

# **POSCO HOLDINGS INC.**

Interim condensed separate financial statements  
for the nine-month period ended September 30, 2024  
with the independent auditor's review report

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## **Report on review of interim condensed separate financial statements**

(English translation of a report originally issued in Korean)

### **The Stockholders and Board of Directors POSCO HOLDINGS INC.**

We have reviewed the accompanying interim condensed separate financial statements of POSCO HOLDINGS INC. (the “Company”), which comprise the interim condensed separate statement of financial position as of September 30, 2024, and the related interim condensed separate statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2024, interim condensed separate statement of changes in equity and interim condensed separate statement of cash flows for the nine-month period ended September 30, 2024, and a summary of material accounting policy information and other explanatory information.

### **Management’s responsibility for the interim condensed separate financial statements**

Management is responsible for the preparation and presentation of these interim condensed separate financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“KIFRS”) 1034 *Interim Financial Reporting*, and for such internal control as management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor’s responsibility**

Our responsibility is to express a conclusion on these interim condensed separate financial statements based on our review.

We conducted our review in accordance with the Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Korean Standards on Auditing (“KSA”) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

## Other matters

The interim condensed separate statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2023 and interim condensed separate statement of changes in equity and interim condensed separate statement of cash flows for the nine-month period ended September 30, 2023, prepared in accordance with KIFRS 1034 and presented for comparative purposes, have been reviewed by KPMG Samjong Accounting Corp., whose review report dated November 14, 2023 expressed an unqualified review conclusion thereon.

Moreover, the separate statement of financial position as of December 31, 2023, and the related separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended (not presented herein), have been audited by KPMG Samjong Accounting Corp., in accordance with KSA, whose report dated March 13, 2024 expressed an unqualified opinion thereon. The accompanying separate statement of financial position as of December 31, 2023, presented for comparative purposes, is not different, in all material respects, from the above audited separate statement of financial position.

*Ernst & Young Han Young*

November 14, 2024

This review report is effective as of November 14, 2024, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed separate financial statements and may result in modification to this review report.

# **POSCO HOLDINGS INC.**

Interim condensed separate financial statements  
for each of the nine-month periods ended September 30, 2024 and 2023

“The accompanying interim condensed separate financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Company.”

Kisub Jung  
Chief Strategy Officer  
POSCO HOLDINGS INC.

# POSCO HOLDINGS INC.

## Interim condensed separate statements of financial position as of September 30, 2024 (Unaudited) and December 31, 2023

(in millions of Won)

	Notes	September 30, 2024 (unaudited)	December 31, 2023
<b>Assets</b>			
Cash and cash equivalents	18	₩ 481,718	376,914
Trade accounts and notes receivable, net	4,18,22	152,115	238,332
Other receivables, net	5,18,29	31,473	68,821
Other short-term financial assets	6,18	2,550,702	3,940,743
Current income tax assets		15,208	32,015
Other current assets	11	2,854	1,074
<b>Total current assets</b>		<b>3,234,070</b>	<b>4,657,899</b>
Other receivables, net	5,18,29	13,316	6,955
Other long-term financial assets	6,18	893,797	1,131,074
Investments in subsidiaries, associates and joint ventures	7	45,958,396	45,321,370
Investment property, net	8	305,182	309,900
Property, plant and equipment, net	9	314,765	197,787
Intangible assets, net	10	18,524	19,341
Defined benefit assets, net	16	1,944	-
Other non-current assets	11	8,632	1,872
<b>Total non-current assets</b>		<b>47,514,556</b>	<b>46,988,299</b>
<b>Total assets</b>		<b>₩ 50,748,626</b>	<b>51,646,198</b>

(continued)

## POSCO HOLDINGS INC.

### Interim condensed separate statements of financial position, continued as of September 30, 2024 (Unaudited) and December 31, 2023

(in millions of Won)

	Notes	September 30, 2024 (unaudited)	December 31, 2023
<b>Liabilities</b>			
Short-term borrowings and current installments of long-term borrowings	12,18	₩ 39,919	1,756,691
Other current payables	13,18,22,29	42,889	39,739
Other short-term financial liabilities	14,18,29	14,113	1,571
Provisions	15	7,579	14,983
Other current liabilities	17,22	6,203	6,686
<b>Total current liabilities</b>		<b>110,703</b>	<b>1,819,670</b>
Long-term borrowings, excluding current installments	12,18	1,347	1,316
Other non-current payables	13,18,29	30,492	26,804
Other long-term financial liabilities	14,18,29	-	6,968
Defined benefit liabilities, net	16	-	4,283
Deferred tax liabilities		2,333,361	2,281,500
Long-term provisions	15,30	1,710	2,634
Other non-current liabilities	17,22	2,618	3,158
<b>Total non-current liabilities</b>		<b>2,369,528</b>	<b>2,326,663</b>
<b>Total liabilities</b>		<b>2,480,231</b>	<b>4,146,333</b>
<b>Equity</b>			
Share capital	19	482,403	482,403
Capital surplus	19	1,367,990	1,370,557
Accumulated other comprehensive income (loss)	20	(23,327)	30,678
Treasury shares	21	(1,550,862)	(1,889,658)
Retained earnings		47,992,191	47,505,885
<b>Total equity</b>		<b>48,268,395</b>	<b>47,499,865</b>
<b>Total liabilities and equity</b>		<b>₩ 50,748,626</b>	<b>51,646,198</b>

The accompanying notes are an integral part of the interim condensed separate financial statements.

