

We Find Answers Planet Wide

POSCO International

'25.2Q Earnings Release

('25.07.31.)



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Table of Contents

I. '25.2Q Results

II. Key developments

APPENDIX

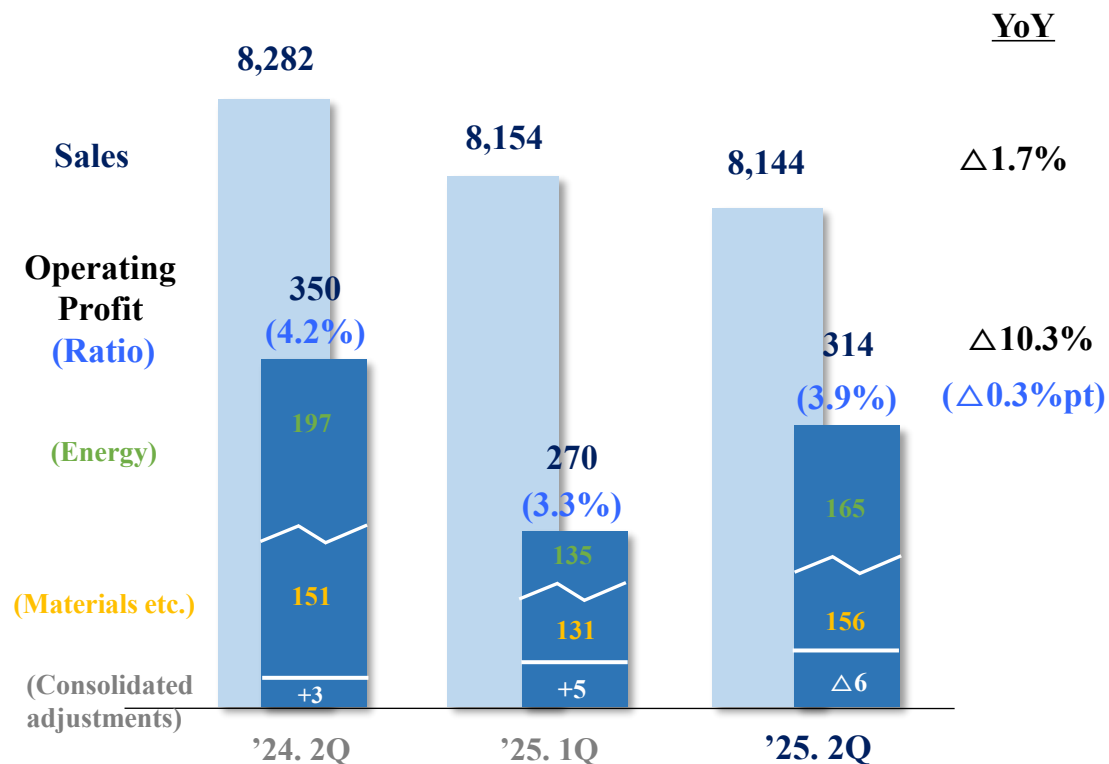


I. '25.2Q Results

Earnings trend

YoY profit decline during strong E&P and weak power gen. biz.

