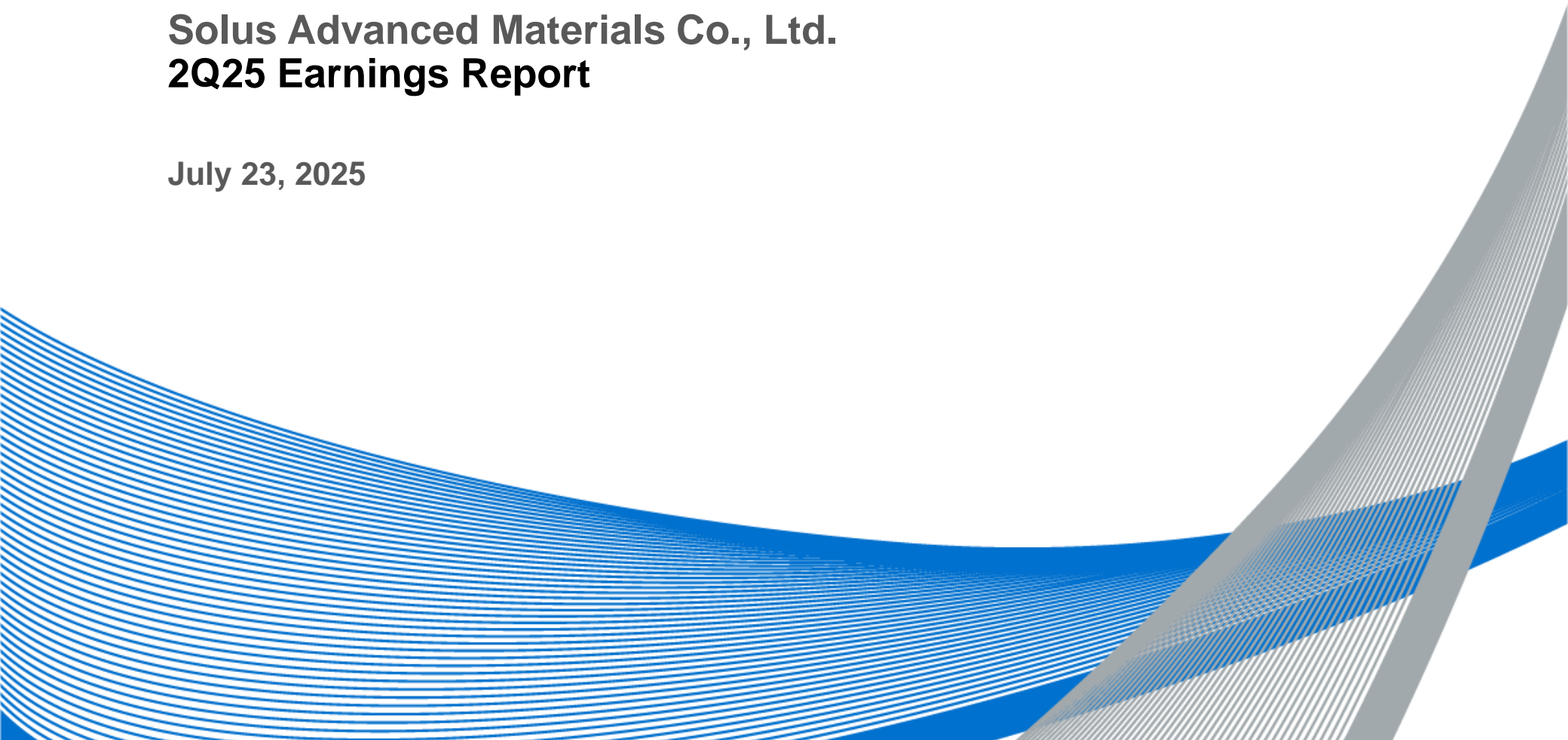




**Solus Advanced
Materials**

Solus Advanced Materials Co., Ltd. 2Q25 Earnings Report

July 23, 2025



Disclaimer

The information herein has been prepared based on unaudited financial statements for your information purposes only and contains preliminary figures which may change depending on the external audit results.

All information about the company's financial performance contained in this material is based on consolidated financial statements in accordance with Korean IFRS.

This material also contains “forecasts” based on predictions, forecasts, plans and expectations for the future, and these “forecasts” may differ significantly from the company’s actual performance to be provided in the future due to their uncertain nature.