## POSCO HOLDINGS INC.

### Interim condensed separate statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2024 and 2023 (Unaudited)

	Notes	For the three-month period ended September 30 (Unaudited)		For the nine-month period ended September 30 (Unaudited)	
		2024	2023	2024	2023
(in millions of Won, except per share informations)					
<b>Operating revenue</b>	22,29	₩ 402,270	473,685	1,460,868	1,268,512
<b>Operating expenses</b>	23,26,29	(92,447)	(77,730)	(281,956)	(232,845)
<b>Operating profit</b>		<u>309,823</u>	<u>395,955</u>	<u>1,178,912</u>	<u>1,035,667</u>
Finance income and costs	18,24				
Finance income		56,357	46,435	399,639	251,632
Finance costs		(17,649)	(321,519)	(80,106)	(527,402)
Other non-operating income and expenses	25,26,29				
Other non-operating income		676	2,407	2,243	11,478
Other non-operating expenses		(699)	(6,077)	(5,970)	(7,515)
<b>Profit before income tax</b>		<u>348,508</u>	<u>117,201</u>	<u>1,494,718</u>	<u>763,860</u>
Income tax benefit (expense)	27	(13,513)	36,184	(26,146)	121,571
<b>Profit</b>		<u>334,995</u>	<u>153,385</u>	<u>1,468,572</u>	<u>885,431</u>
<b>Other comprehensive income (loss)</b>					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit plans	16	(11)	(41)	(243)	(254)
Net changes in fair value of equity investments at fair value through other comprehensive income	6,18,20	<u>30,727</u>	<u>96,590</u>	<u>(35,849)</u>	<u>175,656</u>
<b>Total comprehensive income</b>		<u>₩ 365,711</u>	<u>249,934</u>	<u>1,432,480</u>	<u>1,060,833</u>
<b>Earnings per share (in Won)</b>	28				
Basic earnings per share (in Won)		4,425	2,022	19,370	11,671
Diluted earnings per share (in Won)		<u>₩ 4,186</u>	<u>2,022</u>	<u>16,883</u>	<u>11,671</u>

The accompanying notes are an integral part of the interim condensed separate financial statements.



## POSCO HOLDINGS INC.

### Interim condensed separate statements of changes in equity

#### for each of the nine-month periods ended September 30, 2024 and 2023 (Unaudited)

(in millions of Won)

	Share capital	Capital surplus	Accumulated other comprehensive income (loss)	Treasury shares	Retained earnings	Total
<b>Balance as of January 1, 2023</b>	₩ 482,403	1,360,894	(188,801)	(1,892,308)	47,409,675	47,171,863
<b>Comprehensive income:</b>						
Profit	-	-	-	-	885,431	885,431
Other comprehensive income (loss)						
Remeasurements of defined benefit plans, net of tax	-	-	-	-	(254)	(254)
Net changes in fair value of equity investments at fair value through other comprehensive income, net of tax	-	-	175,320	-	336	175,656
<b>Transactions with owners of the Company, recognized directly in equity:</b>						
Year-end dividends	-	-	-	-	(151,698)	(151,698)
Interim dividends	-	-	-	-	(379,381)	(379,381)
Disposal of treasury shares	-	4,082	-	5,864	-	9,946
Share-based payment	-	3,084	-	-	-	3,084
<b>Balance as of September 30, 2023</b>	₩ 482,403	1,368,060	(13,481)	(1,886,444)	47,764,109	47,714,647
<b>Balance as of January 1, 2024</b>	₩ 482,403	1,370,557	30,678	(1,889,658)	47,505,885	47,499,865
<b>Comprehensive income:</b>						
Profit	-	-	-	-	1,468,572	1,468,572
Other comprehensive income (loss)						
Remeasurements of defined benefit plans, net of tax	-	-	-	-	(243)	(243)
Net changes in fair value of equity investments at fair value through other comprehensive income, net of tax	-	-	(54,005)	-	18,156	(35,849)
<b>Transactions with owners of the Company, recognized directly in equity:</b>						
Year-end dividends	-	-	-	-	(189,691)	(189,691)
Interim dividends	-	-	-	-	(379,381)	(379,381)
Acquisition of treasury shares	-	-	-	(92,311)	-	(92,311)
Retirement of treasury shares	-	-	-	431,107	(431,107)	-
Share-based payment	-	(2,567)	-	-	-	(2,567)
<b>Balance as of September 30, 2024</b>	₩ 482,403	1,367,990	(23,327)	(1,550,862)	47,992,191	48,268,395

The accompanying notes are an integral part of the interim condensed separate financial statements.

