ECOPRO BM

2Q26 Earnings Release

2026. 07. 31

Everyday Everywhere EcoPro BM

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Contents

1. 2Q26 Performance

Earnings Summary

(Unit : 100 Mn in KRW)

	25.2Q	26.1Q	26.2Q	QoQ(%)	YoY(%)
Sales	**7,797**	**6,054**	**5,767**	**-4.7%**	**-26%**
Cost of sales	6,956	5,549	5,245	-5.5%	-25%
OP	**490**	**209**	**180**	**-14%**	**-63%**
(%)	6.3%	3.5%	3.1%	-0.3%p	-3.2%p
EBITDA	**771**	**385**	**407**	**5.6%**	**-47%**
(%)	9.9%	6.4%	7.1%	0.7%p	-2.8%p

Analysis

[26.2Q Review]

- Sales volume declined due to stagnant EV demand in the North American market
- Sales volume remained flat amid increased wait-and-see demand driven by European OEMs' model change plans
- Quarterly operating profit came in at KRW 18.0 bn, a slight decrease QoQ, reflecting the ramp-up of production lines at the Hungary plant

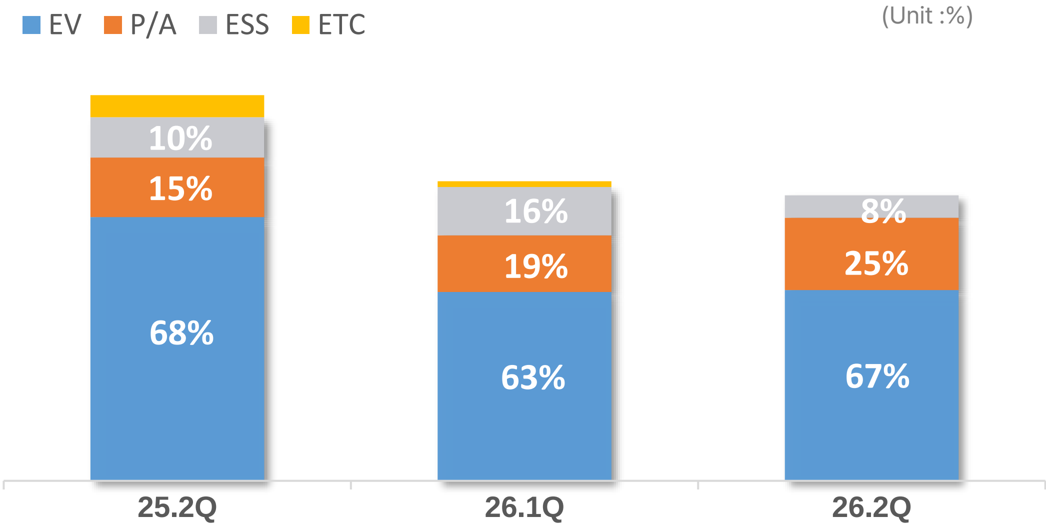
[26.3Q Outlook]

- In North America, the market slowdown due to the termination of consumer subsidies.
- The negative impact from the full-scale implementation of European OEMs' model changes is expected to be offset by the positive effect of new vehicle launches from new OEMs
- The Non-EV sector, including Power Applications, continues to show an improving trend.
  - Growing demand from AI data center expansion and the replacement cycle of E-bikes in Southeast Asia, among other factors.

1. 2Q26 Performance

Revenue Structure

(Unit :%)



(Unit : 100 mn in KRW)

	25.2Q	26.1Q	26.2Q	QoQ	YoY
EV	5,332	3,815	3,853	1%	-28%
P/A	1,200	1,143	1,464	28%	22%
ESS	814	979	453	-54%	-44%
Total	7,797	6,054	5,767	-5%	-26%

※ P/A: Power Application

Analysis

['26.2Q Revenue by Segments]

- QoQ :
  - Due to stagnant customer volumes destined for European EVs and the dualization of U.S. ESS volumes, EV ended at EV(+1%), ESS(-54%), Power Application rose driven by increasing market demand P/T(+28%)

['26. Annual Market Outlook]

- EV :
  Europe Expected to benefit from the Hungary plant due to the need for local supply driven by policies such as TCA.
  North America : Limited demand is anticipated due to the ongoing EV market slowdown and strategic adjustments by major OEMs.