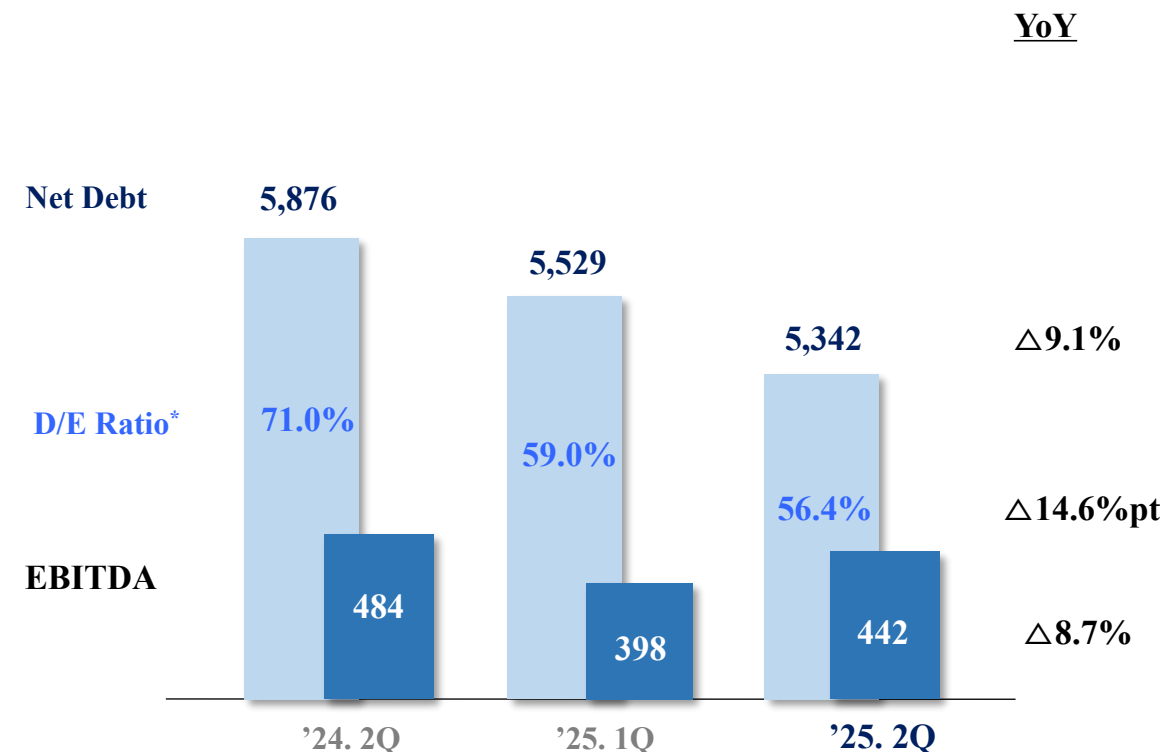
(Unit : KRW Billion)



Financial trend

Improved financial stability driven by lower debt & net debt ratio

(Unit : KRW Billion)



*(Net Debt – Cash on Hand)/Stockholder's Equity

I. '25.2Q Results – Energy

E&P & terminal gains offset decline in power generation biz.

E & P

Biz. Performance

(KRW billion)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
Myanmar gas field	Sales	191	150	202	+5.7
	Operating profit	138	87	140	+1.6
SENEX	Sales	64	81	90	+41
	Operating profit	9	10	10	+12.6

KPI

Sales volume(bcf)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
Myanmar gas field		42.2	46.2	43.1	+2.1
SENEX		6	7.4	8	+33.3

Major Changes

- Myanmar : Higher demand lifts sales and operating income
- SENEX : Improved sales and profit from gradual ramp-up of expanded facilities

Terminal · Pwr Generation

Biz. Performance

(KRW billion)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
Terminal	Sales	31	28	33	+6.2
	Operating profit	7	8	10	+44.9
Power Generation	Sales	574	465	480	△16.3
	Operating profit	47	32	14	△69.6

KPI

(%)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(pt)
Terminal turnover rate		61.2	36.9	46.4	△14.8
Generation utilization rate		44.8	33.8	36.5	△8.3

Major Changes

- Terminal : Sales & profit increase from new, additional leases including EWP & POSCO
- Pwr. Gen. : Decline in high-margin generation and SMP (▽3.4/kWh), higher reserve ratio(+2.8%p)

I. '25.2Q Results – Material

YoY profit growth & EV motor core turnaround despite raw material market & EV chasm impacts

Material

Biz. Performance

(KRW Billion)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
Steel	Sales	3,676	3,721	3,678	+0.1
	Operating profit	61	50	85	+40
Materials & Bio Resources	Sales	2,319	2,239	2,117	△8.7
	Operating profit	22	24	15	△34.3

Major Changes

- Steel : Expanded sales from new long-distance biz. & favorable EUR exchange rate
- Materials & Bio : Volume decline due to 2Q unloading suspension (fuel & port inspections)

EV Motor core*

*POSCO Mobility Solution motor core biz.

