

S-OIL Corporation Q1 2026 Results

May 2026



Highlights



1,231.1 billion Won Operating Income in Q1 2026

Operating income reached 1,231.1 billion Won, driven by inventory-related gains from rising crude oil prices, while strong refining margins were partially offset by scheduled maintenance and domestic fuel price caps



Sustained Supply Stability amid Heightened Uncertainty

Despite heightened oil supply uncertainty due to the Middle East war, the Company maintained stable supply, underpinned by long-term crude sourcing and transportation contracts



Shaheen Project Nearing Mechanical Completion

With progress at 96.9%, company-wide efforts are underway to achieve mechanical completion by the end of June 2026

DISCLAIMER

Financial results for Q1 2026 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 refining 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.





Q1 2026 Performance & Outlook

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Q1 2026 Performance & Outlook

- Q1 2026 Financial Result
- Financial Status
- Refining
- Petrochemical
- Lube

Q1 2026 Financial Result

(Unit: bil. Won)	Jan.	Feb.	Mar.	Q1 26	Q4 25	QoQ	Q1 25	YoY
Revenue	2,837.9	2,587.3	3,517.6	8,942.7	8,792.6	1.7% ↑	8,990.5	0.5% ↓
Operating Income	176.6	242.4	812.2	1,231.1	371.9	231.0% ↑	-21.5	Turn to Profit ↑
(Margin)	6.2%	9.4%	23.1%	13.8%	4.2%	9.5%p ↑	-0.2%	14.0%p ↑
- Refining	113.5	183.3	742.3	1,039.0	187.3	454.7% ↑	-56.8	Turn to Profit ↑
- Petrochemical	15.1	-2.8	13.2	25.5	-18.7	Turn to Profit ↑	-74.5	Turn to Profit ↑
- Lube	48.0	61.9	56.7	166.6	203.3	18.1% ↓	109.7	51.8% ↑
(Inventory-related impact)	-9.0	+52.9	+599.5	+643.4	-87.4	-	+12.2	-
Finance & Other Income	20.0	-0.2	-259.5	-239.7	-106.5	-	-45.8	-
- Net Interest gain	-20.5	-17.8	-17.8	-56.2	-56.9	-	-61.6	-
- Net FX gain*	39.1	16.4	-256.7	-201.2	-73.5	-	11.7	-
- Others	1.4	1.2	15.0	17.6	23.9	-	4.1	-
Income before tax	196.6	242.2	552.6	991.4	265.4	273.6% ↑	-67.4	Turn to Profit ↑
Net Income	142.6	175.6	402.9	721.0	225.1	220.3% ↑	-44.6	Turn to Profit ↑

* Including gain/loss from derivatives for FX hedging

Operating Income

- 1,231.1 bil. Won in Q1 26
 - Refining segment income improved, supported by inventory-related gains from rising crude prices and the lagged effect of crude pricing
 - Strong refining margins were partially offset by scheduled maintenance and domestic fuel price caps
 - Petrochemical segment income turned to a profit on inventory-related gains, while lube segment income declined due to the lagging impact of product prices

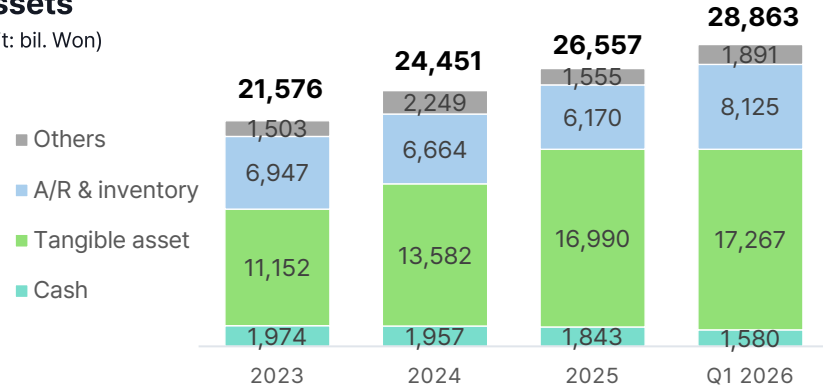
Income before Tax

- 991.4 bil. Won in Q1 26
 - FX rate changes
 - Q1 26 : + ₩ 78.5/\$
 - Q4 25 : + ₩ 32.7/\$

Financial Status

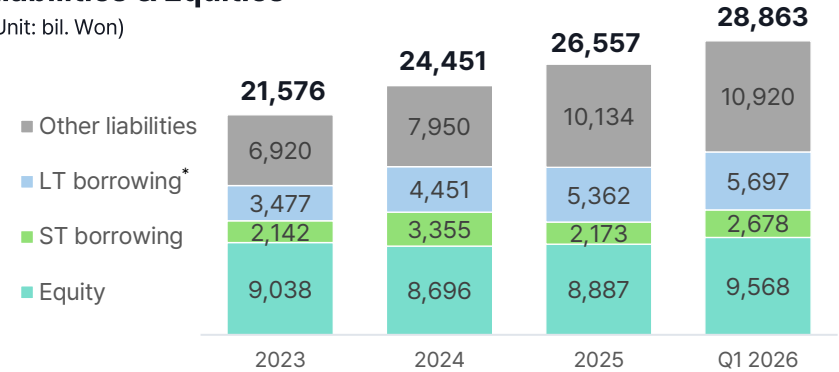
Assets

(Unit: bil. Won)