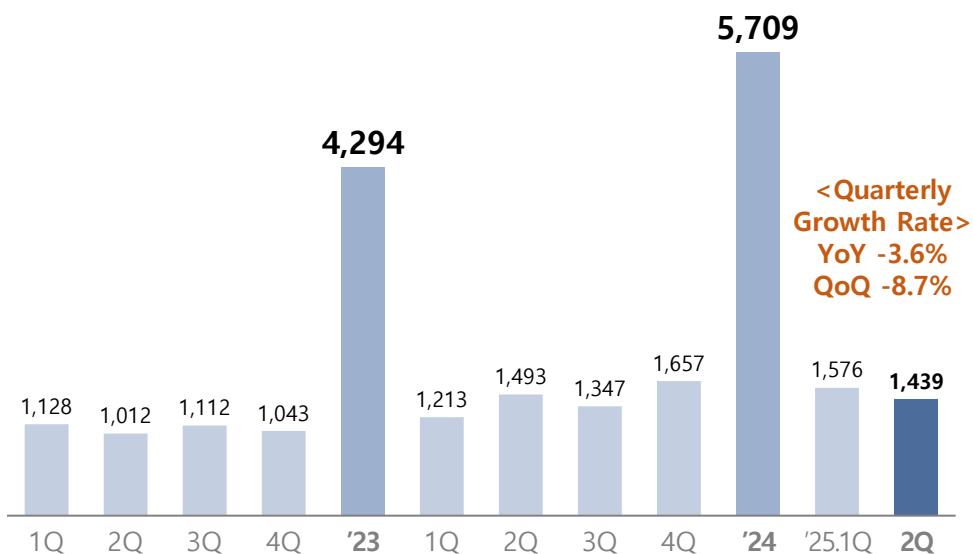
Consolidated Financial Performance of Q2 2025

Investor Relations 2025

- **Sales:** Despite sales growth centered on high-end copper foil products and a volume expansion of major OLED products, sales decreased by 3.6% YoY and 8.7% QoQ to KRW 143.9 billion due to a decline in sales from volume adjustments by battery copper foil customers.
- **EBITDA:** Fixed cost burden was increased due to lower sales, but thanks to increased sales of high-margin products and cost reduction activities (in power & expenses), EBITDTA decreased by 60.0% YoY and increased by 52.9% QoQ to KRW 2.6 billion.

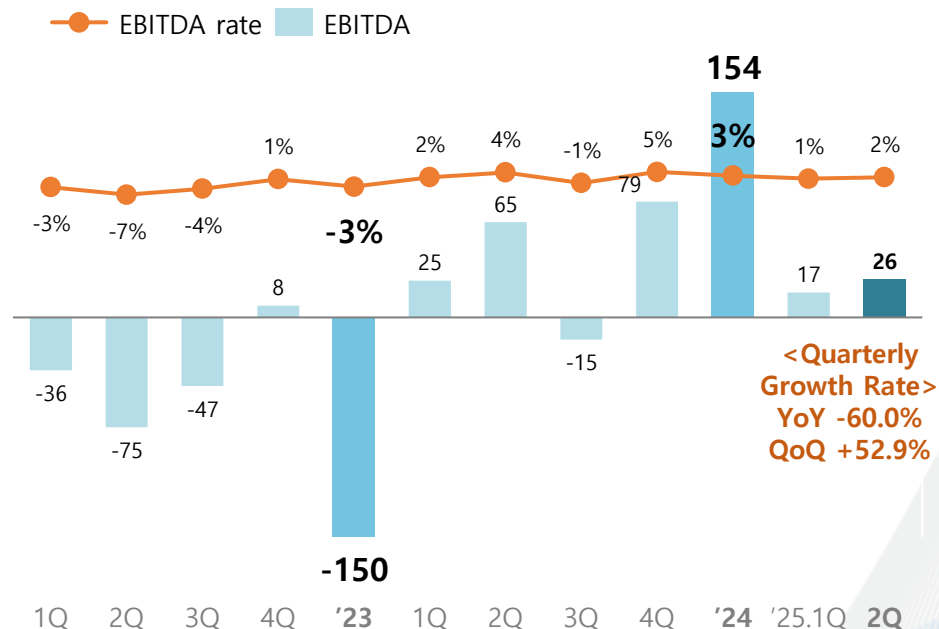
Sales Trend

(Unit: KRW 100 million)



EBITDA (rate) Trend

(Unit: KRW 100 million)



Q2 2025 Performance and Plans by Business Division

Investor Relations 2025

Performance for Q2 2025

- **Battery copper foil:** Sales decreased by 23.1% QoQ and by 31.1% YoY due to a decrease in supply volume caused by volume adjustments by main customers.
- **Copper foil:** Demand for high-end products for AI accelerators is robust, but sales were down by 2.9% QoQ, yet increased by 31.7% YoY due to volume adjustments by customers.
- **OLED:** Sales grew by 7.1% QoQ and declined by 1.5% YoY as customers in Korea and abroad acquired volumes as their new products entered mass production.