# POSCO HOLDINGS INC.

## Interim condensed separate statements of cash flows

for each of the nine-month periods ended September 30, 2024 and 2023 (Unaudited)

<i>(in millions of Won)</i>		For the nine-month period ended	
	Notes	September 30, 2024 (unaudited)	September 30, 2023 (unaudited)
<b>Cash flows from operating activities</b>			
Profit	₩	1,468,572	885,431
Adjustments for :			
Expenses related to post-employment benefit		5,020	4,766
Depreciation		10,219	8,227
Amortization		1,280	897
Impairment loss on trade and other receivables		106	2,351
Finance income		(394,481)	(245,324)
Dividend income		(1,320,175)	(1,113,179)
Finance costs		72,299	523,797
Loss on disposal of property, plant and equipment		-	2,254
Gain on disposal of intangible assets		(141)	-
Loss on disposal of intangible assets		253	-
Gain on disposal of investments in subsidiaries, associates and joint venture		-	(236)
Loss on disposal of assets held for sale		-	998
Increase (decrease) to provisions		180	(7,568)
Income tax expense (benefit)		26,146	(121,571)
Share-based payments expense		-	5,904
Others		(2)	(135)
Changes in operating assets and liabilities	31	23,542	(4,585)
Interest received		63,853	34,492
Dividends received		1,369,071	1,049,770
Income taxes paid		52,441	201,097
Net cash provided by operating activities	₩	1,378,183	1,227,386

*(continued)*

# POSCO HOLDINGS INC.

## Interim condensed separate statements of cash flows, continued

for each of the nine-month periods ended September 30, 2024 and 2023 (Unaudited)

<i>(in millions of Won)</i>	<b>Notes</b>	<b>For the nine-month period ended</b>	
		<b>September 30,</b>	<b>September 30,</b>
		<b>2024</b>	<b>2023</b>
<b>Cash flows from investing activities</b>			
Decrease in deposits	₩	3,050,000	600,000
Proceeds from disposal of short-term financial instruments		3,219,599	4,872,223
Collection of short-term loans		-	1,249
Collection of long-term loans		-	2,000
Proceeds from disposal of equity securities		194,230	-
Proceeds from disposal of other securities		5,663	564
Proceeds from disposal of investments in subsidiaries, associates and joint ventures		13,353	869,550
Proceeds from disposal of intangible asstes		1,677	-
Collection of short-term lease security deposits		491	-
Increase in deposits		(2,550,000)	(2,190,000)
Acquisition of short-term financial instruments		(2,243,699)	(4,661,764)
Acquisition of long-term financial instruments		-	(2)
Increase in long-term loans		(106)	-
Acquisition of other securities		(15,932)	(21,492)
Acquisition of investment in subsidiaries, associates and joint ventures		(620,852)	(895,987)
Acquisition of investment properties		(1,200)	(54,834)
Acquisition of property, plant and equipment		(122,640)	(12,613)
Acquisition of intangible asstes		(2,522)	(2,966)
Payment of short-term lease security deposits		(536)	-
Net cash provided by (used in) investing activities	₩	<u>927,526</u>	<u>(1,494,072)</u>
<b>Cash flows from financing activities</b>			
Increase in long-term financial liabilities		3,148	3,781
Payment of cash dividends		(569,458)	(531,444)
Repayment of current installments of long-term borrowings		(1,542,400)	-
Acquisition of treasury shares		(92,311)	-
Net cash used in financing activities	₩	<u>(2,201,021)</u>	<u>(527,663)</u>
<b>Effect of exchange rate fluctuation on cash held</b>		116	-
<b>Net increase (decrease) in cash and cash equivalents</b>		104,804	(794,349)
<b>Cash and cash equivalents at beginning of the period</b>		<u>376,914</u>	<u>1,415,201</u>
<b>Cash and cash equivalents at end of the period</b>	₩	<u><u>481,718</u></u>	<u><u>620,852</u></u>

The accompanying notes are an integral part of the interim condensed separate financial statements.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements September 30, 2024 and 2023 (Unaudited)

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### 1. Reporting Entity

POSCO HOLDINGS INC. (the “Company”) was established on April 1, 1968, under the Commercial Act of the Republic of Korea. The shares of the Company have been listed on the Korea Exchange since June 10, 1988. The Company operates an investment business that controls and manages through ownership of shares of subsidiaries etc.

On March 2, 2022, the Company established a new subsidiary, POSCO, by a vertical spin-off of its steel business (which is wholly owned by the surviving company) on March 1, 2022, and changed the name of the surviving company to POSCO HOLDINGS INC.

As of September 30, 2024, the shares of the Company are listed on the Korea Exchange, while its ADRs are listed on the New York Stock Exchanges.

### 2. Basis of preparation

#### Statement of compliance

The interim condensed separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“KIFRS”) 1034 *Interim Financial Reporting*, as prescribed in the *Act on External Audit of Stock Companies* of the Republic of Korea. The accompanying interim condensed separate financial statements have been translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor’s review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The interim condensed separate financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s annual financial statements as of December 31, 2023. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company incurred after December 31, 2023. These interim condensed separate interim financial statements do not include all of the disclosures required for full annual financial statements.

These condensed interim financial statements are separate interim financial statements prepared in accordance with KIFRS 1027 *Separate Financial Statements* presented by a parent, an investor with joint control of, or significant influence over, an investee, in which the investments are accounted for at cost.

## **POSCO HOLDINGS INC.**

### **Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)**

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#### **2. Basis of preparation (cont'd)**

##### **Use of estimates and judgments**

###### **(a) Judgments, assumptions and estimation uncertainties**

The preparation of the interim condensed separate financial statements in conformity with KIFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period prospectively.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual financial statements as of and for the year ended December 31, 2023 except for the matters mentioned below.

###### **(b) Measurement of fair value**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of KIFRS including the level in the fair value hierarchy in which such valuation techniques should be classified.