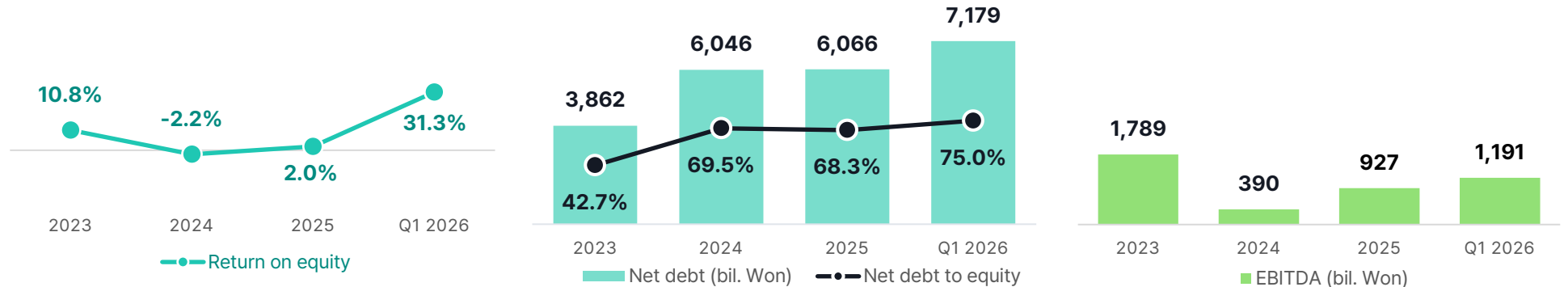
Liabilities & Equities

(Unit: bil. Won)



* Including current portion of long-term debt

Financial Highlights

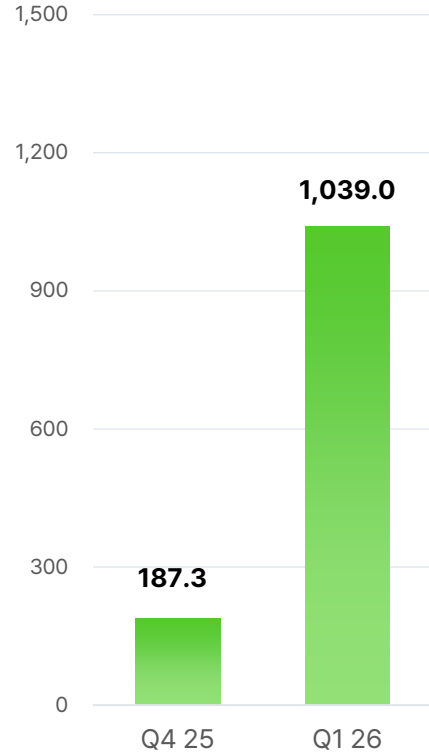


* Net debt: Short-term borrowing + Long-term borrowing + Lease obligation - Cash

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

Refining

Operating Income (Unit: bil. Won)



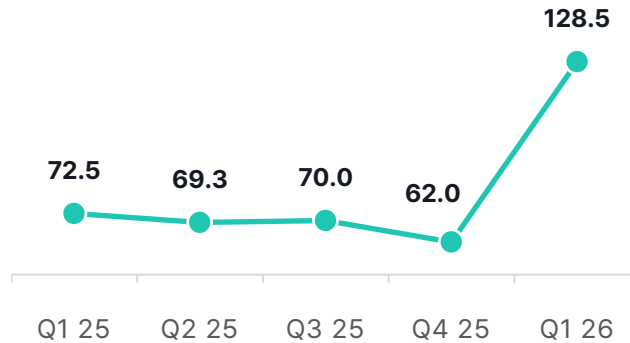
Q1 26 Market Environment

- **Dubai crude prices** surged as the closure of the Strait of Hormuz disrupted global oil supply
- **Regional refining margins** widened significantly on middle distillate strength amid run cuts and government-led export restrictions following crude supply disruptions

Q2 26 Outlook

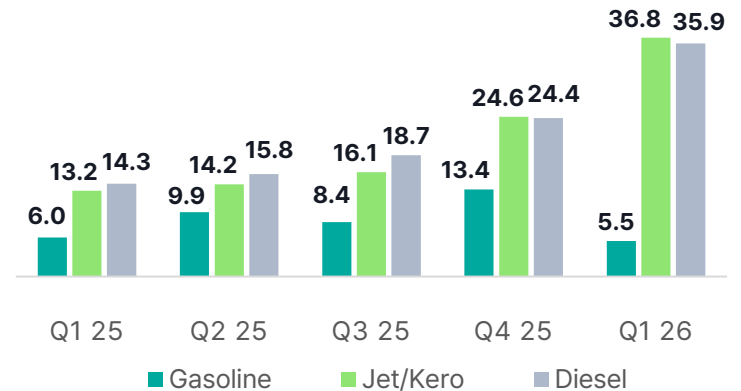
- **Regional refining margins** are expected to remain healthy, as supply disruptions are likely to outweigh demand softness driven by high product prices
 - Meanwhile, a potential decline in oil prices may lead to inventory-related losses, increasing earnings volatility and downside risks

Dubai Crude Oil Price* (Unit: \$/bbl)



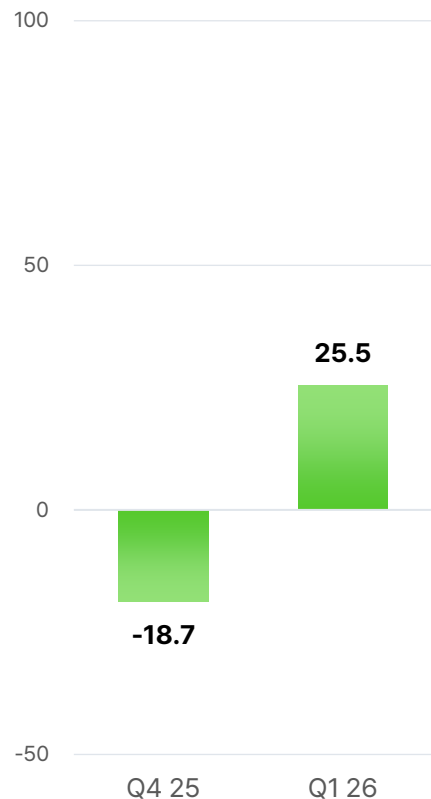
* Quarter-end monthly average

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



Petrochemical

Operating Income (Unit: bil. Won)