Biz. Performance

(KRW Billion)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
EV Motor core	Sales	81	83	93	+14.5
	Operating profit	△0.1	3	7	Turned to profit

KPI

(10K Units)		'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
EV Motor core	Domestic sales	36.9	38.3	44.9	+21.7
	Overseas sales	5.7	8.8	9.5	+66.7
Sum		42.6	47.1	54.4	+27.7

Major Changes

- HEV sales offset EV slowdown from ongoing chasm, boosting overall revenue
- Improved profit due to process optimization, loss reduction & fixed cost savings

Table of Contents

I. '25.2Q Results

II. Key developments

APPENDIX



II. Key development – Energy

Ongoing growth of energy business via full value chain integration

[UP] Myanmar gas field stage 4

Stage 4 in progress after completing stage 3, with gas production scheduled for July 2027

- **Stage 3 : Enhanced productivity & recovery rate at existing wells**
 - Commercial production began in May '24 following completion of the gas compression platform installation
- **Stage 4 : Discovered additional reserves (0.9 Tcf) in new & existing gas fields**
 - Front-end engineering design completed; detailed engineering underway following commencement of main construction in July 2024
 - Korea's 1st deep-sea gas field development PJT, enabling capability enhancement & localization

Signing ceremony held for drilling rig contract for Stage 4 development('25.5)

- 'Bluewhale 1' : Length/width/height 123/93/118m, world's largest ultra deepwater drilling rig(built CIMC Raffles Offshore)
- Drilling of 4 production wells scheduled to begin in January 2026, with operations expected to take approximately 1 year



[MID] LNG dedicated vessel ('25.5)

Scheduled to commence full operations in 2H, leveraging N. American long-term contract-based LNG shipping infrastructure

- 'HL FORTUNA' : Length/width 299/46m, capacity 174K^m
(HD Hyundai Samho Heavy Industries, 2025–2042 contract)
- Plans to introduce additional vessels to expand synergies across related industries
 - **Additional vessels to be secured after 2030** for LNG import & trading
 - **Midstream expansion**, including LNG bunkering and related operations



[DOWN] Strategic alignment with the government's shift toward renewable energy

Biz. opportunities expanding under new gov's renewable energy expansion policy

- **Strengthen renewable E. biz. in response to gov. led regulatory reforms & large-scale investment incentives**
 - Offshore wind: Participate in equity investments of global developer PJT (F/S through~Oct.'25)
Submit final application for ShinanPJT environmental impact assessment by Q4
 - Solar: Review rooftop solar PJTs for POSCO G. affiliates in line w/ RE100 industrial complex plans
- **Preparing to participate in '25 Clean hydrogen power bidding for units #3,4 hydrogen co-firing PJT**
 - Review clean hydrogen supply options
 - Conduct tech. assessments of hydrogen supply infrastructure & engage in bid advisory ※ CHPS bidding deadline : '25.10.17

II. Key development – Material

Strengthen competitiveness & seize future markets through palm v/c expansion

[UP] Improved performance of palm plantation

Strong results for palm biz. due to higher yields & rising CPO prices

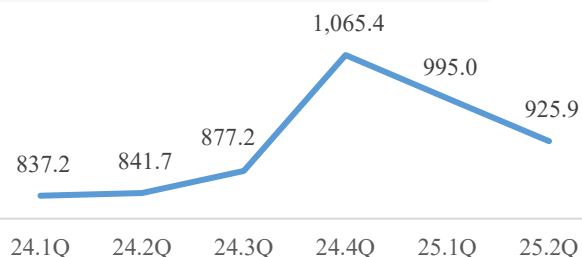
- Significant increase in sales and OP profit on strong harvest & high CPO prices

