

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

Consolidated financial statements  
for the period ended June 30, 2022  
(Unaudited)



**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of financial position**  
**as of June 30, 2022 and December 31, 2021**  
(Korean won in units)

	<b>2022-06-30</b>	<b>2021-12-31</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	₩ 675,131,532,163	₩ 181,015,315,864
Trade and other accounts receivables, net	1,152,415,825,682	794,291,436,567
Prepaid expenses	18,446,780,116	20,851,736,570
Other current assets	3,383,127,800	1,212,667,071
Inventories, net	2,384,732,675,969	1,856,113,596,189
Total current assets	<u>4,234,109,941,730</u>	<u>2,853,484,752,261</u>
<b>Non-current assets:</b>		
Long-term investment securities	8,445,874,466	8,458,871,766
Long-term loans	753,891,368	1,183,333,360
Long-term accounts receivables, net	75,015,103,103	42,088,244,197
Long-term prepaid expenses	652,098,000	801,723,057
Property, plant and equipment, net	4,305,387,131,217	4,474,108,177,289
Intangible assets, net	27,948,858,787	30,667,998,330
Defined benefit assets, net	4,697,648,554	6,470,790,095
Other non-current assets	14,500,000	14,500,000
Deferred tax assets	9,331,739,358	18,313,012,727
Total non-current assets	<u>4,432,246,844,853</u>	<u>4,582,106,650,821</u>
<b>Total assets</b>	<u>₩ 8,666,356,786,583</u>	<u>₩ 7,435,591,403,082</u>

(Continued)

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of financial position**  
**as of June 30, 2022 and December 31, 2021**  
(Korean won in units)

	<b>2022-06-30</b>	<b>2021-12-31</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade and other		
accounts payable	₩ 1,875,300,420,575	₩ 997,068,571,045
Short-term borrowings	625,748,226,891	520,880,396,330
Current portion of bonds payable		
and long-term borrowings	733,718,499,719	324,144,876,464
Income tax payable	92,509,128,549	224,536,618,366
Other current liabilities	45,391,699,224	42,686,899,701
<b>Total current liabilities</b>	<b>3,372,667,974,958</b>	<b>2,109,317,361,906</b>
<b>Non-current liabilities:</b>		
Bonds payable, net	1,404,254,064,557	1,061,630,636,013
Long-term borrowings	184,657,435,237	410,080,778,963
Long-term other accounts payable	956,922,628	180,772,009
Other non-current liabilities	11,101,993,695	10,435,273,405
<b>Total non-current liabilities</b>	<b>1,600,970,416,117</b>	<b>1,482,327,460,390</b>
<b>Total liabilities</b>	<b>4,973,638,391,075</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	10,807,712,117	4,528,011,728
Retained earnings	2,721,185,796,724	2,878,693,682,391
	3,692,718,395,508	3,843,946,580,786
Non-controlling interests	-	-
<b>Total equity</b>	<b>3,692,718,395,508</b>	<b>3,843,946,580,786</b>
<b>Total liabilities and equity</b>	<b>₩ 8,666,356,786,583</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 June 30, 2022 and 2021**  
(Korean won in units)

	<b>2022 Q2 YTD</b>	<b>2021 Q2 YTD</b>
Revenue	₩ 6,989,066,789,264	₩ 4,367,337,983,603
Cost of sales	6,330,175,518,835	3,593,979,687,159
<b>Gross profit</b>	<b>658,891,270,429</b>	<b>773,358,296,444</b>
Selling and administrative expenses	159,411,832,237	122,315,176,658
<b>Operating profit</b>	<b>499,479,438,192</b>	<b>651,043,119,786</b>
Finance income	221,365,259,358	88,952,146,439
Finance costs	333,896,139,404	126,757,341,484
Other non-operating income	4,624,109,141	9,884,913,498
Other non-operating expenses	7,919,741,120	16,842,372,724
<b>Profit before income tax</b>	<b>383,652,926,167</b>	<b>606,280,465,515</b>
Income tax expense	100,130,811,834	160,414,221,339
<b>Profit for the period</b>	<b>₩ 283,522,114,333</b>	<b>₩ 445,866,244,176</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	5,340,008,663	1,972,027,816
Exchange differences on translation of foreign operations	939,691,726	1,094,697,195
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>₩ 6,279,700,389</b>	<b>₩ 3,066,725,011</b>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Remeasurement loss on defined benefit plan	-	(1,173,467,570)
OCI-net loss on valuation of financial instruments measured at FVOCI	-	(1,489,358,514)
<b>Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods</b>	<b>₩ -</b>	<b>₩ (2,662,826,084)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>6,279,700,389</b>	<b>403,898,927</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>₩ 289,801,814,722</b>	<b>₩ 446,270,143,103</b>
Profit attributable to:		
Equity holders of the Company	283,522,114,333	445,866,244,176
Non-controlling interests	-	-
	<b>₩ 283,522,114,333</b>	<b>₩ 445,866,244,176</b>
Total comprehensive income attributable to:		
Owners of the parent	289,801,814,722	446,270,143,103
Non-controlling interests	-	-
	<b>₩ 289,801,814,722</b>	<b>₩ 446,270,143,103</b>
<b>Earnings per share:</b>		
Basic and diluted, profit (loss) for the period	₩ 14,794	₩ 23,264