Q1 26 Market Environment

Aromatics

- PX and BZ markets improved on robust demand driven by sustained high operating rates at downstream facilities in China
 - From March, spreads narrowed as demand softened amid higher feedstock costs following the Middle East war

Olefin downstream

- PP market weakened amid limited pass-through of higher feedstock costs
- PO market remained relatively supported by improving downstream polyol demand

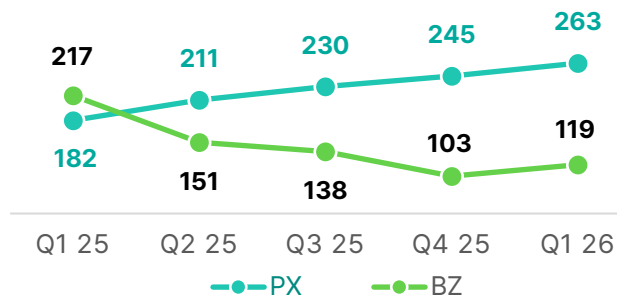
Q2 26 Outlook

Aromatics / Olefin downstream

- Elevated uncertainty over feedstock supply and price volatility is expected to persist given the prolonged Middle East war
 - For PX and BZ, lower supply due to concentrated regional maintenance and the start of the driving season may support the market
 - With reduced operating rates at regional PP and PO plants, PO market is expected to remain relatively resilient, supported by improving downstream demand

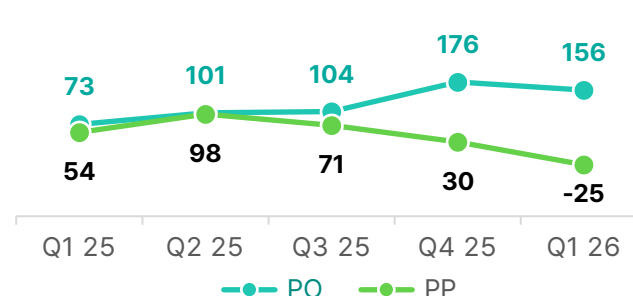
Aromatics Spread over Naphtha

(Unit : \$/ton)



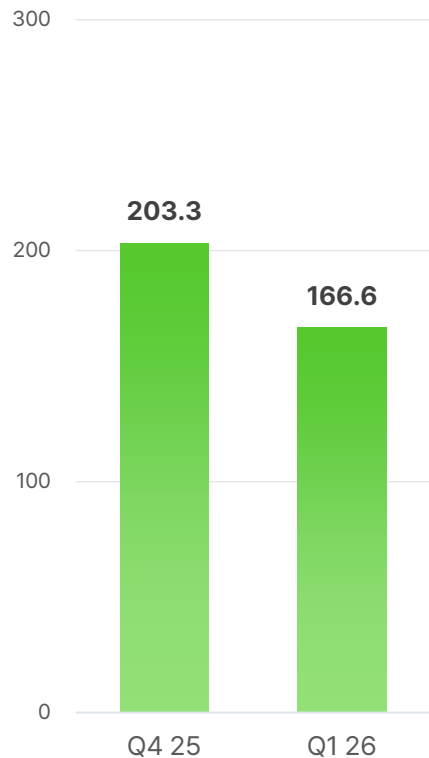
Olefin Downstream Spread over Propylene

(Unit : \$/ton)



Lube

Operating Income (Unit: bil. Won)



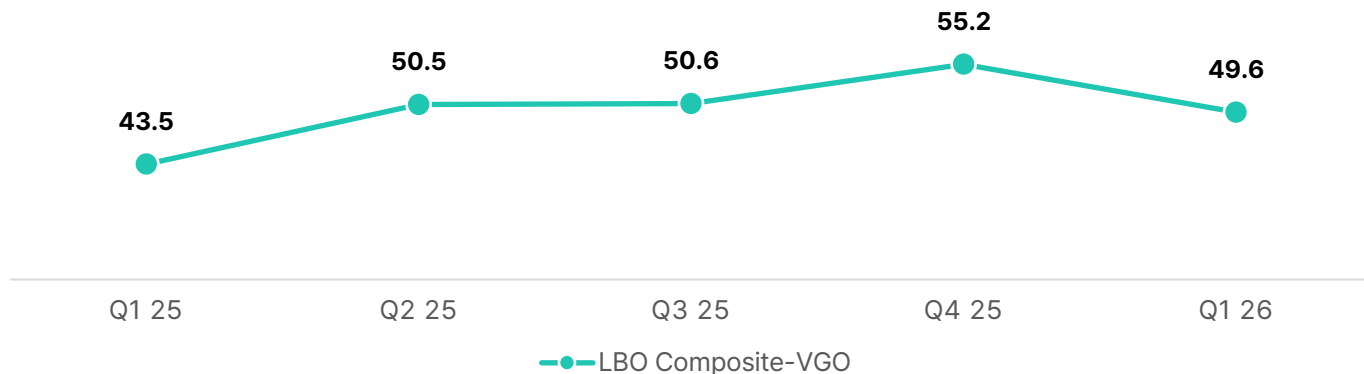
Q1 26 Market Environment

- **LBO spread** declined QoQ due to the lagging impact of LBO prices following the rapid increase in feedstock costs, despite tight supply amid the Middle East war