Significant valuation issues are reported to the Company's Audit Committee.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

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#### 2. Basis of preparation (cont'd)

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.
- Level 3 – inputs for the assets or liabilities that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### 3. Summary of Material Accounting Policy Information

Except for the items described in KIFRS 1034 *Interim Financial Reporting* and below, the accounting policies applied by the Company in these interim condensed separate financial statements are the same as those applied to the separate financial statements as of and for the year ended December 31, 2023.

##### (a) *Supplier Finance Arrangements* - Amendments to KIFRS 1007 and KIFRS 1107

The amendments to KIFRS 1007 *Statement of Cash Flows* and KIFRS 1107 *Financial Instruments: Disclosures* clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company's interim condensed separate financial statements.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

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#### 3. Summary of Material Accounting Policy information (cont'd)

(b) Amendments to KIFRS 1116: *Lease Liability in a Sale and Leaseback*

The amendments to KIFRS 1116 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Company's interim condensed separate financial statements.

(c) Amendments to KIFRS 1001: *Classification of Liabilities as Current or Non-current*

The amendments to paragraphs 69 to 76 of KIFRS 1001 specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- what is meant by a right to defer settlement;
  - that a right to defer must exist at the end of the reporting period;
  - that classification is unaffected by the likelihood that an entity will exercise its deferral right;
- and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Company's interim condensed separate financial statements.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 4. Trade Accounts and Notes Receivable

Trade accounts and notes receivable as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Trade accounts and notes receivable	₩	51,370	100,323
Unbilled receivables (contract assets)		100,745	138,009
Less: Allowance for doubtful accounts		-	-
	₩	<u>152,115</u>	<u>238,332</u>

#### 5. Other Receivables

Other receivables as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Other accounts receivable	₩	9,017	51,530
Others(* 1)		26,449	21,193
Less: Allowance for doubtful accounts(* 1)		(3,993)	(3,902)
	₩	<u>31,473</u>	<u>68,821</u>
<b>Non-current</b>			
Long-term loans(* 1)	₩	222,491	217,349
Long-term other accounts receivable		13,016	6,945
Others		300	10
Less: Allowance for doubtful accounts(* 1)		(222,491)	(217,349)
	₩	<u>13,316</u>	<u>6,955</u>

(\*1) The Company recognized an allowance for doubtful accounts for all of the other receivables from FQM Australia Holdings Pty Ltd., an associate, due to low possibility of collecting these receivables during the year ended December 31, 2023.



## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 6. Other Financial Assets

(a) Other financial assets as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<b>September 30, 2024</b>	<b>December 31, 2023</b>
<b>Current</b>			
Deposit instruments	₩	1,250,000	1,750,000
Short-term financial instruments		1,300,702	2,190,743
	₩	<u>2,550,702</u>	<u>3,940,743</u>
<b>Non-current</b>			
Equity securities	₩	677,686	926,752
Other securities		216,109	204,320
Deposit instruments		2	2
	₩	<u>893,797</u>	<u>1,131,074</u>

(b) Equity securities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<b>September 30, 2024</b>					<b>December 31, 2023</b>	
	Number of shares	Ownership (%)	Acquisition cost	Fair value	Net changes in fair value of equity securities	Book value	Book value
<b>Marketable equity securities</b>							
Nippon Steel Corporation	15,698,500	1.65	₩ 473,962	464,139	(9,823)	464,139	462,775
KB Financial group Inc.	-	-	-	-	-	-	209,016
CSN Mineracao S.A.	102,186,675	1.86	206,265	171,203	(35,062)	171,203	212,617
			<u>680,227</u>	<u>635,342</u>	<u>(44,885)</u>	<u>635,342</u>	<u>884,408</u>
<b>Non-marketable equity securities</b>							
PLANTEC Co., Ltd	18,337,912	10.99	19,437	40,362	20,925	40,362	40,362
Intellectual Discovery Co., Ltd	200,000	6.00	5,000	1,350	(3,650)	1,350	1,350
Pos-hyundai Steel Manufacturing India Private Limited	1,055,496	6.00	612	612	-	612	612
S&M MEDIA Co., Ltd	2,000	2.67	20	20	-	20	20
XG Sciences	300,000	5.06	2,724	-	(2,724)	-	-
			<u>27,793</u>	<u>42,344</u>	<u>14,551</u>	<u>42,344</u>	<u>42,344</u>
			₩ <u>708,020</u>	<u>677,686</u>	<u>(30,334)</u>	<u>677,686</u>	<u>926,752</u>

#### 7. Investments in Subsidiaries, Associates and Joint ventures

(a) Investments in subsidiaries, associates and joint ventures of as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<b>September 30, 2024</b>	<b>December 31, 2023</b>
Subsidiaries	₩	43,034,011	42,519,521
Associates		230,552	230,552
Joint ventures		2,693,833	2,571,297
	₩	<u>45,958,396</u>	<u>45,321,370</u>

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 7. Investments in Subsidiaries, Associates and Joint ventures (cont'd)

(b) Details of subsidiaries and carrying amounts as of September 30, 2024 and December 31, 2023 are as follows:

(in millions of Won)

