

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries

Consolidated financial statements
for the period ended September 30, 2024
(Unaudited)



Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
as of September 30, 2024 and December 31, 2023

(Korean won in units)

	<u>2024-09-30</u>	<u>2023-12-31</u>
Assets		
Current assets:		
Cash and cash equivalents	₩ 218,732,755,907	₩ 144,980,560,156
Trade and other accounts receivables, net	1,012,312,183,320	1,114,295,507,964
Prepaid expenses	13,918,351,763	24,100,043,640
Current tax assets	743,439,990	1,203,103,480
Other current assets	1,465,026,386	2,710,529,661
Inventories, net	1,805,168,552,141	1,702,147,750,154
Total current assets	<u>3,052,340,309,507</u>	<u>2,989,437,495,055</u>
Non-current assets:		
Long-term investment securities	11,075,275,607	11,075,262,606
Long-term loans	825,465,544	711,739,392
Long-term accounts receivables, net	3,889,270,601	5,739,170,860
Long-term prepaid expenses	122,019,935	318,420,814
Property, plant and equipment, net	4,555,014,192,471	4,735,440,326,346
Intangible assets, net	22,584,567,576	26,746,814,653
Defined benefit assets, net	29,043,077,260	37,880,816,019
Other non-current assets	14,500,000	14,500,000
Deferred tax assets	7,482,826	7,169,621
Total non-current assets	<u>4,622,575,851,820</u>	<u>4,817,934,220,311</u>
Total assets	<u>₩ 7,674,916,161,327</u>	<u>₩ 7,807,371,715,366</u>

(Continued)

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Consolidated statements of financial position
as of September 30, 2024 and December 31, 2023

(Korean won in units)

	<u>2024-09-30</u>	<u>2023-12-31</u>
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other		
accounts payable	₩ 1,553,003,295,113	₩ 1,487,608,814,484
Short-term borrowings	410,954,432,172	422,823,710,906
Current portion of bonds payable		
and long-term borrowings	439,328,451,947	905,720,694,628
Income tax payable	355,394,090	411,970,315
Other current liabilities	29,242,127,580	25,525,724,828
Total current liabilities	<u>2,432,883,700,902</u>	<u>2,842,090,915,161</u>
Non-current liabilities:		
Bonds payable, net	1,032,982,597,033	778,373,715,070
Long-term borrowings	557,485,887,090	336,133,013,846
Long-term other accounts payable	26,420,575,686	8,525,211,837
Other non-current liabilities	10,207,835,354	9,248,815,439
Deferred tax liabilities	58,841,563,920	107,958,088,485
Total non-current liabilities	<u>1,685,938,459,083</u>	<u>1,240,238,844,677</u>
Total liabilities	4,118,822,159,985	4,082,329,759,838
Equity		
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	401,001,732,394	404,703,113,359
Retained earnings	2,194,367,382,281	2,359,613,955,502
	<u>3,556,094,001,342</u>	<u>3,725,041,955,528</u>
Non-controlling interests	-	-
Total equity	3,556,094,001,342	3,725,041,955,528
Total liabilities and equity	₩ 7,674,916,161,327	₩ 7,807,371,715,366

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of comprehensive income
for the period ended September 30, 2024 and 2023
(Korean won in units)

	2024 Q3 YTD	2023 Q3 YTD
Sales	₩ 8,988,932,084,898	₩ 8,768,694,391,107
Cost of goods sold	8,851,755,864,230	8,467,874,690,211
Gross profit (loss)	137,176,220,668	300,819,700,896
Selling and administrative expenses	251,902,512,928	237,810,899,333
Operating profit (loss)	(114,726,292,260)	63,008,801,563
Finance income	220,210,912,304	281,066,574,724
Finance costs	297,732,767,828	358,377,091,416
Other non-operating income	13,012,970,990	11,801,214,591
Other non-operating expenses	34,112,474,803	28,554,000,959
Profit (loss) before income tax	(213,347,651,597)	(31,054,501,497)
Income tax expenses (benefits)	(47,885,612,515)	(3,515,954,701)
Profit (loss) for the period	₩ (165,462,039,082)	₩ (27,538,546,796)
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Net gain (loss) on valuation of derivatives	(4,775,406,763)	(3,645,236,601)
Exchange differences on translation of foreign operations	1,289,491,659	405,690,731
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	₩ (3,485,915,104)	₩ (3,239,545,870)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Gain on revaluation of assets	-	-
OCI-net gain (loss) on valuation of financial instruments measured at FVOCI	-	413,977,816,630
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	₩ -	₩ 413,977,816,630
for the period, net of tax	(3,485,915,104)	410,738,270,760
Total comprehensive income for the period, net of tax	₩ (168,947,954,186)	₩ 383,199,723,964
Loss attributable to:		
Owners of the parent	(165,462,039,082)	(27,538,546,796)
Non-controlling interests	-	-
	₩ (165,462,039,082)	₩ (27,538,546,796)
Total comprehensive income attributable to:		
Owners of the parent	(168,947,954,186)	383,199,723,964
Non-controlling interests	-	-
	₩ (168,947,954,186)	₩ 383,199,723,964
Earnings (loss) per share:		
Basic earnings (loss) for the period	₩ (8,633)	₩ (1,437)