Q2 26 Outlook

- **LBO fundamental** is expected to remain firm, supported by supply disruptions from prolonged Middle East war and refinery yield adjustments
 - LBO spread is forecast to recover on the back of a gradual increase in LBO prices

Products Spread (Unit : \$/bbl)

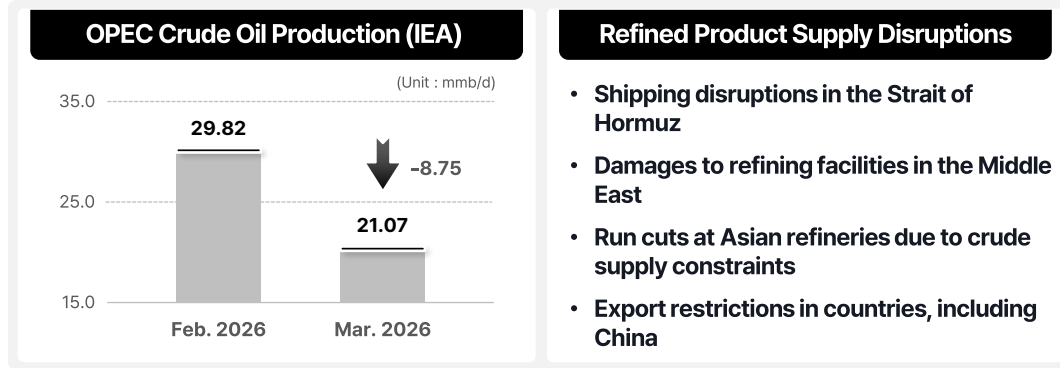


Key Business Update

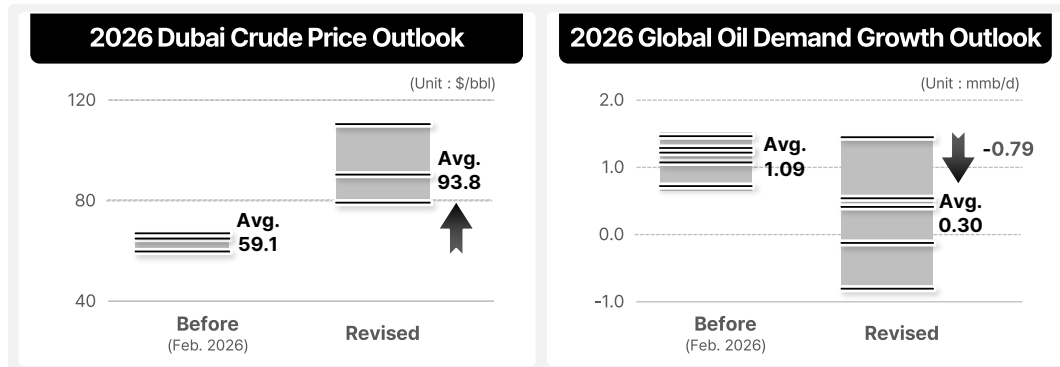
- Sustained Supply Stability amid Heightened Uncertainty
- Shaheen Project Nearing Mechanical Completion

Sustained Supply Stability amid Heightened Uncertainty

Supply Disruptions due to the Middle East War



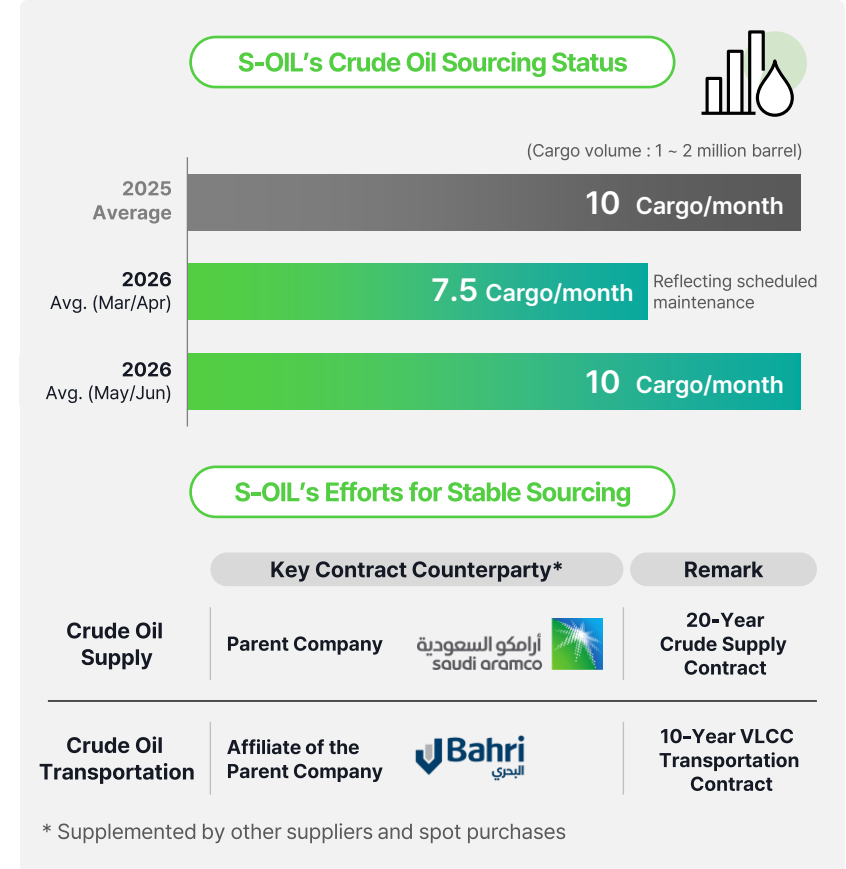
Limited Demand Impact Relative to Supply Disruptions



