PRESS RELEASE

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Note to Editor
LOTTE Chemical Titan Holding Berhad is a subsidiary of LOTTE Chemical Corporation under the LOTTE Group

LOTTE Chemical Titan Reports Revenue Increase in Q2 2026

PETALING JAYA, 6 August 2026 – LOTTE Chemical Titan Holding Berhad (LCT) today announced its financial results for the second quarter ended 30 June 2026 (Q2 FY2026).

Revenue for the quarter stood at RM 3,108 million, reflecting a 116% increase from RM 1,436 million in Q2 2025. The revenue growth was mainly driven by additional contribution from LOTTE Chemical Indonesia New Ethylene (LINE) Project, which commenced commercial operations in October 2025, as well as a higher average selling price this quarter. The Group's performance was partially offset by the weakening of US Dollar against Ringgit Malaysia. The Group recorded an average plant utilisation of 50%, compared with 46% in the corresponding quarter. This improvement is mainly attributable to the additional production from LINE Project.

The loss before tax widened from RM 191 million in Q2 2025 to RM 396 million in Q2 2026. The increase was primarily due to inventory write-downs to net realisable value, together with additional depreciation and interest expenses associated with LINE Project. These were partially offset by improved product margins earlier in the quarter, supported by higher product prices and share of profit from an associate company, Lotte Chemical USA Corporation.

On a quarter-to-quarter basis, the Group experienced a 23% increase in revenue from RM 2,529 million to RM 3,108 million in this quarter, mainly driven by higher average selling prices, but was partially offset by lower sales volume. Average plant utilisation decreased from 61% in Q1 2026 to 50% in Q2 2026.

The Group's loss before tax increased from RM 230 million in Q1 2026 to RM 396 million in Q2 2026, mainly due to inventory write-downs to net realisable value, partially offset by profit contribution from associate company, Lotte Chemical USA Corporation.

Chairman and CEO, Mr Jang Seon Pyo, observed, "Our business continues to be affected by global geopolitical tensions and macroeconomic uncertainties, resulting in a challenging operating environment. These conditions have disrupted global supply chains, weighed on market sentiment, and contributed to volatility in crude oil, naphtha prices and average selling prices. In addition, regional markets continue to face supply-demand imbalances and pricing pressures as capacity additions outpace demand growth.

He further commented, "We will closely monitor the geopolitical and market developments, and adapt our operations to achieve our business objectives and meet stakeholders' expectations. We remain committed to strengthening our presence in key regional markets, especially in Malaysia, Indonesia, and across Southeast Asia. With regional GDP growth expected to remain measured, we will continue to navigate the current cycle with prudence."

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About LOTTE Chemical Titan Holding Berhad

LOTTE Chemical Titan Holding Berhad (LCT or Company) is the subsidiary of LOTTE Chemical Corporation under the LOTTE Group. Established in 1991, the Company is Malaysia's first standalone polyolefins producer and one of the largest integrated olefin and polyolefin producers in Malaysia and Southeast Asia.

LCT aims to create a better world and cater to the needs of people by enhancing their quality of life. LCT produces two principal product categories: olefins & other derivatives and polyolefins. The Company is in people's everyday life as polyolefins, which comprise polyethylene (PE) and polypropylene (PP), are the most basic building blocks in the plastic fabrication industry. PE and PP are common materials for producing products ranging from daily necessities, e.g. electrical appliances, consumer packaging, and household products, to industrial materials, e.g. automotive parts, textile, general industrial applications, healthcare, and agricultural products.

LCT's production site in Malaysia consists of 12 plants located on two sites in Pasir Gudang and Tanjung Langsat, Johor, and owns a 40% stake in LOTTE Chemical USA Corporation in Houston, Texas, which operates 2 plants. PT LOTTE Chemical Titan Nusantara operates 3 polyethylene plants in Indonesia. LOTTE Chemical Indonesia New Ethylene (LINE) Project, which operates 5 plants, commenced commercial operations on 15 October 2025.

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