

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries

Consolidated financial statements
for the period ended March 31, 2026
(Unaudited)



Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
as of March 31, 2026 and December 31, 2025
(Korean won in units)

	2026-03-31	2025-12-31
Assets		
Current assets:		
Cash and cash equivalents	₩ 332,784,298,956	₩ 559,337,005,244
Trade and other accounts receivables, net	1,412,766,874,852	959,125,731,450
Prepaid expenses	10,259,170,943	15,177,085,847
Current income tax assets	1,747,886,790	1,182,513,980
Inventories, net	1,442,258,989,823	1,144,250,700,930
Other current assets	143,367,077,802	179,414,392,595
Total current assets	3,343,184,299,166	2,858,487,430,046
Non-current assets:		
Long-term investment securities	12,037,410,952	12,037,410,952
Long-term loans, net	521,064,706	532,316,704
Long-term accounts receivables, net	78,620,373,714	45,135,797,441
Long-term prepaid expenses	32,917,696	36,598,174
Property, plant and equipment, net	4,146,788,685,988	4,253,985,977,564
Intangible assets, net	22,438,171,947	24,220,414,055
Deferred tax assets	67,553,575,574	125,856,479,169
Other non-current assets	14,500,000	14,500,000
Total non-current assets	4,328,006,700,577	4,461,819,494,059
Total assets	₩ 7,671,190,999,743	₩ 7,320,306,924,105

(Continued)

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
as of March 31, 2026 and December 31, 2025
(Korean won in units)

	<u>2026-03-31</u>	<u>2025-12-31</u>
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other		
accounts payable	₩ 1,930,463,529,987	₩ 1,512,565,073,072
Short-term borrowings	37,866,287,356	32,381,814,021
Current portion of bonds payable		
and long-term borrowings	437,127,600,768	469,335,001,880
Income tax payable	532,117,382	338,535,468
Other current liabilities	192,361,285,622	312,918,904,744
Total current liabilities	<u>2,598,350,821,115</u>	<u>2,327,539,329,185</u>
Non-current liabilities:		
Bonds payable, net	871,906,763,763	1,089,858,025,294
Long-term borrowings	507,980,637,005	408,108,538,753
Long-term accounts payable	6,833,765,852	7,090,016,346
Long-term provisions	1,200,000,000	1,200,000,000
Net defined benefit liability	5,329,267,665	2,348,829,554
Other non-current liabilities	18,372,162,851	17,765,664,894
Total non-current liabilities	<u>1,411,622,597,136</u>	<u>1,526,371,074,841</u>
Total liabilities	4,009,973,418,251	3,853,910,404,026
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
Hybrid bonds	496,959,880,000	496,959,880,000
Accumulated other comprehensive income	425,278,826,665	417,695,689,058
Retained earnings	1,778,253,988,160	1,591,016,064,354
	<u>3,661,217,581,492</u>	<u>3,466,396,520,079</u>
Non-controlling interests	-	-
Total equity	3,661,217,581,492	3,466,396,520,079
Total liabilities and equity	₩ 7,671,190,999,743	₩ 7,320,306,924,105

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of comprehensive income
for the period ended March 31, 2026 and 2025
(Korean won in units)

	2026 Q1 YTD	2025 Q1 YTD
Sales	₩ 3,275,069,833,725	₩ 2,913,100,336,273
Cost of goods sold	2,858,404,173,961	2,948,855,998,826
Gross profit (loss)	416,665,659,764	(35,755,662,553)
Selling and administrative expenses	83,347,739,166	81,393,391,724
Operating profit (loss)	333,317,920,598	(117,149,054,277)
Finance income	111,586,269,541	72,264,027,680
Finance costs	173,925,106,828	91,354,109,079
Other income	3,017,754,134	2,724,366,153
Other expenses	20,423,035,233	9,501,495,004
Profit (loss) before income tax	253,573,802,212	(143,016,264,527)
Income tax expenses (benefits)	58,585,878,406	(32,104,033,316)
Profit (loss) for the period	₩ 194,987,923,806	₩ (110,912,231,211)
Other comprehensive income		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Net gain (loss) on valuation of derivatives	5,406,541,269	6,214,409,846
Exchange differences on translation of foreign operations	2,176,596,338	71,523,210
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	₩ 7,583,137,607	₩ 6,285,933,056
Other comprehensive income for the year, net of tax	₩ 7,583,137,607	₩ 6,285,933,056
Total comprehensive loss for the period, net of tax	₩ 202,571,061,413	₩ (104,626,298,155)
Profit (loss) attributable to:		
Owners of the parent	194,987,923,806	(110,912,231,211)
Non-controlling interests	-	-
	₩ 194,987,923,806	₩ (110,912,231,211)
Total comprehensive loss attributable to:		
Owners of the parent	202,571,061,413	(104,626,298,155)
Non-controlling interests	-	-
	₩ 202,571,061,413	₩ (104,626,298,155)
Earnings (losses) per share:		
Basic and diluted, losses for the period	₩ 10,174	₩ (5,787)