Plan for 2025

- **Battery copper foil business:** Identifying opportunities in line with customers' business strategies and starting to supply to new customers; Continuing efforts to diversify the product portfolio by securing new customers and expanding supply of high-end products
- **OLED business:** Expanding supply of flagship items for IT devices, and continuing efforts to expand the portfolio

(Unit: KRW 100 million)

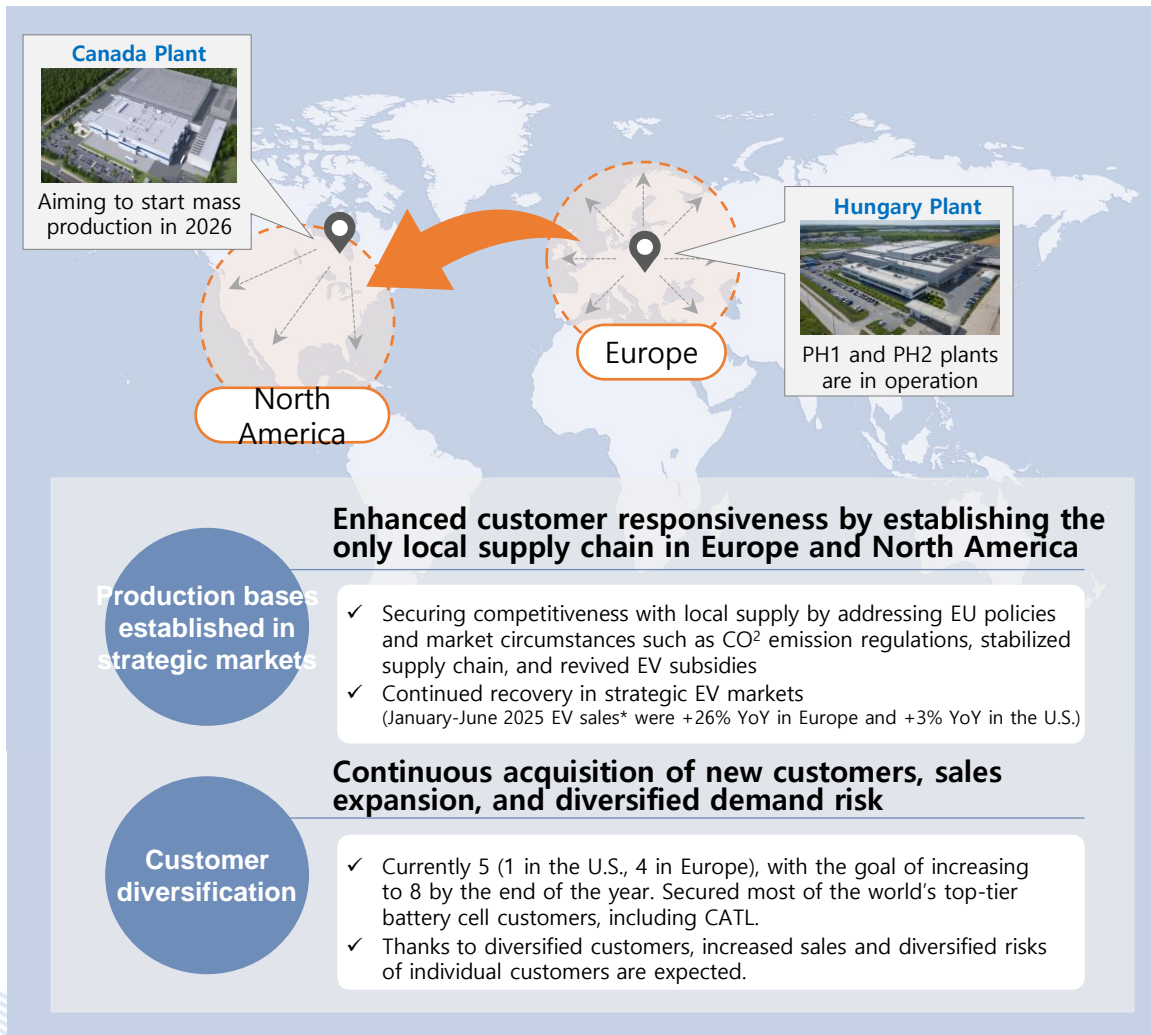
Classification	Q2 2025	QoQ		YoY	
		Q1 2025	Growth Rate	Q2 2024	Growth Rate
Sales	1,439	1,576	-8.7%	1,493	-3.6%
Battery copper foil	460	598	-23.1%	668	-31.1%
Copper foil	661	681	-2.9%	502	+31.7%
OLED	318	297	+7.1%	323	-1.5%
EBITDA (%)	26 (1.8%)	17 (1.1%)	+52.9%	65 (4.4%)	-60.0%
Operating income (%)	-150 (-10.4%)	-153 (-9.7%)	+2.0%	-105 (-7.0%)	-43.3%