Source: S&P, FACTS, WoodMac

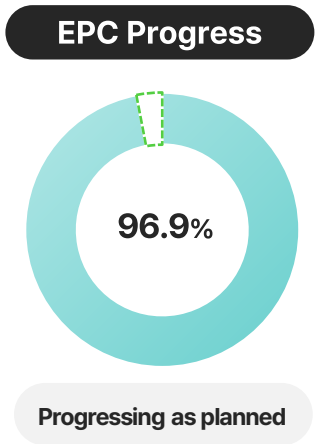
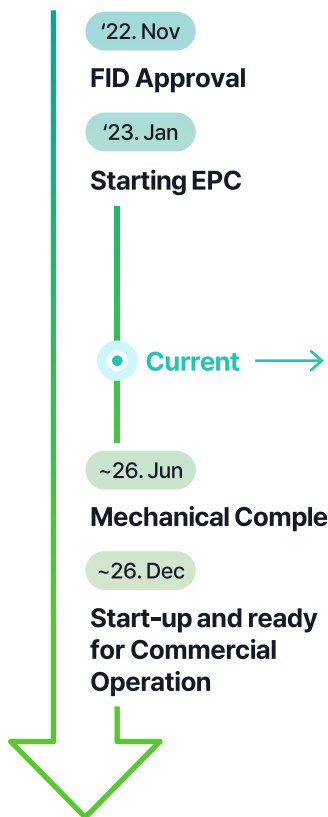
Source: EIA, OPEC, S&P, FACTS, WoodMac

Supply Stability Ensured via Long-term Contracts



Shaheen Project Nearing Mechanical Completion

› The project is progressing as planned, targeting mechanical completion in 1H 2026



(As of Apr.-end 2026)

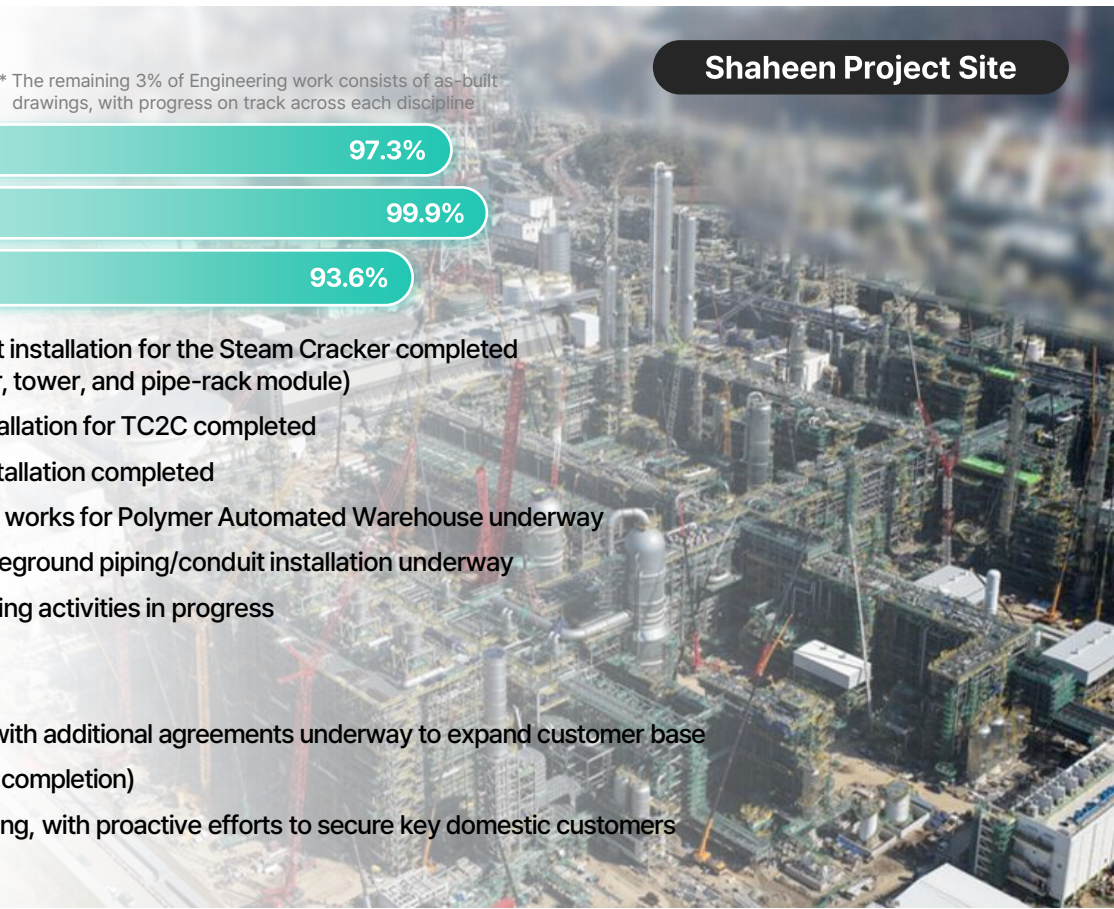
* The remaining 3% of Engineering work consists of as-built drawings, with progress on track across each discipline

Engineering*	97.3%
Procurement	99.9%
Construction	93.6%

- ✓ Major equipment installation for the Steam Cracker completed (Cracking heater, tower, and pipe-rack module)
- ✓ Fired heater installation for TC2C completed
- ✓ Storage tank installation completed
- ✓ Internal finishing works for Polymer Automated Warehouse underway
- ✓ Plant-wide aboveground piping/conduit installation underway
- ✓ Pre-commissioning activities in progress