(KRW Billion)	'24. 2Q	'25. 1Q	'25. 2Q	YoY(%)
Sales	59	72	95	+62
Operating profit	27	31	41	+53

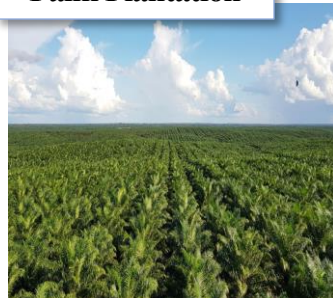
- Key drivers of rise in CPO prices

- CPO prices remained firm due to the U.S. Renewable Fuel Standard (RFS*), rising soybean oil prices due to tensions in the Middle East, steady demand expected to support price in 2H

Quarterly CPO Price (US\$/MT)



Palm Plantation



* Mandated volumes : 20.9B gallons in '23, 21.5B gallons in '24, 22.3B gallons in '25

[MID] Palm refining plant under construction

Value chain expansion through palm oil refinery in Indonesia

- Overview : 500K tons/yr palm oil refining capacity, US\$ 210M PJT cost, 60% ownership
- Objective : Profit growth & portfolio diversification via palm v/c expansion
 - Strategic foothold for entering high-growth downstream sectors (biofuel, food, oleochemicals)

- Refining process



Crude Tank Degum Bleach Deodorization Fractionation Product Tank

Construction in progress for commercial operation by end of 2025

- Overall progress reached 92.5% as of end-Q2
 - Major workstreams include structural steel, piping, and electrical works; tank fabrication & installation; acquisition of essential certifications
- Completion & operational setup planned for Q3, followed by commissioning & commencement of commercial sales in Q4
 - Key activities: Recruitment & system setup(Q3); completion approval & biz. license acquisition (Q4)

Q & A

Table of Contents

I. '25.2Q Results

II. Key developments

APPENDIX



'25.2Q Financial Statements

Income Statement

(KRW Billion)		2024				2024	2025		YoY (%)
		1Q	2Q	3Q	4Q		1Q	2Q	
Sales		7,761	8,282	8,356	7,942	32,341	8,154	8,144	△1.7%
Operating Profit	S u m	265	350	357	145	1,117	270	314	△10.3%
	Material	127	150	163	66	499	135	156	+3.3%
	E n e r g y	139	200	195	79	618	135	165	△16.3%
(Ratio)		3.4%	4.2%	4.3%	1.8%	3.5%	3.3%	3.9%	+0.6%pt
Other Profit/Loss		△20	△83	△43	△265	△410	△4	△187	+126.6%
Profit Before Tax		246	267	314	△120	707	267	127	△52.6%
Income Tax		63	78	76	△13	203	63	36	△53.5%
Net Income		183	190	238	△107	503	204	91	△52.3%

Balance Sheet

(KRW Billion)		2024				2025		YoY (%)
		1Q	2Q	3Q	4Q	1Q	2Q	
Assets		17,031	17,211	17,335	17,336	17,328	16,956	△1.5%
Cash & Cash equivalents		1,016	912	954	1,057	1,210	1,245	+36.5%
AR(Net)		4,340	4,377	4,386	4,183	3,995	3,878	△11.4%
Liability		10,339	10,217	10,044	9,987	10,001	9,686	△5.2%
AP		2,281	2,346	2,215	2,098	2,280	2,226	△5.1%
Loan(Net)		5,910	5,876	5,865	5,894	5,529	5,342	△9.1%
Stockholder's Equity		6,692	6,994	7,291	7,350	7,327	7,270	+4.0%
(Net Debt Ratio)		73.1%	71.0%	67.4%	65.8%	59%	56.4%	△2.6%pt

사람과 사람을 이어갑니다

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Thank You

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