- Power Application :
  Customer shipments are expected to increase, supported by the expansion of semiconductor and data center construction, as well as rising E-bike replacement demand in Southeast Asia.

- ESS :
  Demand is expected to continue growing, driven by data centers and renewable energy sectors.

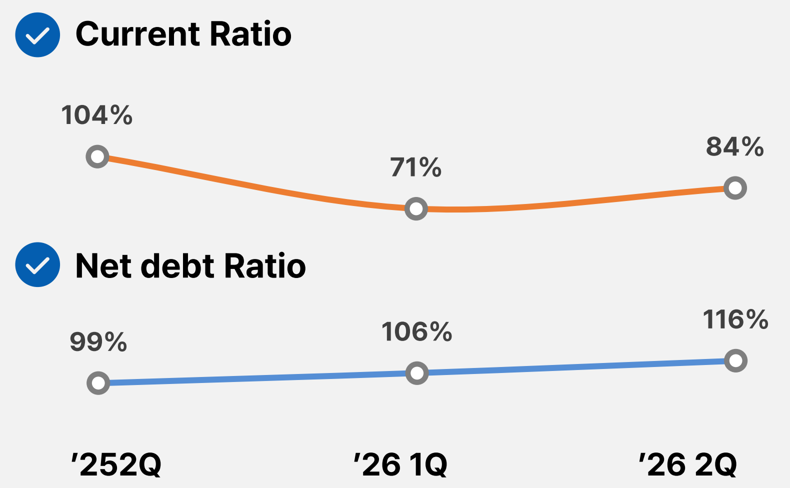
2. Financial Results

Financial Status

(Unit : 100 Mn in KRW)

	25.2Q	26.1Q	26.2Q	QoQ(%)	YoY(%)
Assets	**47,818**	**51,568**	**54,314**	**5.3%**	**14%**
Cash & Equiv.	4,360	3,417	4,671	37%	7.1%
Inventories	6,076	6,767	7,919	17%	30%
Liabilities	**28,372**	**30,719**	**33,349**	**8.6%**	**18%**
Debts	23,562	25,595	28,901	13%	23%
Equity	**19,446**	**20,849**	**20,965**	**0.6%**	**7.8%**

Analysis



- Inventories: Inventory increased due to delayed sales in North America and the SOP of the Hungary plant.
- Current Ratio : 26.1Q 71% → 26.2Q 84% (↑ 13%p)
- Net debt Ratio : 26.1Q 106% → 26.2Q 116% (↑9.2%p)

3. Business Environment

Maximize Cost Competitiveness

Enter the upstream value chain through investment in an Indonesian nickel smelter