Key Strategies of the Battery Copper Foil Business Division

Investor Relations 2025

Enhance customer responsiveness and continue to acquire new customers by leveraging the only local production base in Europe and North America

→ This business is likely to be the first to turn around when the growth of the EV market is in full swing.



Product competitiveness & business scalability

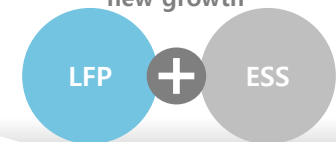
- ✓ **Achieving the lowest thickness, highest strength and highest elongation**
Growing demand for high-end battery copper foil based on advanced manufacturing technology
- Demand for continuous improvement in battery efficiency and reliability

<Strengths of Solus Advanced Materials' Battery Copper Foil Products>

THIN Lowest 4.5μm (General purpose: 8 μm)	STRENGTH Maximum strength 70 kgf/mm ² (General purpose: 30-40 kgf/mm ²)
LONG "Flawless" up to 30+ km	ELONGATION Maximum elongation 15% (General purpose: 8%)

- ✓ **Creating opportunities as customers evolve their business strategies**

Stabilize supply chains, reduce costs and drive new growth



"Expanding demand for battery copper foil and strengthening collaboration in development"

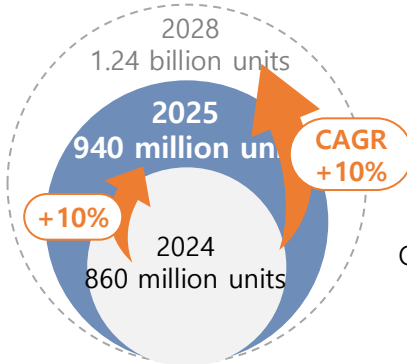
Key Strategies of the OLED Business Division

Investor Relations 2025

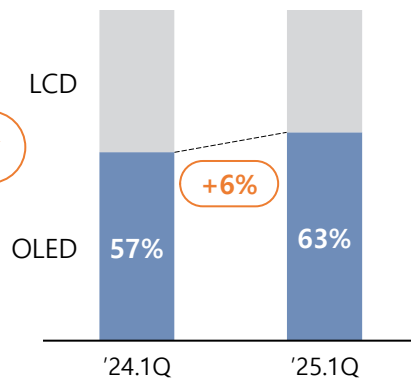
Continuous expansion of the OLED business portfolio and increased supply of products in line with demand trends
 → Planning to achieve higher sales in the second half of the year by enhancing cooperation with customers on OLED materials for smartphones, which account for approximately 64% of the OLED market, and OLED materials for IT products, in which OLED adoption is increasing

Growth of OLED Market for Smartphones

① Shipment forecast of OLED for smartphones



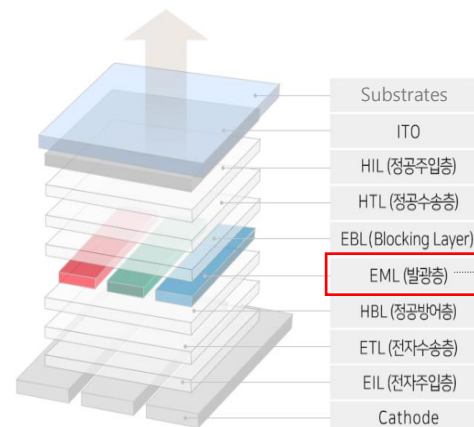
② Percentage of OLEDs for smartphones



- **OLED shipments for smartphones in 2025 expected to grow 10% YoY to 940 million units**
 → By 2028, shipments are projected to reach 1.24 billion units (CAGR of 10%)
- **OLED share of the smartphone market grew 6% YoY to 63% in Q1 2025**
 → OLED-applied products expected to account for 100% of Apple's and 84% of Samsung Electronics