- ### Marketing
- ✓ Annual supply contracts of monomer secured, with additional agreements underway to expand customer base
 - ✓ Customer pipeline construction on track (for 1H completion)
 - ✓ PE quality evaluations underway by pre-marketing, with proactive efforts to secure key domestic customers
 - ✓ Long-term PE export contracts completed

Shaheen Project Site

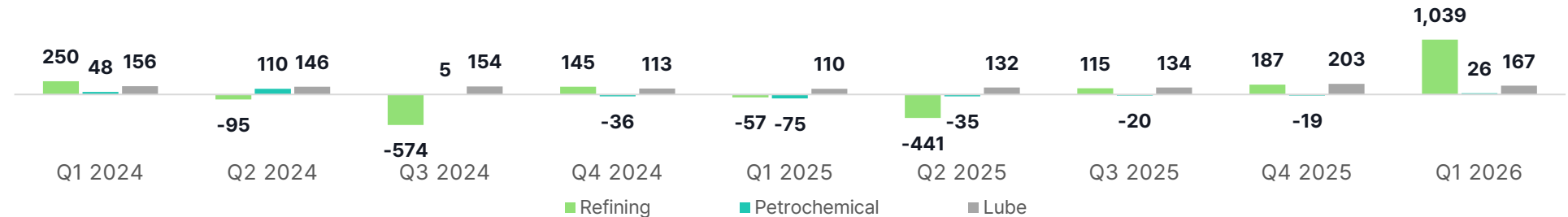


Supplementary Information

Performance by Business Segment

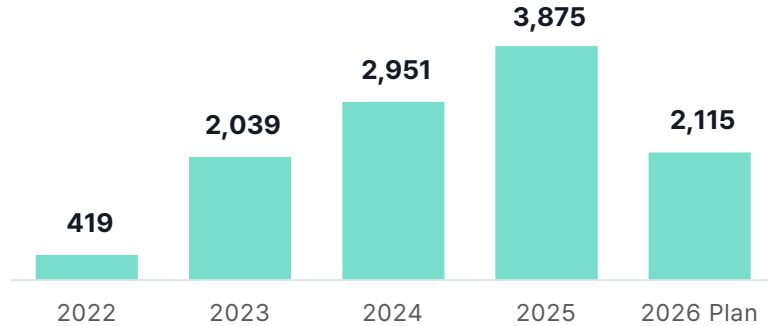
Segment	(Unit: bil. Won)	Q1 26	Q4 25	QoQ	Q1 25	YoY
Refining	Revenue	7,101.3	6,979.2	1.7% ↑	7,072.0	0.4% ↑
	Operating Income	1,039.0	187.3	454.7% ↑	-56.8	Turn to Profit ↑
	(Margin)	14.6%	2.7%		-0.8%	
Petrochemical	Revenue	1,104.4	1,056.1	4.6% ↑	1,128.0	2.1% ↓
	Operating Income	25.5	-18.7	Turn to Profit ↑	-74.5	Turn to Profit ↑
	(Margin)	2.3%	-1.8%		-6.6%	
Lube	Revenue	737.0	757.2	2.7% ↓	790.5	6.8% ↓
	Operating Income	166.6	203.3	18.1% ↓	109.7	51.8% ↑
	(Margin)	22.6%	26.9%		13.9%	
Total	Revenue	8,942.7	8,792.6	1.7% ↑	8,990.5	0.5% ↓
	Operating Income	1,231.1	371.9	231.0% ↑	-21.5	Turn to Profit ↑
	(Margin)	13.8%	4.2%		-0.2%	

Operating Income Trend (Unit: bil. Won)



CAPEX & Operation

CAPEX



(Unit: bil. Won)	2025	2026 Plan	Q1 26
Shaheen Project	3,356	1,562	239
Upgrade & Maintenance	456	468	107
Marketing related expenditure	33	61	0
Others	30	24	2
Total CAPEX	3,875	2,115	348

