

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
as of September 30, 2023 and December 31, 2022

(Korean won in units)

	<u>2023-09-30</u>	<u>2022-12-31</u>
Assets		
Current assets:		
Cash and cash equivalents	₩ 327,063,927,889	₩ 100,254,868,645
Trade and other accounts receivables, net	1,197,268,275,395	1,086,077,418,034
Prepaid expenses	13,188,443,680	28,280,277,565
Other current assets	10,041,197,114	4,683,937,178
Current tax assets	827,397,360	70,015,223,515
Inventories, net	1,626,813,633,973	1,870,301,452,327
Total current assets	<u>3,175,202,875,411</u>	<u>3,159,613,177,264</u>
Non-current assets:		
Long-term investment securities	10,825,785,962	10,825,773,962
Long-term loans	659,333,388	543,891,376
Long-term accounts receivables, net	5,404,753,048	56,202,601,558
Long-term prepaid expenses	388,620,828	603,041,994
Property, plant and equipment, net	4,730,323,841,285	4,208,751,725,721
Intangible assets, net	25,448,917,783	26,753,531,843
Defined benefit assets, net	52,686,962,578	57,453,593,504
Other non-current assets	14,500,000	14,500,000
Deferred tax assets	-	7,476,939,161
Total non-current assets	<u>4,825,752,714,872</u>	<u>4,368,625,599,119</u>
Total assets	<u>₩ 8,000,955,590,283</u>	<u>₩ 7,528,238,776,383</u>

(Continued)

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	2023-09-30	2022-12-31
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other		
accounts payable	₩ 1,433,871,780,266	₩ 1,396,322,482,310
Short-term borrowings	425,034,777,725	436,270,457,738
Current portion of bonds payable		
and long-term borrowings	984,505,037,681	633,638,699,861
Other current liabilities	22,907,491,323	20,668,805,643
Income tax payable	412,594,176	2,008,662,097
Total current liabilities	2,866,731,681,171	2,488,909,107,649
Non-current liabilities:		
Bonds payable, net	858,110,116,715	1,254,801,155,992
Long-term borrowings	336,929,751,120	283,847,558,236
Long-term other accounts payable	4,632,329,625	2,805,370,753
Other non-current liabilities	8,758,955,777	8,147,352,854
Deferred tax liabilities	121,412,801,012	-
Total non-current liabilities	1,329,843,954,249	1,549,601,437,835
Total liabilities	4,196,575,635,420	4,038,510,545,484
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	418,699,695,677	7,961,424,917
Retained earnings	2,424,955,372,519	2,521,041,919,315
	3,804,379,954,863	3,489,728,230,899
Non-controlling interests	-	-
Total equity	3,804,379,954,863	3,489,728,230,899
Total liabilities and equity	₩ 8,000,955,590,283	₩ 7,528,238,776,383

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of comprehensive income
for the period ended September 30, 2023 and 2022

(Korean won in units)

	2023 Q3 YTD	2022 Q3 YTD
Revenue	₩ 8,768,694,391,107	₩ 10,762,976,507,677
Cost of sales	8,467,874,690,211	10,161,921,713,346
Gross profit (loss)	300,819,700,896	601,054,794,331
Selling and administrative expenses	237,810,899,333	245,177,069,750
Operating profit (loss)	63,008,801,563	355,877,724,581
Finance income	281,066,574,724	469,333,792,077
Finance costs	358,377,091,416	578,750,308,772
Other non-operating income	11,801,214,591	6,862,812,959
Other non-operating expenses	28,554,000,959	16,114,816,293
Profit (loss) before income tax	(31,054,501,497)	237,209,204,552
Income tax expense (gain)	(3,515,954,701)	61,482,345,659
Profit (loss) for the period	₩ (27,538,546,796)	₩ 175,726,858,893
Other comprehensive income (loss)		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Net gain (loss) on valuation of interest rate swaps	(3,645,236,601)	6,094,714,048
Exchange differences on translation of foreign operations	405,690,731	1,929,299,883
Net other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods	₩ (3,239,545,870)	₩ 8,024,013,931
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>		
Gain on revaluation of assets	413,977,816,630	-
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods	₩ 413,977,816,630	₩ -
Other comprehensive income (loss) for the period, net of tax	410,738,270,760	8,024,013,931
Total comprehensive income (loss) for the period, net of tax	₩ 383,199,723,964	₩ 183,750,872,824
Profit (loss) attributable to:		
Equity holders of the Company	(27,538,546,796)	175,726,858,893
Non-controlling interests	-	-
	₩ (27,538,546,796)	₩ 175,726,858,893
Total comprehensive income (loss) attributable to:		
Owners of the parent	383,199,723,964	183,750,872,824
Non-controlling interests	-	-
	₩ 383,199,723,964	₩ 183,750,872,824
Earnings (loss) per share:		
Basic and diluted, profit for the period	₩ (1,437)	₩ 9,169