Expand Global Supply Capability

Expand European production capacity through investment in the Hungary plant

Develop Next-Generation Materials

Diversify material chemistry, including solid-state battery materials and LMR

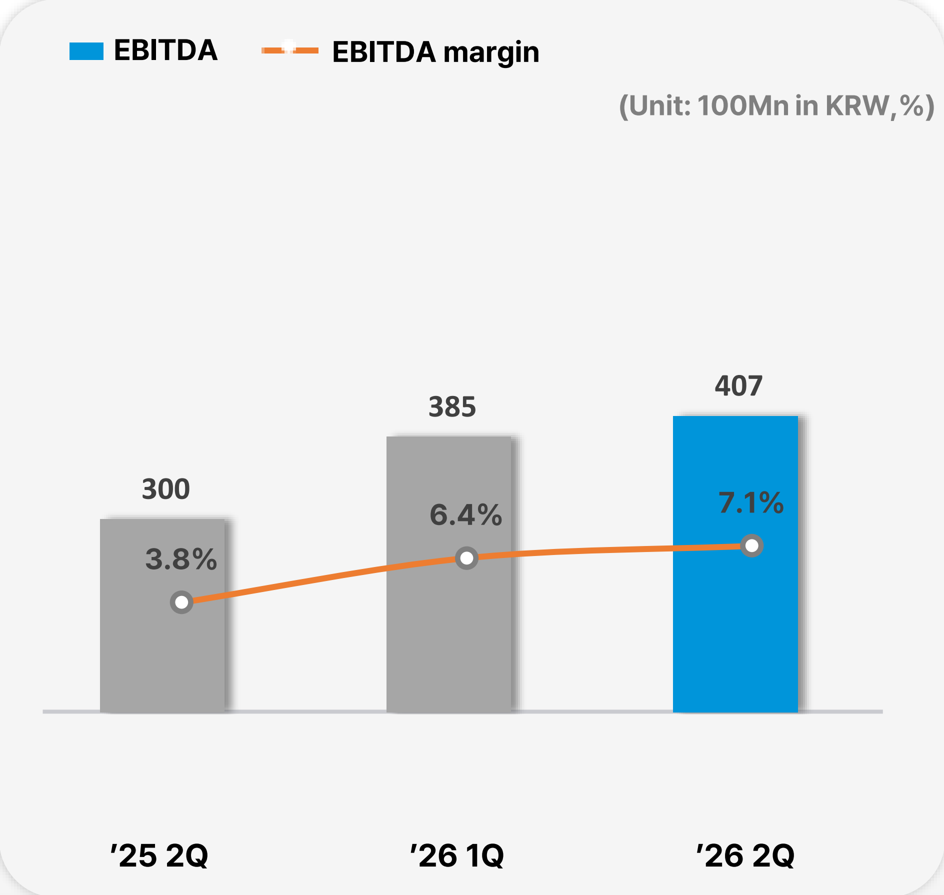
Global Top-Tier Battery Materials Company

"Further securing the foundation for sustainable growth to enhance shareholder value"

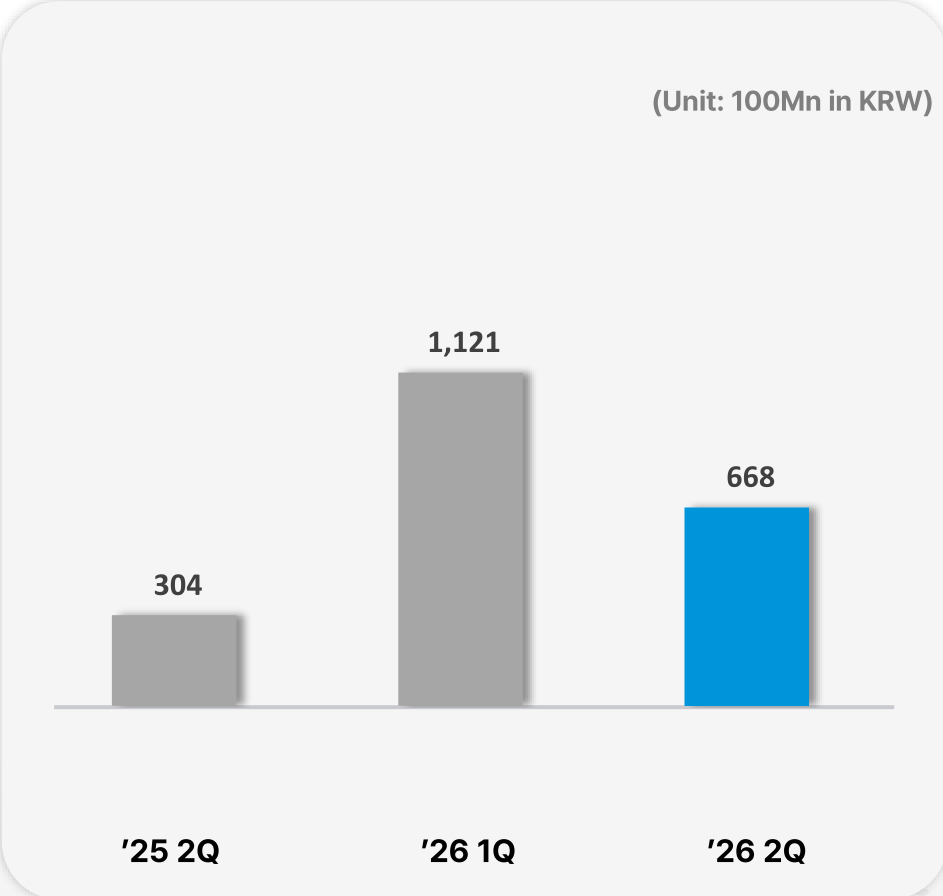
- Excerpt from the Mid-to-Long-term Business Plan announced in June 2026 -