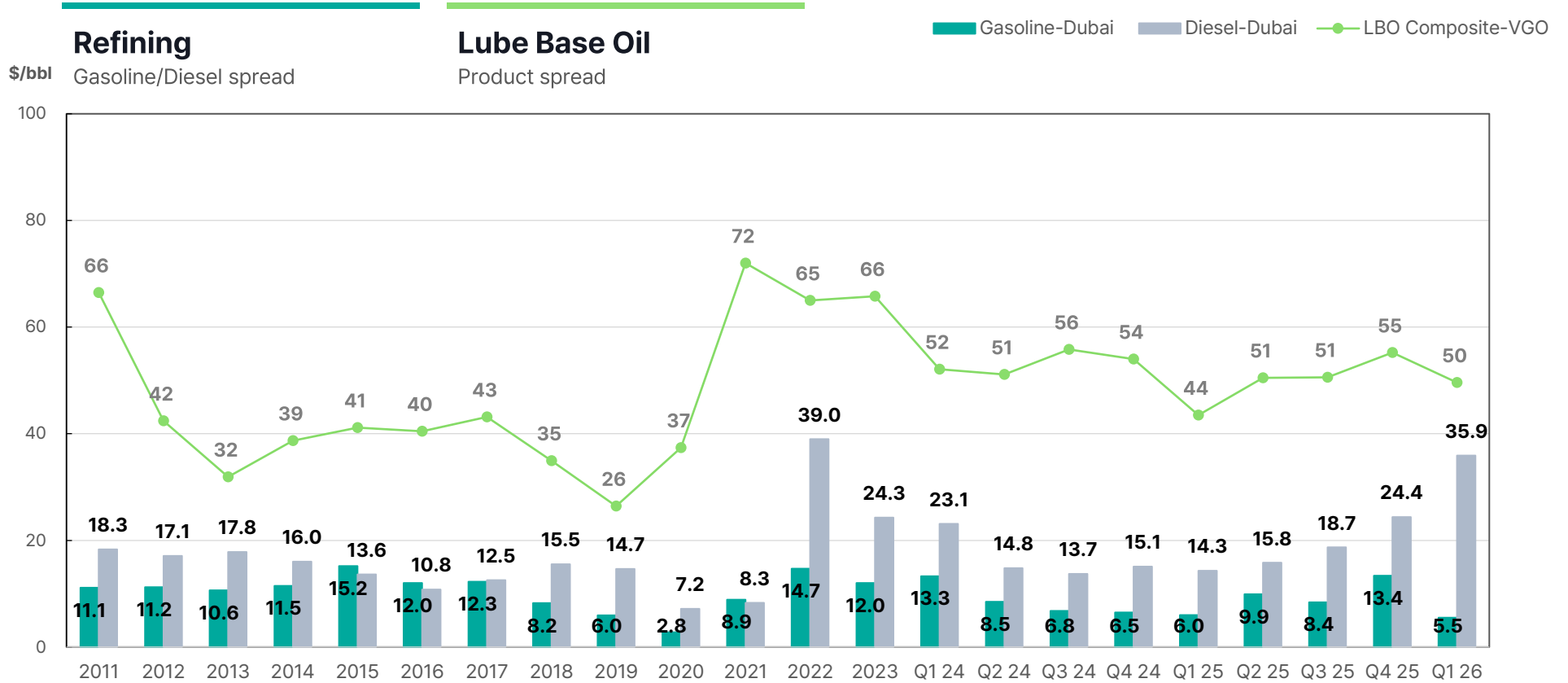
Maintenances

	2024	2025	1H 2026	2H 2026
Refining	#1 CDU	-	#2 CDU	-
	-	#1 RFCC	#2 RFCC	-
Petrochemical	-	-	#1 PX/PP/PO	-
Lube	#1 Lube	-		-

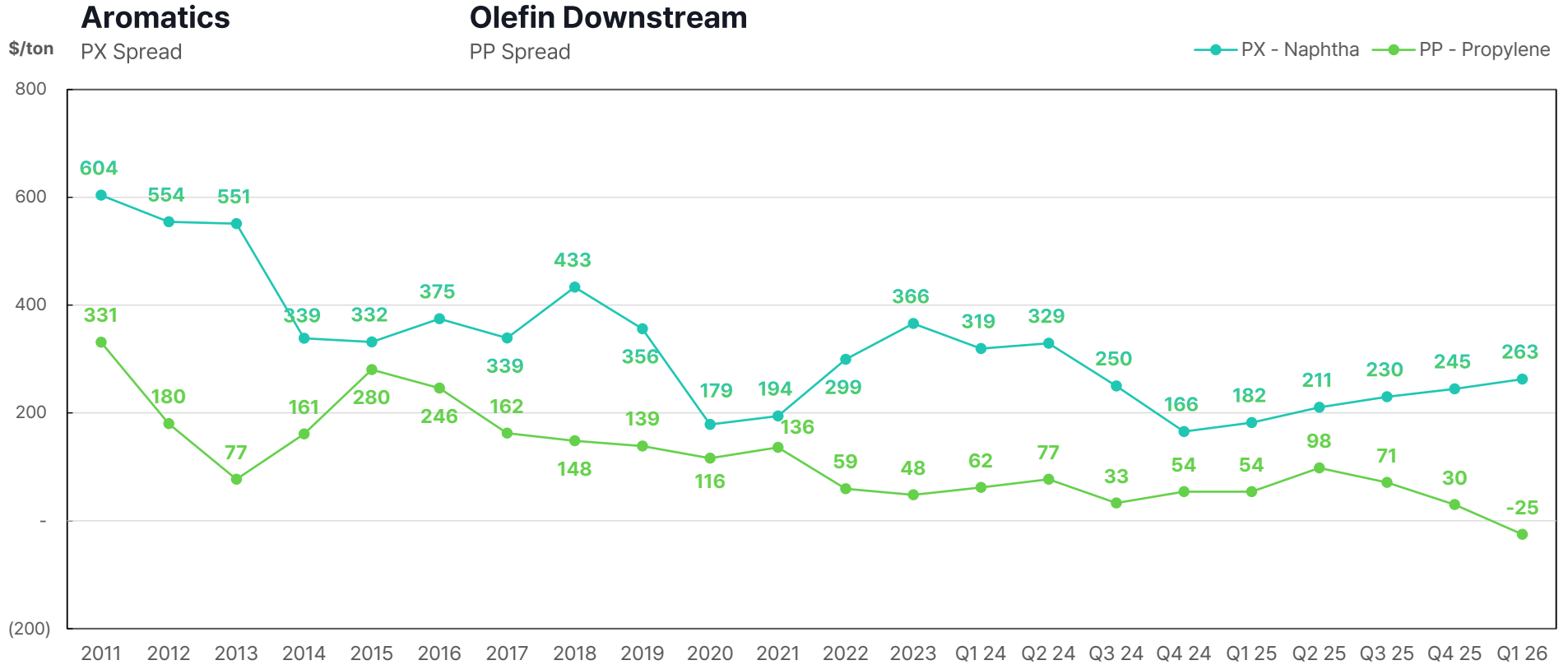
Utilization Rate

	2024	2025	Q4 25	Q1 26
CDU	93%	96%	95%	85%
RFCC/HYC	98%	94%	87%	88%
PX Plants	71%	82%	88%	77%
PP/PO Plants	83%	78%	83%	62%
Lube Plants	96%	98%	100%	97%

