

# **Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**

Consolidated financial statements  
for the period ended March 31, 2022  
(Unaudited)



**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of financial position**  
**as of March 31, 2022 and December 31, 2021**  
(Korean won in units)

	<b>2022-03-31</b>	<b>2021-12-31</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	₩ 448,121,784,547	₩ 181,015,315,864
Short-term investment securities	300,027,149	-
Trade and other accounts receivables, net	1,017,397,352,033	794,291,436,567
Prepaid expenses	19,752,861,972	20,851,736,570
Other current assets	1,648,653,405	1,212,667,071
Inventories, net	2,203,205,939,318	1,856,113,596,189
Total current assets	<u>3,690,426,618,424</u>	<u>2,853,484,752,261</u>
<b>Non-current assets:</b>		
Long-term investment securities	8,445,866,766	8,458,871,766
Long-term loans	683,333,364	1,183,333,360
Long-term accounts receivables, net	44,031,486,002	42,088,244,197
Long-term prepaid expenses	727,648,780	801,723,057
Property, plant and equipment, net	4,385,554,487,619	4,474,108,177,289
Intangible assets, net	31,265,317,707	30,667,998,330
Defined benefit assets, net	3,009,303,606	6,470,790,095
Other non-current assets	14,500,000	14,500,000
Deferred tax assets	18,285,498,682	18,313,012,727
Total non-current assets	<u>4,492,017,442,526</u>	<u>4,582,106,650,821</u>
<b>Total assets</b>	<u>₩ <b>8,182,444,060,950</b></u>	<u>₩ <b>7,435,591,403,082</b></u>

(Continued)

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of financial position**  
**as of March 31, 2022 and December 31, 2021**  
(Korean won in units)

	<b>2022-03-31</b>	<b>2021-12-31</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade and other accounts payable	₩ 1,504,924,705,488	₩ 997,068,571,045
Short-term borrowings	451,490,578,305	520,880,396,330
Current portion of bonds payable and long-term borrowings	665,032,712,440	324,144,876,464
Dividends payable	441,030,000,000	-
Income tax payable	154,212,065,788	224,536,618,366
Other current liabilities	30,080,228,494	42,686,899,701
<b>Total current liabilities</b>	<b>3,246,770,290,515</b>	<b>2,109,317,361,906</b>
<b>Non-current liabilities:</b>		
Bonds payable, net	1,171,094,566,931	1,061,630,636,013
Long-term borrowings	259,105,678,302	410,080,778,963
Long-term other accounts payable	181,138,489	180,772,009
Other non-current liabilities	10,774,213,058	10,435,273,405
<b>Total non-current liabilities</b>	<b>1,441,155,596,780</b>	<b>1,482,327,460,390</b>
<b>Total liabilities</b>	<b>4,687,925,887,295</b>	<b>3,591,644,822,296</b>
<b>Equity</b>		
Equity attributable to equity holders of the Company:		
Issued capital	95,826,580,000	95,826,580,000
Share premium	864,898,306,667	864,898,306,667
Accumulated other comprehensive income	8,897,829,105	4,528,011,728
Retained earnings	2,524,895,457,883	2,878,693,682,391
	3,494,518,173,655	3,843,946,580,786
Non-controlling interests	-	-
<b>Total equity</b>	<b>3,494,518,173,655</b>	<b>3,843,946,580,786</b>
<b>Total liabilities and equity</b>	<b>₩ 8,182,444,060,950</b>	<b>₩ 7,435,591,403,082</b>

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of comprehensive income**  
**for the period ended March 31, 2022 and 2021**  
(Korean won in units)

	<b>2022 Q1 YTD</b>	<b>2021 Q1 YTD</b>
Revenue	₩ 3,087,821,135,552	₩ 2,100,916,989,236
Cost of sales	2,808,255,807,131	1,692,221,949,845
<b>Gross profit</b>	<b>279,565,328,421</b>	<b>408,695,039,391</b>
Selling and administrative expenses	81,261,556,350	61,334,645,551
<b>Operating profit (loss)</b>	<b>198,303,772,071</b>	<b>347,360,393,840</b>
Finance income	57,676,518,724	52,530,840,830
Finance costs	136,794,338,334	79,908,619,047
Other non-operating income	2,016,745,452	4,079,871,449
Other non-operating expenses	2,832,122,409	2,128,962,553
<b>Profit (loss) before income tax</b>	<b>118,370,575,504</b>	<b>321,933,524,519</b>
Income tax expense (recovery)	31,138,800,012	84,354,143,803
<b>Profit (loss) for the period</b>	<b>₩ 87,231,775,492</b>	<b>₩ 237,579,380,716</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Net gain on valuation of interest rate swaps	3,818,870,667	1,152,540,287
Exchange differences on translation of foreign operations	550,946,710	741,355,706
<b>Net other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</b>	<b>₩ 4,369,817,377</b>	<b>₩ 1,893,895,993</b>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Remeasurement loss on defined benefit plan	-	(498,857,013)
OCI-net gain (loss) on valuation of financial instruments measured at FVOCI	-	(1,489,358,514)
<b>Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</b>	<b>₩ -</b>	<b>₩ (1,489,358,514)</b>
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>4,369,817,377</b>	<b>404,537,479</b>
<b>Total comprehensive income (loss) for the period, net of tax</b>	<b>₩ 91,601,592,869</b>	<b>₩ 237,485,061,182</b>
Profit (loss) attributable to:		
Equity holders of the Company	87,231,775,492	237,579,380,716
Non-controlling interests	-	-
	<u>₩ 87,231,775,492</u>	<u>₩ 237,579,380,716</u>
Total comprehensive income (loss) attributable to:		
Owners of the parent	91,601,592,869	237,485,061,182
Non-controlling interests	-	-
	<u>₩ 91,601,592,869</u>	<u>₩ 237,485,061,182</u>
<b>Earnings per share:</b>		
Basic and diluted, profit (loss) for the period	₩ 4,552	₩ 12,396