Strategy

- **Continuing efforts to expand the OLED business portfolio, including HBL and ETL for IT, new low-κ materials, and QD-Ink**
 - All-out effort for mass production within the year in line with the on-device AI trend
- **ph. Green Host approved by customers**
 - Global OLED light emitting material market expected to continue to grow (USD 28.6 billion in 2025 to USD 37.2 billion in 2029 with a CAGR of 6.7%)
 - Planning to expand the emissive layer business based on its own technology



<OLED Structure>

Plus Advanced Material ph. Green Host

- ✓ Proprietary IP rights
- ✓ Competitive pricing
- ✓ Low voltage & high efficiency
- ✓ Long-life, high-performance devices

* "2025 Annual Report on Small OLED Displays" by UBI Research

* "Share of LCD, flexible and rigid OLED shipments for smartphones by quarter" by OMDIA

Summary Consolidated Statement of Financial Position

Investor Relations 2025

(KRW 100 million)

Classification	Dec. 2021	Dec. 2022	Dec. 2023	Dec. 2024	Jun. 2025
Current assets	3,945	5,080	5,643	5,972	4,860
Non-current assets	6,171	9,530	11,424	14,822	15,146
Total assets	10,116	14,610	17,067	20,794	20,006
Current liabilities	2,926	4,221	5,680	8,236	7,857
Non-current liabilities	1,968	1,208	805	1,643	2,365
Total liabilities	4,894	5,429	6,485	9,879	10,222
Capital stock	40	45	45	91	91
Total shareholders' equity	5,222	9,181	10,582	10,915	9,784
Debt ratio	94%	59%	61%	91%	104%
[Borrowings]					
Borrowings	2,995	3,520	3,746	7,645	7,791
Cash	1,396	1,628	2,741	1,751	964
Net borrowings	1,599	1,893	1,006	5,894	6,828

※ The above data for jun.2025 is based on unaudited financial statements.

Summary Consolidated Comprehensive Income Statement

Investor Relations 2025

(단위 : 억원)

Classification	2021	2022	2023	2024					2025	
				1Q	2Q	3Q	4Q	계	1Q	2Q
Sales	3,803	4,612	4,294	1,213	1,493	1,347	1,657	5,709	1,576	1,439
Battery foil	378	1,127	1,546	463	668	550	802	2,483	598	460
Copper foil	2,036	1,805	1,636	437	502	493	531	1,962	681	661
Electronic materials	950	1,251	1,112	313	323	304	324	1,264	297	318
Bio	440	429	-							
Cost of sales	3,028	4,158	4,122	1,108	1,379	1,286	1,535	5,307	1,460	1,331
Gross profit	775	454	172	105	114	61	123	402	116	108
SG&A	725	906	904	245	218	248	236	946	269	258
Operating profit	50	-452	-732	-140	-105	-187	-113	-544	-153	-150
(%)	1.3%	-9.8%	-17.0%	-11.5%	-7.0%	-13.9%	-6.8%	-9.5%	-9.7%	-10.4%
Gains (losses) on interest	-45	-67	-163	-41	-50	-43	-61	-194	-49	-59
Gain (losses) on foreign currency transactions	81	113	-3	-5	2	-3	22	16	-10	-31
Gain (losses) on foreign currency translation	15	58	-7	121	82	-184	404	423	-91	-423
Net income before corporate tax	36	-367	1,884	-73	-81	-423	204	-374	-293	-630
Corporate tax	9	71	625	17	18	-60	77	53	27	-107
Profit (losses) from continuing operations	27	-438	1,259	-91	-99	-363	126	-427	-319	-523
Profit (losses) from discontinued operations	-25	-34	9	-	-	-	-			
Net income	2	-472	1,268	-91	-99	-363	126	-427	-319	-523
Net Income of controlling shareholders	119	-113	1,875	17	3	-217	244	46	-157	-410

※ The above data for 2025 2Q is based on unaudited financial statements.

※ Due to the disposal of Solus Biotech, discontinued business (bio) was excluded from sales from 1Q 2023 and classified as discontinued operating profit (losses).

Solus Advanced Materials Co., Ltd.

www.solusadvancedmaterials.com