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of changes in equity
for the period ended September 30, 2023 and 2022

(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, 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 for the period	-	-	-	175,726,858,893	175,726,858,893	-	175,726,858,893
Net gain (loss) on valuation of interest rate swaps	-	-	6,094,714,048	-	6,094,714,048	-	6,094,714,048
Exchange differences on translation of foreign operations	-	-	1,929,299,883	-	1,929,299,883	-	1,929,299,883
Total comprehensive income (loss) for the period	-	-	8,024,013,931	175,726,858,893	183,750,872,824	-	183,750,872,824
Dividend	-	-	-	(441,030,000,000)	(441,030,000,000)	-	(441,030,000,000)
As of September 30, 2022	₩ 95,826,580,000	₩ 864,898,306,667	₩ 12,552,025,659	₩ 2,613,390,541,284	₩ 3,586,667,453,610	₩ -	₩ 3,586,667,453,610
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 gain (loss) on valuation of interest rate swaps	-	-	(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
Gain on revaluation of assets	-	-	413,977,816,630	-	413,977,816,630	-	413,977,816,630
Total comprehensive income (loss) 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

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of cash flows
for the period ended September 30, 2023 and 2022

(Korean won in units)

	2023 Q3 YTD	2022 Q3 YTD
Cash flows from operating activities		
Profit (loss) for the period	₩ (27,538,546,796)	₩ 175,726,858,893
Non-cash adjustments to reconcile profit for the period to net cash flows	434,952,384,165	540,335,525,570
Changes in assets and liabilities arising from operating activities	240,770,132,574	183,386,762,776
Interest received	5,564,704,890	2,699,766,009
Income taxes refund (paid)	68,881,372,567	(309,009,512,170)
Net cash flows provided by operating activities	722,630,047,400	593,139,401,078
Cash flows from investing activities		
Decrease in long-term loans	115,557,988	709,999,988
Increase in long-term loans	(231,000,000)	(80,558,000)
Decrease in long-term accounts receivable	148,820,405	306,510,753
Increase in long-term accounts receivable	(563,461,017)	(54,220,000)
Proceeds from disposal of long-term investment securities	-	13,005,000
Acquisition of long-term investment securities	(12,000)	(7,700)
Proceeds from disposal of property, plant and equipment	3,474,660,525	150,464,309
Acquisition of property, plant and equipment	(371,394,411,496)	(150,165,298,889)
Proceeds from disposal of intangible assets	-	1,705,000,000
Acquisition of intangible assets	(5,002,954)	(30,409,660)
Receipts from government subsidies	-	115,000,000
Settlement of derivatives	49,950,157,629	(12,827,956,453)
Dividends received	845,797,615	538,438,800
Increase in guarantee deposits	-	(810,000)
Decrease in guarantee deposits	11,013,484	-
Net cash flows used in investing activities	(317,647,879,821)	(159,620,841,852)
Cash flows from financing activities		
Issuance of bonds	308,808,040,000	488,864,540,000
Net increase (decrease) in short-term borrowings	(11,987,756,060)	114,932,853,820
Repayment of current portion of long-term bonds and long-term borrowings	(494,015,715,803)	(184,716,740,090)
Increase in long-term borrowings	150,000,000,000	76,641,645,755
Increase in deposit received	-	1,200,000
Decrease in deposit received	(16,359,518)	(1,887,897)
Interest paid	(62,547,874,576)	(45,274,625,930)
Dividends paid	(68,548,000,000)	(441,030,000,000)
Net cash flows used in financing activities	(178,307,665,957)	9,416,985,658
Net increase in cash and cash equivalents	226,674,501,622	442,935,544,884
Cash and cash equivalents at the beginning of the period	100,254,868,645	181,015,315,864
Net foreign exchange difference	134,557,622	1,060,431,534
Cash and cash equivalents at the end of the period	₩ 327,063,927,889	₩ 625,011,292,282