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of changes in equity**  
**for the period ended June 30, 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 for the period	-	-	-	445,866,244,176	445,866,244,176	-	445,866,244,176
Net gain on valuation of interest rate swaps	-	-	1,972,027,816	-	1,972,027,816	-	1,972,027,816
Re-measurement loss on defined benefit plan	-	-	-	(1,173,467,570)	(1,173,467,570)	-	(1,173,467,570)
Exchange differences on translation of foreign operations	-	-	1,094,697,195	-	1,094,697,195	-	1,094,697,195
OCI-net loss 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	-	-	1,577,366,497	444,692,776,606	446,270,143,103	-	446,270,143,103
Dividend	-	-	-	(57,459,000,000)	(57,459,000,000)	-	(57,459,000,000)
<b>As of June 30, 2021</b>	<b>₩ 95,826,580,000</b>	<b>₩ 864,898,306,667</b>	<b>₩ 6,655,646,905</b>	<b>₩ 2,878,210,259,093</b>	<b>₩ 3,845,590,792,665</b>	<b>₩ -</b>	<b>₩ 3,845,590,792,665</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 for the period	-	-	-	283,522,114,333	283,522,114,333	-	283,522,114,333
Net gain on valuation of interest rate swaps	-	-	5,340,008,663	-	5,340,008,663	-	5,340,008,663
Exchange differences on translation of foreign operations	-	-	939,691,726	-	939,691,726	-	939,691,726
Total comprehensive income for the period	-	-	6,279,700,389	283,522,114,333	289,801,814,722	-	289,801,814,722
Dividend	-	-	-	(441,030,000,000)	(441,030,000,000)	-	(441,030,000,000)
<b>As of June 30, 2022</b>	<b>₩ 95,826,580,000</b>	<b>₩ 864,898,306,667</b>	<b>₩ 10,807,712,117</b>	<b>₩ 2,721,185,796,724</b>	<b>₩ 3,692,718,395,508</b>	<b>₩ -</b>	<b>₩ 3,692,718,395,508</b>

**Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries**  
**Consolidated statements of cash flows**  
**for the period ended June 30, 2022 and 2021**  
(Korean won in units)

	<b>2022 Q2 YTD</b>		<b>2021 Q2 YTD</b>
<b>Cash flows from operating activities</b>			
Profit for the period	₩ 283,522,114,333	₩	445,866,244,176
Non-cash adjustments to reconcile profit for the period to net cash flows	458,070,496,523		440,653,895,844
Changes in assets and liabilities arising from operating activities	14,504,713,222		(362,996,732,165)
Interest received	959,051,711		449,652,219
Income taxes paid	(224,892,343,897)		(18,988,772,942)
<b>Net cash flows provided by operating activities</b>	<b>532,164,031,892</b>		<b>504,984,287,132</b>
<b>Cash flows from investing activities</b>			
Increase in short-term investment securities	-		(130,000,000,000)
Decrease in long-term loans	509,999,992		26,015,328
Increase in long-term loans	(80,558,000)		-
Decrease in long-term accounts receivable	304,648,162		90,509,449
Increase in long-term accounts receivable	(44,220,000)		-
Proceeds from disposal of long-term investment securities	13,005,000		61,544,155
Acquisition of long-term investment securities	(7,700)		-
Proceeds from disposal of property, plant and equipment	92,350,111		4,917,180,994
Acquisition of property, plant and equipment	(87,910,955,574)		(157,463,334,510)
Proceeds from disposal of intangible assets	1,705,000,000		-
Receipts from government subsidies	69,000,000		-
Settlement of derivatives	(61,049,923,538)		(6,158,785,306)
Dividends received	538,438,800		242,297,460
Decrease in guarantee deposits	(2,536,143)		-
<b>Net cash flows used in investing activities</b>	<b>(145,855,758,890)</b>		<b>(288,284,572,430)</b>
<b>Cash flows from financing activities</b>			
Issuance of bonds	488,864,540,000		-
Net increase in short-term borrowings	91,705,744,003		23,911,762,404
Repayment of current portion of long-term bonds and long-term borrowings	(83,568,890,870)		(213,152,976,360)
Increase in long-term borrowings	75,961,300,000		100,000,000,000
Increase in deposit received	1,200,000	-	-
Decrease in deposit received	(2,308,986)		(122,587,622)
Interest paid	(24,288,010,840)		(27,705,825,475)
Dividends paid	(441,030,000,000)		(57,459,000,000)
<b>Net cash flows used in financing activities</b>	<b>107,643,573,307</b>		<b>(174,528,627,053)</b>
Net increase in cash and cash equivalents	493,951,846,309		42,171,087,649
Cash and cash equivalents at the beginning of the period	181,015,315,864		231,451,124,896
Net foreign exchange difference	164,369,990		387,947,724
<b>Cash and cash equivalents at the end of the period</b>	<b>₩ 675,131,532,163</b>	₩	<b>274,010,160,269</b>