Key Indicators

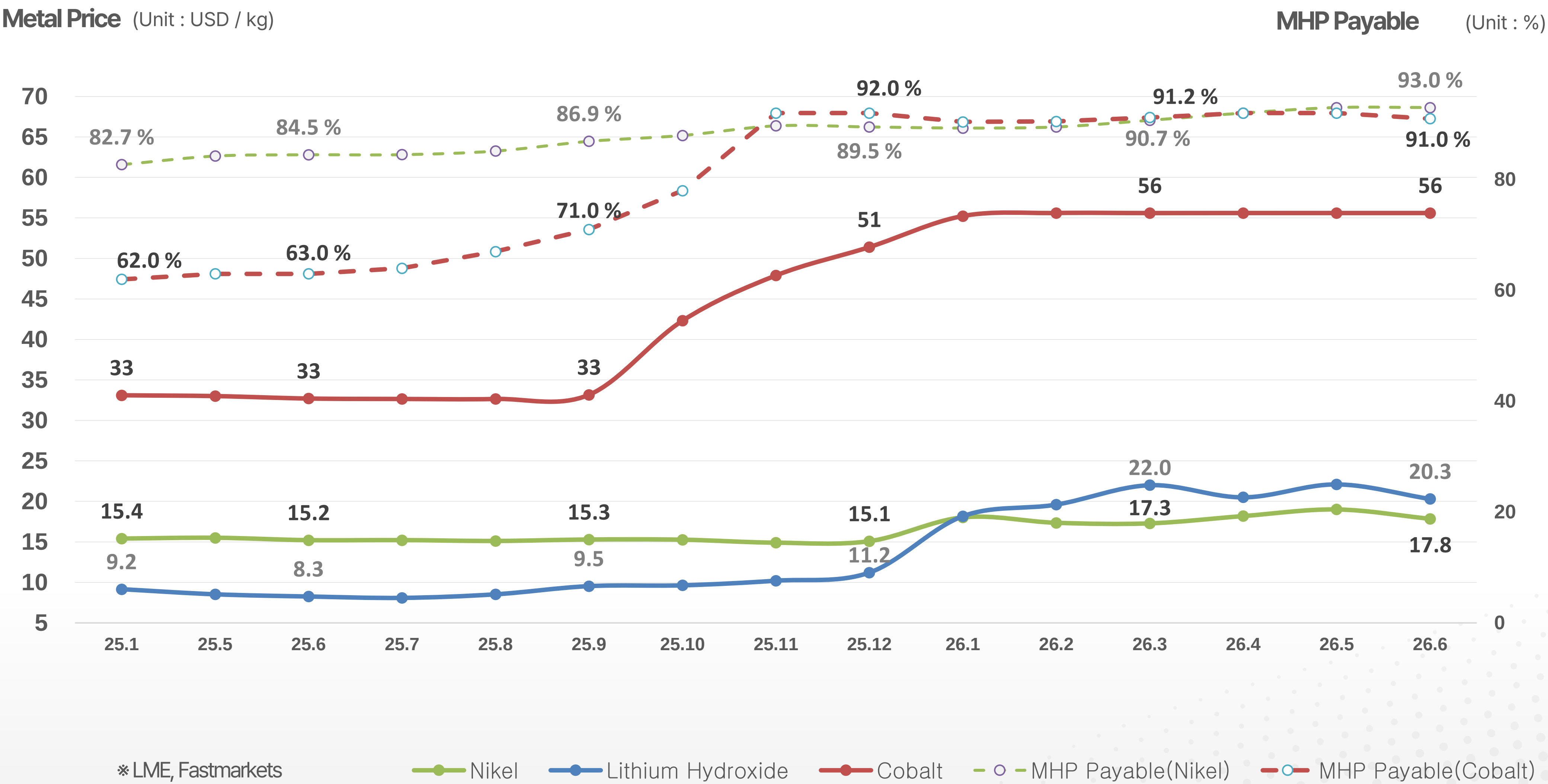
EBITDA



CAPEX



Metal Price Trend



※LME, Fastmarkets

Balance Sheet (Consolidated)

(Unit: 100Mn in KRW)

-	24.4Q	25.1Q	25.2Q	25.3Q	25.4Q	26.1Q	26.2Q
Assets	**43,237**	**46,575**	**47,818**	**46,245**	**48,820**	**51,568**	**54,314**
Current	**13,780**	**16,103**	**16,909**	**13,599**	**13,902**	**14,869**	**16,818**
Cash & Equivalent	4,992	5,757	4,360	3,047	5,185	3,417	4,671
Account Receivable	1,422	3,660	4,995	4,286	1,515	3,342	2,991
Inventories	6,163	5,571	6,076	5,045	6,028	6,767	7,919
Non-Current	**29,457**	**30,472**	**30,909**	**32,646**	**34,918**	**36,699**	**37,496**
Tangible	27,933	28,862	28,324	29,409	31,537	33,220	33,772
Liabilities	**23,466**	**26,961**	**28,372**	**26,618**	**28,660**	**30,719**	**33,349**
Current	**12,972**	**14,087**	**16,271**	**19,311**	**19,221**	**21,027**	**20,064**
Account Payable	2,042	2,576	3,362	1,660	2,361	3,558	2,775
Borrowings	9,121	10,255	11,696	15,981	15,424	16,315	16,042
Non-Current	**10,494**	**12,874**	**12,101**	**7,307**	**9,439**	**9,692**	**13,285**
Borrowings	10,250	12,584	11,866	7,024	9,084	9,280	12,859