	Country	Principal operations	September 30, 2024		December 31,
			Ownership (%)	Book value	2023
					Book value
<b>[Domestic]</b>					
POSCO	Korea	Steel, rolled products, and plates manufacturing and sales	100.00	₩ 29,714,703	29,698,113
POSCO INTERNATIONAL Corporation	Korea	Trading and natural resources exploration	70.71	3,740,020	3,740,020
POSCO Eco & Challenge Co., Ltd.	Korea	Engineering and construction	52.80	1,014,963	1,013,453
POSCO Venture Capital Co., Ltd.	Korea	Investment in venture companies	100.00	115,931	115,931
POSCO FUTURE M CO.,LTD.	Korea	Refractory and anode/cathode material manufacturing and sales	59.72	895,687	895,687
POSCO WIDE Co., Ltd.	Korea	Business facility maintenance	100.00	308,843	308,843
POSCO DX	Korea	Computer hardware and software distribution	65.47	70,990	70,990
Busan E&E Co., Ltd.	Korea	Municipal solid waste fuel and power generation	70.00	30,148	30,148
POSCO-Pilbara LITHIUM SOLUTION Co., Ltd.	Korea	Lithium manufacturing and sales	82.00	314,940	314,940
POSCO LITHIUM SOLUTION	Korea	Lithium Hydroxide manufacturing and sales	100.00	287,550	287,550
QSONE Co.,Ltd.	Korea	Real estate rental and facility management	100.00	238,478	238,478
POSCO CNGR Nickel Solution(* 1)	Korea	Nickel refining	60.00	49,520	-
POSCO ZT AIR SOLUTION(* 2)	Korea	Manufacturing and Sales of High-Purity Rare Gases	75.10	63,308	-
Others (11 companies)				465,945	442,847
				<u>37,311,026</u>	<u>37,157,000</u>
<b>[Foreign]</b>					
POSCO WA PTY LTD.	Australia	Iron ore sales and mine development	100.00	646,574	646,574
POSCO Maharashtra Steel Private Limited	India	Steel manufacturing and sales	100.00	722,514	722,514
POSCO Canada Ltd.	Canada	Coal sales	100.00	560,879	560,879
POSCO AUSTRALIA PTY LTD.	Australia	Iron ore sales and mine development	100.00	330,623	330,623
POSCO (Zhangjiagang) Stainless Steel Co.,Ltd.	China	Stainless steel manufacturing and sales	58.60	283,792	283,792
POSCO-China Holding Corp.	China	Holding company	100.00	593,816	593,816
POSCO America Corporation	USA	Researching and consulting	99.45	192,136	192,136
POSCO VST CO., LTD.	Vietnam	Stainless steel manufacturing and sales	95.65	144,552	144,552
POSCO Asia Co., Ltd.	Hong Kong	Activities Auxiliary to financial service	100.00	117,690	117,690
POSCO ASSAN TST STEEL INDUSTRY	Turkiye	Steel manufacturing and sales	60.00	71,686	71,686
POSCO JAPAN Co., Ltd.	Japan	Steel marketing, demand development,	100.00	68,410	68,410
Qingdao Pohang Stainless Steel Co., Ltd.	China	Stainless steel manufacturing and sales	70.00	65,982	65,982
POSCO(Suzhou) Automotive Processing Center Co., Ltd.	China	Steel manufacturing and sales	90.00	62,469	62,469
POSCO AFRICA (PROPRIETARY) LIMITED	South Africa	Mine development	100.00	50,297	50,297
POSCO Argentina S.A.U.(* 3)	Argentina	Mineral exploration, manufacturing and sales	100.00	1,510,551	1,150,087
Others (18 companies)				301,014	301,014
				<u>5,722,985</u>	<u>5,362,521</u>
				<u>₩ 43,034,011</u>	<u>42,519,521</u>

(\*1) During the nine-month period ended September 30, 2024, the Company acquired 60% of shares of POSCO CNGR Nickel Solution Co., Ltd. at ₩49,520 million and classified the acquired equity interests as investments in subsidiaries.

(\*2) During the nine-month period ended September 30, 2024, the Company acquired 75.1% of shares of POSCO ZT AIR SOLUTION at ₩63,308 million and classified the acquired equity interests as investments in subsidiaries.

(\*3) During the nine-month period ended September 30, 2024, the Company acquired ₩360,464 million of additional investment in subsidiaries by participating in POSCO Argentina S.A.U.'s capital increase to invest in an Argentine brine lithium commercialization plant.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 7. Investments in Subsidiaries, Associates and Joint ventures (cont'd)

(c) Details of associates and carrying amounts as of September 30, 2024 and December 31, 2023 are as follows:

(in millions of Won)

	Country	Principal operations	September 30, 2024		December 31,
			Ownership (%)	Book value	2023
<b>[Domestic]</b>					
POSCO JK SOLID SOLUTION CO., LTD.	Korea	Material manufacturing for rechargeable battery	40.00	₩ 26,025	26,025
Others (5 companies)				12,111	12,111
				<u>38,136</u>	<u>38,136</u>
<b>[Foreign]</b>					
9404-5515 Quebec Inc.(* 1)	Canada	Investments	12.61	156,194	156,194
ZHEJIANG HUAYOU-POSCO ESM CO., LTD(* 1)	China	Precursors manufacturing and sales	8.29	22,423	22,423
Others (3 companies)				13,799	13,799
				<u>192,416</u>	<u>192,416</u>
				<u>₩ 230,552</u>	<u>230,552</u>

(\*1) As of September 30, 2024, the entities are classified as associates since the Company has significant influence over the investees although the Company's percentage of ownership is less than 20%, considering the structure of the entities' Board of Directors and others.