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of changes in equity**  
**for the period ended March 31, 2022 and 2021**

(Korean won in units)

	Issued capital	Share premium	Accumulated other comprehensive income	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
As of January 1, 2021	₩ 95,826,580,000	₩ 864,898,306,667	₩ 5,078,280,408	₩ 2,490,976,482,487	₩ 3,456,779,649,562	₩ -	₩ 3,456,779,649,562
Profit (loss) for the period	-	-	-	237,579,380,716	237,579,380,716	-	237,579,380,716
Net gain on valuation of interest rate swaps	-	-	1,152,540,287	-	1,152,540,287	-	1,152,540,287
Exchange differences on translation of foreign operations	-	-	741,355,706	-	741,355,706	-	741,355,706
Re-measurement loss on defined benefit plan	-	-	-	(498,857,013)	(498,857,013)	-	(498,857,013)
OCI-net gain on valuation of financial instruments measured at FVOCI	-	-	(1,489,358,514)	-	(1,489,358,514)	-	(1,489,358,514)
Total comprehensive income for the period	-	-	404,537,479	237,080,523,703	237,485,061,182	-	237,485,061,182
Dividend	-	-	-	(57,459,000,000)	(57,459,000,000)	-	(57,459,000,000)
<b>As of March 31, 2021</b>	<b>₩ 95,826,580,000</b>	<b>₩ 864,898,306,667</b>	<b>₩ 5,482,817,887</b>	<b>₩ 2,670,598,006,190</b>	<b>₩ 3,636,805,710,744</b>	<b>₩ -</b>	<b>₩ 3,636,805,710,744</b>
As of January 1, 2022	₩ 95,826,580,000	₩ 864,898,306,667	₩ 4,528,011,728	₩ 2,878,693,682,391	₩ 3,843,946,580,786	₩ -	₩ 3,843,946,580,786
Profit (loss) for the period	-	-	-	87,231,775,492	87,231,775,492	-	87,231,775,492
Net gain on valuation of interest rate swaps	-	-	3,818,870,667	-	3,818,870,667	-	3,818,870,667
Exchange differences on translation of foreign operations	-	-	550,946,710	-	550,946,710	-	550,946,710
Total comprehensive income for the period	-	-	4,369,817,377	87,231,775,492	91,601,592,869	-	91,601,592,869
Dividend	-	-	-	(441,030,000,000)	(441,030,000,000)	-	(441,030,000,000)
<b>As of March 31, 2022</b>	<b>₩ 95,826,580,000</b>	<b>₩ 864,898,306,667</b>	<b>₩ 8,897,829,105</b>	<b>₩ 2,524,895,457,883</b>	<b>₩ 3,494,518,173,655</b>	<b>₩ -</b>	<b>₩ 3,494,518,173,655</b>

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of cash flows**  
**for the period ended March 31, 2022 and 2021**  
(Korean won in units)

	<b>2022 Q1 YTD</b>	<b>2021 Q1 YTD</b>
<b>Cash flows from operating activities</b>		
Profit (loss) for the period	₩ 87,231,775,492	₩ 237,579,380,716
Non-cash adjustments to reconcile profit (loss) for the period to net cash flows	228,364,578,988	223,829,592,365
Changes in assets and liabilities arising from operating activities	(55,233,907,340)	(332,931,616,137)
Interest received	305,502,696	235,805,864
Income taxes paid	(101,441,570,447)	(7,758,717,799)
<b>Net cash flows provided by operating activities</b>	<b>159,226,379,389</b>	<b>120,954,445,009</b>
<b>Cash flows from investing activities</b>		
Decrease in short-term investment securities	-	70,000,000,000
Increase in short-term investment securities	(300,027,149)	-
Decrease in long-term loans	499,999,996	12,683,998
Proceeds from disposal of long-term investment securities	13,005,000	46,372,655
Decrease in long-term accounts receivable	197,106,584	-
Increase in long-term accounts receivable	(23,000,000)	-
Proceeds from disposal of property, plant and equipment	12,558,627	757,789,276
Acquisition of property, plant and equipment	(51,184,403,842)	(73,281,984,682)
Proceeds from disposal of intangible assets	105,000,000	-
Settlement of derivatives	(46,140,170,758)	(2,708,365,037)
Increase in deposits received	1,200,000	-
Decrease in deposits received	(1,450,746)	(122,575,639)
<b>Net cash flows used in investing activities</b>	<b>(96,820,182,288)</b>	<b>(5,296,079,429)</b>
<b>Cash flows from financing activities</b>		
Net increase in short-term borrowings	(69,383,822,393)	46,286,066,887
Repayment of current portion of long-term bonds and long-term borrowings	(1,348,878,052)	(111,202,873,577)
Increase in bonds payable	288,885,060,000	-
Interest paid	(13,065,588,611)	(16,839,729,362)
<b>Net cash flows used in financing activities</b>	<b>205,086,770,944</b>	<b>(81,756,536,052)</b>
Net increase (decrease) in cash and cash equivalents	267,492,968,045	33,901,829,528
Cash and cash equivalents at the beginning of the period	181,015,315,864	231,451,124,896
Net foreign exchange difference	(386,499,362)	267,269,697
<b>Cash and cash equivalents at the end of the period</b>	<b>₩ 448,121,784,547</b>	<b>₩ 265,620,224,121</b>