Equity	**19,770**	**19,614**	**19,446**	**19,627**	**20,160**	**20,849**	**20,965**
Shareholders' equity	**17,120**	**16,924**	**16,261**	**16,764**	**17,288**	**17,862**	**17,952**
Equity capital	489	489	489	489	489	490	490
Non-controlling Interests	**2,650**	**2,690**	**3,185**	**2,862**	**2,872**	**2,987**	**3,013**

Profit & Loss (Consolidated)

(Unit: 100Mn in KRW)

-	2024					2025	2026	
		1Q	2Q	3Q	4Q		1Q	2Q
Revenue	**27,668**	**6,298**	**7,797**	**6,251**	**4,970**	**25,316**	**6,054**	**5,767**
GM	**948**	**352**	**841**	**919**	**585**	**2,698**	**504**	**522**
OPEX	1,290	329	351	415	169	1,265	295	342
EBIT	**-341**	**23**	**490**	**505**	**416**	**1,433**	**209**	**180**
(%)	-1.2%	0.4%	6.3%	8.1%	8.4%	5.7%	3.5%	3.1%
EBITDA	**734**	**300**	**771**	**787**	**259**	**2,116**	**385**	**407**
(%)	2.7%	4.8%	9.9%	12.6%	5.2%	8.4%	6.4%	7.1%
EBT	**-930**	**-141**	**286**	**374**	**297**	**817**	**124**	**17**
N. Income	**-585**	**-100**	**343**	**491**	**182**	**916**	**122**	**-5**

※These materials are prepared before external auditors' review, some of the contents may change during the auditing process.

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