(d) Details of joint ventures and carrying amounts as of September 30, 2024 and December 31, 2023 are as follows:

(in millions of Won)

	Country	Principal operations	September 30, 2024		December 31,
			Ownership (%)	Book value	2023
Roy Hill Holdings Pty Ltd(* 1)	Australia	Natural resources exploration	10.00	₩ 1,225,464	1,225,464
POSCO-NPS Niobium LLC	USA	Foreign investments in mining	50.00	364,609	364,609
KOBRASCO	Brazil	Steel materials manufacturing and sales	50.00	98,962	98,962
HBIS-POSCO Automotive Steel Co., Ltd	China	Steel manufacturing and sales	50.00	235,207	235,207
BX STEEL POSCO Cold Rolled Sheet Co., Ltd.	China	Steel manufacturing and sales	25.00	63,866	63,866
PT NICOLE METAL INDUSTRY(* 2)	Indonesia	Nickel Smelting	49.00	413,555	293,361
Hydrogen Duqm LLC(* 3)	Oman	Green Hydrogen/Ammonia product business development	44.80	2,342	-
Nickel Mining Company SAS	New Caledonia	Raw material manufacturing and sales	49.00	189,197	189,197
SNNC	Korea	STS material manufacturing and sales	49.00	100,631	100,631
				<u>₩ 2,693,833</u>	<u>2,571,297</u>

(\*1) As of September 30, 2024 and December 31, 2023, the investments in joint ventures amounting to ₩1,225,464 million were provided as collateral in relation to revolving loan of Roy Hill Holdings Pty Ltd.

(\*2) During the nine-month period ended September 30, 2024, the Company acquired ₩120,194 million of additional investment in joint ventures by participating in PT NICOLE METAL INDUSTRY's capital increase to invest in a nickel dry smelting plant in Indonesia.

(\*3) During the nine-month period ended September 30, 2024, the Company acquired 44.8% of shares in Hydrogen Duqm LLC, for ₩2,342 million and classified them as an investment in joint ventures.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 8. Investment Property

Changes in the carrying amount of investment property for the nine-month period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

(a) For the nine-month period ended September 30, 2024

<i>(in millions of Won)</i>		<b>Beginning</b>	<b>Acquisition</b>	<b>Depreciation(* 1)</b>	<b>Others(* 2)</b>	<b>Ending</b>
Land	₩	193,446	1,200	-	50	194,696
Buildings		101,229	-	(5,435)	77	95,871
Structures		15,225	-	(618)	8	14,615
	₩	<u>309,900</u>	<u>1,200</u>	<u>(6,053)</u>	<u>135</u>	<u>305,182</u>

(\*1) The useful life and depreciation method of investment property are identical to those of property, plant and equipment.

(\*2) Mainly includes assets transferred from property, plant and equipment in relation to changes in rental ratio and the purpose of use.

(b) For the year ended December 31, 2023

<i>(in millions of Won)</i>		<b>Beginning</b>	<b>Acquisition</b>	<b>Depreciation(* 1)</b>	<b>Others(* 2)</b>	<b>Ending</b>
Land	₩	131,069	54,891	-	7,486	193,446
Buildings		83,528	-	(7,078)	24,779	101,229
Structures		6,102	-	(610)	9,733	15,225
	₩	<u>220,699</u>	<u>54,891</u>	<u>(7,688)</u>	<u>41,998</u>	<u>309,900</u>

(\*1) The useful life and depreciation method of investment property are identical to those of property, plant and equipment.

(\*2) Mainly includes assets transferred from property, plant and equipment in relation to changes in rental ratio and the purpose of use.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 9. Property, Plant and Equipment

Changes in the carrying amount of property, plant and equipment for the nine-month period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

(a) For the nine-month period ended September 30, 2024

<i>(in millions of Won)</i>		<u>Beginning</u>	<u>Acquisitions</u>	<u>Depreciation</u>	<u>Others(* 1)</u>	<u>Ending</u>
Land	₩	50,197	4	-	(50)	50,151
Buildings		29,539	37	(1,427)	(78)	28,071
Structures		7,748	1	(302)	(7)	7,440
Machinery and equipment		27,549	276	(1,543)	-	26,282
Vehicles		63	-	(16)	-	47
Furniture and fixtures		13,485	149	(878)	-	12,756
Construction-in-progress		69,206	120,812	-	-	190,018
	₩	<u>197,787</u>	<u>121,279</u>	<u>(4,166)</u>	<u>(135)</u>	<u>314,765</u>

(\*1) Represents assets transferred from construction-in-progress to other property, plant and equipment, assets transferred to investment property, and other expenses.

(b) For the year ended December 31, 2023

<i>(in millions of Won)</i>		<u>Beginning</u>	<u>Acquisitions</u>	<u>Disposals</u>	<u>Depreciation</u>	<u>Impairment(* 1)</u>	<u>Others(* 2)</u>	<u>Ending</u>
Land	₩	51,310	8,079	-	-	(1,706)	(7,486)	50,197
Buildings		39,277	12,659	(186)	(1,399)	-	(20,812)	29,539
Structures		6,036	1,107	(700)	(201)	-	1,506	7,748
Machinery and equipment		10,504	18,637	-	(1,061)	(531)	-	27,549
Vehicles		11	62	-	(10)	-	-	63
Furniture and fixtures		12,573	1,303	-	(951)	-	560	13,485
Construction-in-progress		25,295	69,693	-	-	(8,420)	(17,362)	69,206
	₩	<u>145,006</u>	<u>111,540</u>	<u>(886)</u>	<u>(3,622)</u>	<u>(10,657)</u>	<u>(43,594)</u>	<u>197,787</u>

(\*1) During the year ended December 31, 2023, the Company estimated the recoverable amount based on the net fair value of land adjacent to the magnesium smelting plant located in Gangneung city where operation and development has been discontinued. The Company recognized an impairment loss since recoverable amounts are less than their carrying amounts.

