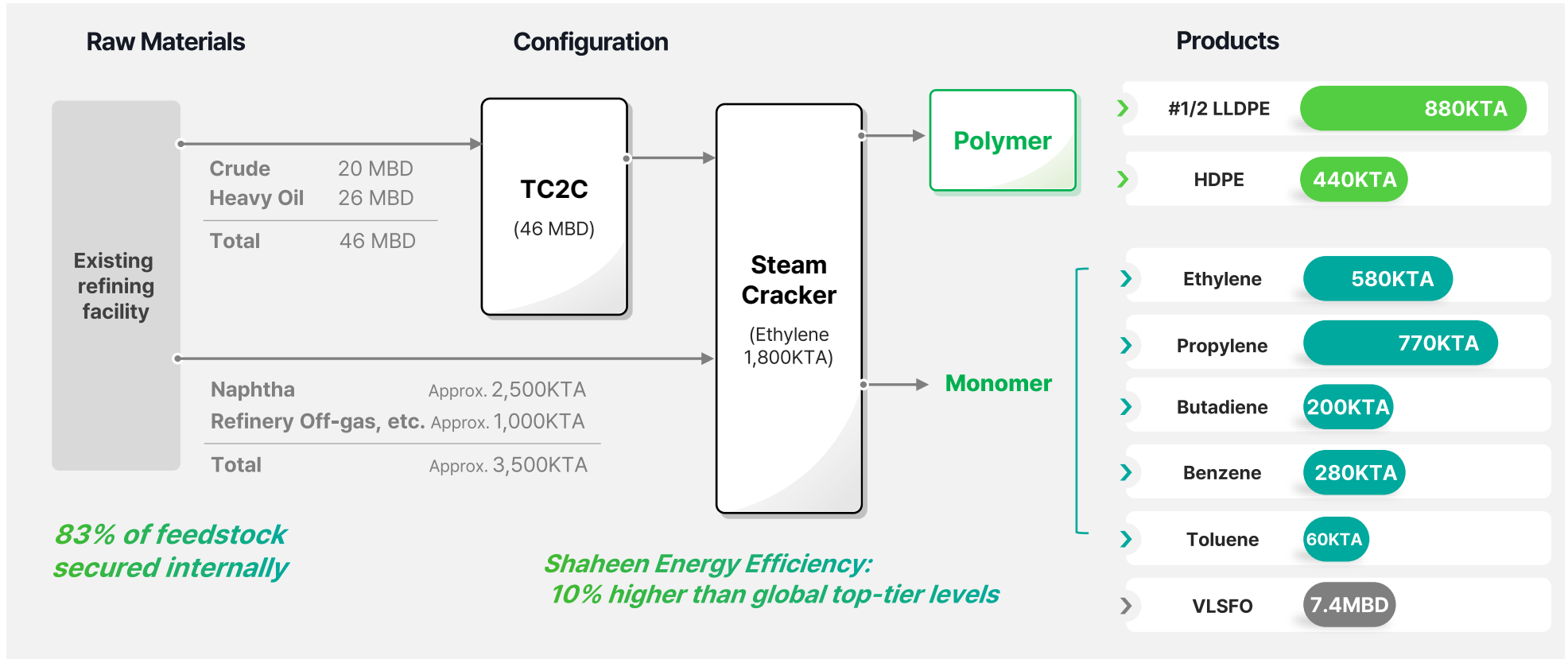


# Long-term Margin Trend



# Shaheen Project Competitiveness

- > 83% of feedstock, including naphtha, heavy oil, and off-gas, is sourced internally, ensuring competitiveness
- > Industry-leading energy efficiency providing a strong competitive edge



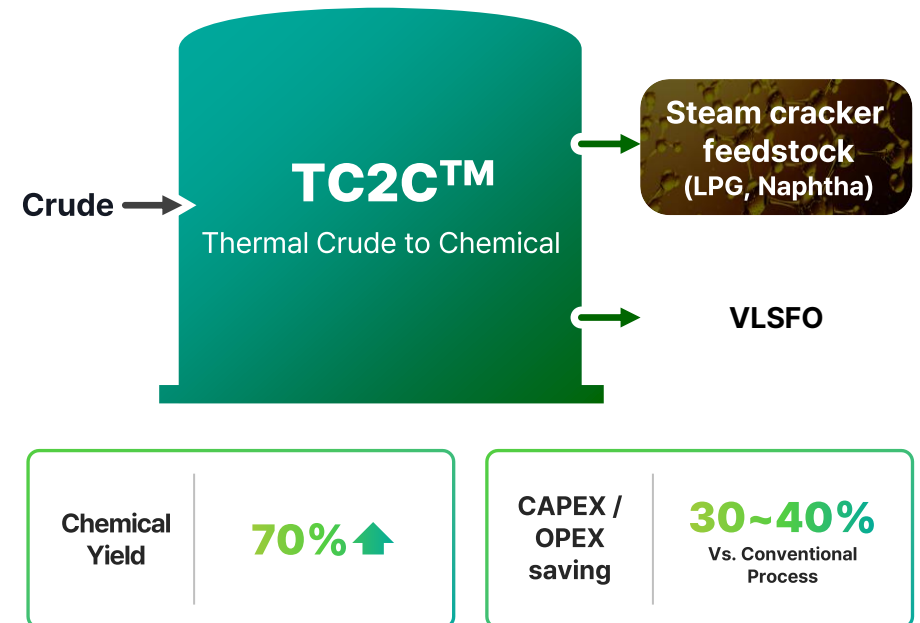
# Shaheen Project Competitiveness

- Shaheen Project is a pivotal expansion into chemical business with industry-leading competitiveness, which will enable another leap forward in future profit generation capacity

## Core competitiveness

- 1 Refining & chemical integration synergy in feedstock, facility and operation
- 2 New TC2C technology to maximize chemical yield
- 3 Industry-leading energy efficiency and carbon intensity
- 4 1st quartile cost competitiveness in NE Asia

## New TC2C Technology



**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**

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