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries

Consolidated statements of changes in equity
for the period ended March 31, 2026 and 2025

(Korean won in units)

	Issued capital	Share premium	Hybrid bonds	Accumulated other comprehensive income	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
As of January 1, 2025	₩ 95,826,580,000	₩ 864,898,306,667	₩ -	₩ 399,316,825,958	₩ 2,076,821,762,147	₩ 3,436,863,474,772	₩ -	₩ 3,436,863,474,772
Loss for the period	-	-	-	-	(110,912,231,211)	(110,912,231,211)	-	(110,912,231,211)
Net gain on valuation of derivative instruments	-	-	-	6,214,409,846	-	6,214,409,846	-	6,214,409,846
Exchange differences on translation of foreign operations	-	-	-	71,523,210	-	71,523,210	-	71,523,210
Total comprehensive income for the period	-	-	-	6,285,933,056	(110,912,231,211)	(104,626,298,155)	-	(104,626,298,155)
As of March 31, 2025	₩ 95,826,580,000	₩ 864,898,306,667	₩ -	₩ 405,602,759,014	₩ 1,965,909,530,936	₩ 3,332,237,176,617	₩ -	₩ 3,332,237,176,617
As of January 1, 2026	₩ 95,826,580,000	₩ 864,898,306,667	496,959,880,000	₩ 417,695,689,058	₩ 1,591,016,064,354	₩ 3,466,396,520,079	₩ -	₩ 3,466,396,520,079
Profit for the period	-	-	-	-	194,987,923,806	194,987,923,806	-	194,987,923,806
Net gain on valuation of derivatives	-	-	-	5,406,541,269	-	5,406,541,269	-	5,406,541,269
Exchange differences on translation of foreign operations	-	-	-	2,176,596,338	-	2,176,596,338	-	2,176,596,338
Total comprehensive income for the period	-	-	-	7,583,137,607	194,987,923,806	202,571,061,413	-	202,571,061,413
Increase (decrease) through transactions with owners, equity: Dividend to Hybrid Bond	-	-	-	-	(7,750,000,000)	(7,750,000,000)	-	(7,750,000,000)
As of March 31, 2026	₩ 95,826,580,000	₩ 864,898,306,667	496,959,880,000	₩ 425,278,826,665	₩ 1,778,253,988,160	₩ 3,661,217,581,492	₩ -	₩ 3,661,217,581,492

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of cash flows
for the period ended March 31, 2026 and 2025

(Korean won in units)

	2026 Q1 YTD	2025 Q1 YTD
Cash flows from operating activities		
Profit (loss) for the period	₩ 194,987,923,806	₩ (110,912,231,211)
Non-cash adjustments to reconcile profit for the period to net cash flows	237,981,503,863	163,664,675,237
Working capital adjustments	(434,556,976,226)	(349,631,045,078)
Interest received	3,791,999,432	2,080,416,217
Income taxes paid	(682,874,661)	(590,806,868)
Net cash flows provided by operating activities	1,521,576,214	(295,388,991,703)
Cash flows from investing activities		
Decrease in long-term loans	16,251,998	49,251,998
Increase in long-term loans	(5,000,000)	(5,000,000)
Proceeds from disposal of long-term investment securities	-	(14,000)
Decrease in deposits	3,408,776,000	77,658,049
Increase in deposits	(36,000,000)	-
Proceeds from disposal of property, plant and equipment	2,018,370,369	92,315,337
Acquisition of property, plant and equipment	(23,111,376,536)	(53,153,680,940)
Proceeds from disposal of intangible assets	1,500,000,000	-
Settlement of derivatives	1,707,407,736	(11,114,530,016)
Dividends received	-	917,589,455
Net cash flows used in investing activities	(14,501,570,433)	(63,136,410,117)
Cash flows from financing activities		
Increase in bonds payable	-	318,812,468,400
Net increase (decrease) in short-term borrowings	4,923,531,705	31,690,481,330
Repayment of current portion of long-term bonds and long-term borrowings	(281,523,111,440)	(273,243,800,615)
Increase in long-term borrowings	100,000,000,000	-
Dividends paid to hybrid bond	(7,750,000,000)	-
Decrease in deposit withheld	(86,200,000)	(39,874,690)
Interest paid	(30,166,895,437)	(30,691,750,452)
Net cash flows used in financing activities	(214,602,675,172)	46,527,523,973
Net increase in cash and cash equivalents	(227,582,669,391)	(311,997,877,847)
Cash and cash equivalents at the beginning of the period	559,337,005,244	516,939,873,774
Net foreign exchange difference	1,029,963,103	26,765,849
Cash and cash equivalents at the end of the period	₩ 332,784,298,956	₩ 204,968,761,776