(\*2) Represents assets transferred from construction-in-progress to other property, plant and equipment, assets transferred from investment properties.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 9. Property, Plant and Equipment (cont'd)

(c) Information on lease agreements for which the Company is a lessee is as follows:

1) Right-of-use assets

As of September 30, 2024 and December 31, 2023, there are no right-of-use assets listed as property, plant and equipment.

2) Amount recognized in profit or loss

The amounts recognized in profit or loss related to leases for each of the three-month and the nine-month periods ended September 30, 2024 and 2023 are as follows:

	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2024	2023	2024	2023
<i>(in millions of Won)</i>				
Expenses related to short-term leases	₩ 2,227	1,011	6,613	1,116
Expenses related to leases of low-value assets	1,181	944	3,789	2,091
	₩ 3,408	1,955	10,402	3,207

#### 10. Intangible Assets

Changes in the carrying amount of intangible assets for the nine-month period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

(a) For the nine-month period ended September 30, 2024

<i>(in millions of Won)</i>	Beginning	Acquisitions	Disposals	Amortization	Others(* 2)	Ending
Intellectual property rights	₩ 576	-	-	(124)	257	709
Membership(* 1)	11,618	-	(1,546)	-	-	10,072
Development expense	2,905	-	-	(982)	1,866	3,789
Construction-in-progress	3,565	2,248	(239)	-	(2,123)	3,451
Other intangible assets	677	-	-	(174)	-	503
	₩ 19,341	2,248	(1,785)	(1,280)	-	18,524

(\*1) Estimated useful life of membership is indefinite.

(\*2) Represents assets transferred from construction-in-progress to other intangible assets, assets transferred from property, plant and equipment and others.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 10. Intangible Assets (cont'd)

(b) For the year ended December 31, 2023

<i>(in millions of Won)</i>	<u>Beginning</u>	<u>Acquisitions</u>	<u>Amortization</u>	<u>Others(* 2)</u>	<u>Ending</u>
Intellectual property rights	₩ 504	-	(151)	223	576
Membership(* 1)	11,618	-	-	-	11,618
Development expense	1,400	-	(865)	2,370	2,905
Construction-in-progress	1,476	4,740	-	(2,651)	3,565
Other intangible assets	904	4	(231)	-	677
	<u>₩ 15,902</u>	<u>4,744</u>	<u>(1,247)</u>	<u>(58)</u>	<u>19,341</u>

(\*1) Estimated useful life of membership is indefinite.

(\*2) Represents assets transferred from construction-in-progress to intangible assets and assets transferred from property, plant and equipment, and others.

#### 11. Other Assets

Other assets as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>		
Advance payments	₩ 232	208
Prepaid expenses	2,622	865
	<u>2,854</u>	<u>1,073</u>
<b>Non-current</b>		
Long-term advance payments	8,069	1,843
Long-term prepaid expenses	557	21
Others	6	8
	<u>₩ 8,632</u>	<u>1,872</u>

#### 12. Borrowings

(a) Borrowings as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>		
Exchangeable bonds	₩ 39,919	1,756,691
<b>Non-current</b>		
Long-term borrowings	₩ 1,347	1,316

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 12. Borrowings (cont'd)

(b) Current portions of debentures as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>Lenders</u>	<u>Issuance date</u>	<u>Maturity date</u>	<u>Annual interest rate (%)</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Exchangeable bonds(* 1)	Foreign currency exchangeable bonds	2021.09.01.	2026.09.01.	-	39,919	1,756,691

(\*1) The issuance conditions of the exchangeable bonds issued by the Company are as follows. As of September 30, 2024, exchangeable bonds are reclassified as current liabilities because the bondholders' put option for redemption has become exercisable within 12 months.

	<u>Foreign currency exchangeable bonds</u>
Type of bond	Exchangeable bonds
Aggregate principal amount(* 1)	EUR 27,100,000
Interest rate	- Coupon rate : - - Yield to maturity : (0.78%)
Maturity date	September 1, 2026
Redemption	- Redemption at maturity : Outstanding bond principal, which is not repaid early or which call option is not exercised on, is repaid at maturity as a lump sum - Prepayment : The issuer has call option and the bondholders have put option
Exchange rate	100%
Exchange price (Won/share)(* 2)	440,592
Underlying shares	Registered common shares(treasury shares)
Exchange period	From October 12, 2021 to August 22, 2026
Adjustments for exchange price	Adjusting the exchange price according to the terms and conditions of the bond in the events of reason for adjusting the exchange price such as, bonus issue, share split, share consolidation, change of share type, issuance of options or warranties to shareholders, share dividend, cash dividend, issuance of new shares under the market price.
Put option by bondholders	- 3 years(September 1, 2024) from the closing date - In the event of a change of control of the Company - Where the shares issued by the Company are delisted (or suspended for more than 30 consecutive trading days)
Call option by the issuer	- Share price(based on closing price) is higher than 130% of exchange price for more than 20 trading days during 30 consecutive trading days in a row , after 3 years (September 1, 2024) from the closing day to 30 business days before the maturity of bonds - When the outstanding balance of outstanding bonds is less than 10% of the total issuance (Clean-Up Call) - Where additional reasons for tax burden arise due to the amendment of relevant laws and regulations, etc

(\*1) Due to put option exercised by bondholders, EUR 1,038,800,000 of EUR 1,065,900,000 in aggregate principal amount of exchangeable bonds was redeemed during the nine-month period ended September 30, 2024.