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of changes in equity
for the period ended September 30, 2024 and 2023

(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, 2023	₩ 95,826,580,000	₩ 864,898,306,667	₩ 7,961,424,917	₩ 2,521,041,919,315	₩ 3,489,728,230,899	₩ -	₩ 3,489,728,230,899
Loss for the period	-	-	-	(27,538,546,796)	(27,538,546,796)	-	(27,538,546,796)
Net loss on valuation of derivatives	-	-	(3,645,236,601)	-	(3,645,236,601)	-	(3,645,236,601)
Exchange differences on translation of foreign operations	-	-	405,690,731	-	405,690,731	-	405,690,731
OCI-net gain (loss) on valuation of financial instruments measured at FVOCI	-	-	413,977,816,630	-	413,977,816,630	-	413,977,816,630
Total comprehensive income for the period	-	-	410,738,270,760	(27,538,546,796)	383,199,723,964	-	383,199,723,964
Dividend	-	-	-	(68,548,000,000)	(68,548,000,000)	-	(68,548,000,000)
As of September 30, 2023	₩ 95,826,580,000	₩ 864,898,306,667	₩ 418,699,695,677	₩ 2,424,955,372,519	₩ 3,804,379,954,863	₩ -	₩ 3,804,379,954,863
As of January 1, 2024	₩ 95,826,580,000	₩ 864,898,306,667	₩ 404,703,113,359	₩ 2,359,613,955,502	₩ 3,725,041,955,528	₩ -	₩ 3,725,041,955,528
Loss for the period	-	-	-	(165,462,039,082)	# (165,462,039,082)	-	(165,462,039,082)
Net loss on valuation of derivatives	-	-	(4,775,406,763)	-	(4,775,406,763)	-	(4,775,406,763)
Exchange differences on translation of foreign operations	-	-	1,289,491,659	-	1,289,491,659	-	1,289,491,659
Increase (decrease) through transfer between revaluation surplus and retained earnings, equity	-	-	(215,465,861)	215,465,861	-	-	-
Total comprehensive income for the period	-	-	(3,701,380,965)	(165,246,573,221)	(168,947,954,186)	-	(168,947,954,186)
Dividend	-	-	-	-	-	-	-
As of September 30, 2024	₩ 95,826,580,000	₩ 864,898,306,667	₩ 401,001,732,394	₩ 2,194,367,382,281	₩ 3,556,094,001,342	₩ -	₩ 3,556,094,001,342

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of cash flows
for the period ended September 30, 2024 and 2023
(Korean won in units)

	2024 Q3 YTD	2023 Q3 YTD
Cash flows from operating activities		
Loss for the period	₩ (165,462,039,082)	₩ (27,538,546,796)
Non-cash adjustments to reconcile profit for the period to net cash flows	417,369,879,854	374,528,692,177
Working capital adjustments	33,593,415,788	301,193,824,562
Interest received	4,980,417,076	5,564,704,890
Income taxes refund (paid)	(792,672,873)	68,881,372,567
Net cash flows provided by operating activities	289,689,000,763	722,630,047,400
Cash flows from investing activities		
Decrease in long-term loans	78,162,698	115,557,988
Increase in long-term loans	(191,888,850)	(231,000,000)
Acquisition of long-term investment securities	(13,001)	(12,000)
Decrease in guarantee deposits	22,011,264	159,833,889
Increase in guarantee deposits	(7,953,426)	(563,461,017)
Proceeds from disposal of property, plant and equipment	2,689,626,833	3,474,660,525
Acquisition of property, plant and equipment	(194,398,065,929)	(371,394,411,496)
Proceeds from disposal of intangible assets	10,000,000,000	-
Acquisition of intangible assets	(7,221,452,000)	(5,002,954)
Settlement of derivatives	(12,548,755,767)	49,950,157,629
Dividends received	863,745,575	845,797,615
Net cash flows used in investing activities	(200,714,582,603)	(317,647,879,821)
Cash flows from financing activities		
Increase in bonds payable	532,789,963,924	308,808,040,000
Net increase (decrease) in short-term borrowings	(11,074,509,940)	(11,987,756,060)
Repayment of current portion of long-term bonds and long-term borrowings	(845,721,629,245)	(494,015,715,803)
Increase in long-term borrowings	300,000,000,000	150,000,000,000
Increase in deposit withheld	14,885,709	-
Decrease in deposit withheld	(1,078,152)	(16,359,518)
Adjustments for increase in derivative financial liabilities	85,480,000,000	-
Interest paid	(77,186,902,674)	(62,547,874,576)
Dividends paid	-	(68,548,000,000)
Net cash flows used in financing activities	(15,699,270,378)	(178,307,665,957)
Net increase in cash and cash equivalents	73,275,147,782	226,674,501,622
Cash and cash equivalents at the beginning of the period	144,980,560,156	100,254,868,645
Net foreign exchange difference	477,047,969	134,557,622
Cash and cash equivalents at the end of the period	₩ 218,732,755,907	₩ 327,063,927,889