Long-term Margin Trend

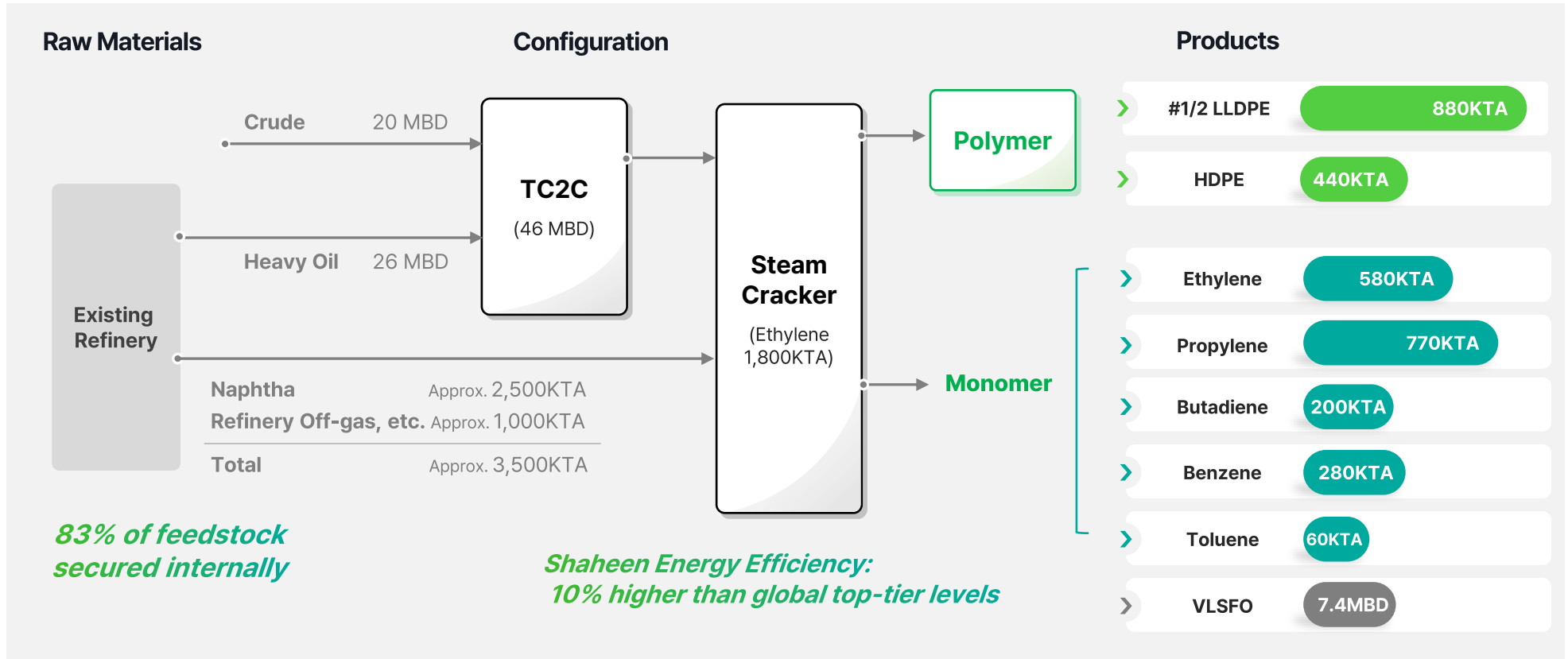


Long-term Margin Trend



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



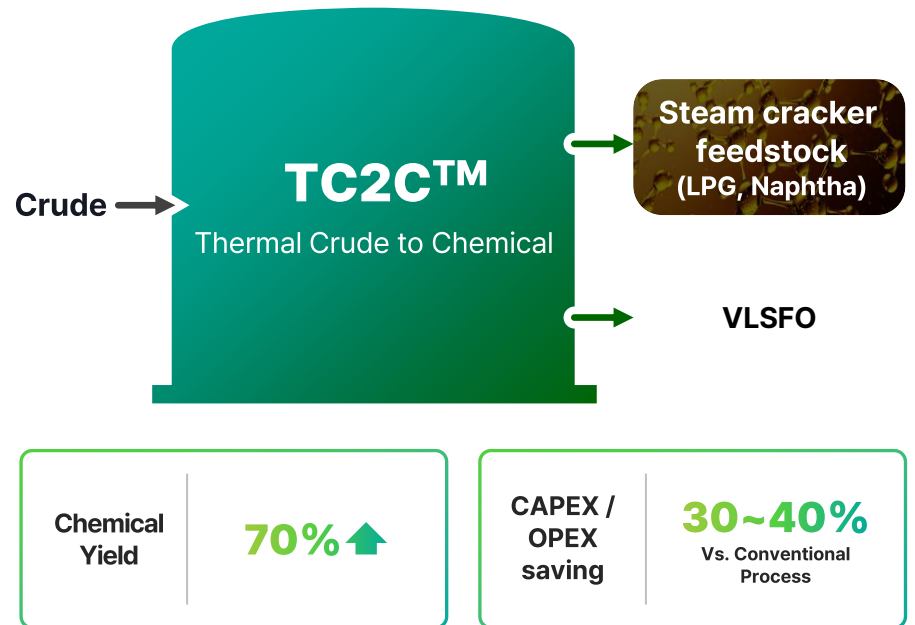
Shaheen Project Competitiveness

- 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



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Sustainability Indices**

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S-OIL is the first and the only company named to DJSI World for the 16th consecutive year among Asia Pacific refiners.

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