(\*2) The exchange price has changed due to cash dividends paid during the nine-month period ended September 30, 2024.

The Company has designated exchangeable bonds listed on the Singapore Stock Exchange as financial liabilities measured at fair value through profit or loss. The quoted transaction price is used in fair value measurement, and changes in fair value are recognized in profit or loss.



## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 12. Borrowings (cont'd)

(c) Long-term borrowings and others excluding current portion as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>Lenders</u>	<u>Issuance date</u>	<u>Maturity date</u>	<u>Annual interest rate (%)</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Foreign borrowings	KOREA ENERGY AGENCY	2011.12.27.	2026.12.26.	3 year Government bond ₩	1,347	1,316

#### 13. Other Payables

Other payables as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Accounts payable	₩	20,826	25,971
Accrued expenses		19,363	10,681
Dividend payable		2,700	3,087
	₩	<u>42,889</u>	<u>39,739</u>
<b>Non-current</b>			
Long-term withholdings	₩	33,110	29,962
Less: Present value discount		(2,618)	(3,158)
	₩	<u>30,492</u>	<u>26,804</u>

#### 14. Other Financial Liabilities

Other financial liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Financial guarantee liabilities	₩	14,113	1,571
<b>Non-current</b>			
Financial guarantee liabilities	₩	-	6,968

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 15. Provisions

(a) Provisions as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	September 30, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Provision for bonus payments(* 1)	₩ 1,862	-	6,055	-
Provision for restoration(* 2)	5,717	1,710	8,928	2,634
	₩ <u>7,579</u>	<u>1,710</u>	<u>14,983</u>	<u>2,634</u>

(\*1) Represents the provision for bonuses with the limit of 100% of annual salaries for executives.

(\*2) Due to contamination of land near the Company's magnesium smelting plant located in Gangneung city, the Company recognized present values of estimated costs for recovery as provisions for restoration as of September 30, 2024. In order to determine the estimated costs, the Company has assumed that it would use all of technologies and materials available for now to recover the land. In addition, the Company has applied discount rates of 3.25% to assess present value of these costs.

(b) Changes in provisions for the nine-month period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

1) For the nine-month period ended September 30, 2024

<i>(in millions of Won)</i>	Beginning	Increase	Utilization	Ending
Provision for bonus payments	₩ 6,055	6,774	(10,967)	1,862
Provision for restoration	11,562	181	(4,316)	7,427
	₩ <u>17,617</u>	<u>6,955</u>	<u>(15,283)</u>	<u>9,289</u>

2) For the year ended December 31, 2023

<i>(in millions of Won)</i>	Beginning	Increase	Reversal	Utilization	Ending
Provision for bonus payments	₩ 5,667	10,154	-	(9,766)	6,055
Provision for restoration	15,865	853	-	(5,156)	11,562
Others	34,724	-	(8,158)	(26,566)	-
	₩ <u>56,256</u>	<u>11,007</u>	<u>(8,158)</u>	<u>(41,488)</u>	<u>17,617</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 16. Employee Benefits

##### (a) Defined contribution plans

The expenses related to post-employment benefit plans under defined contribution plans for each of the three-month and the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>	For the three-month periods		For the nine-month periods		
	ended September 30		ended September 30		
	2024	2023	2024	2023	
Expense related to post-employment benefit plans under defined contribution plans	₩	33	17	96	101

##### (b) Defined benefit plans

1) The amounts recognized in relation to net defined benefit liabilities in the statements of financial position as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
Present value of funded obligations	₩	36,435	44,276
Fair value of plan assets		(38,379)	(39,993)
Net defined benefit liabilities/assets	₩	<u>(1,944)</u>	<u>4,283</u>

2) The amounts recognized in the statements of comprehensive income for each of the three-month and the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>	For the three-month periods		For the nine-month periods		
	ended September 30		ended September 30		
	2024	2023	2024	2023	
Current service costs	₩	1,550	1,064	5,276	5,080
Net interest costs		(86)	(105)	(256)	(314)
	₩	<u>1,464</u>	<u>959</u>	<u>5,020</u>	<u>4,766</u>

#### 17. Other Liabilities

Other liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Advances received	₩	1,173	5
Withholdings		2,475	3,938
Unearned revenue		2,555	2,743
	₩	<u>6,203</u>	<u>6,686</u>
<b>Non-current</b>			
Unearned revenue	₩	2,618	3,158

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 18. Financial Instruments

#### (a) Classification and fair value of financial instruments

1) The carrying amount and the fair values of financial assets and financial liabilities by fair value hierarchy as of September 30, 2024 and December 31, 2023 are as follows:

#### ① September 30, 2024

(in millions of Won)

	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Fair value through profit or loss					
Short term financial instruments	₩ 1,300,702	-	1,300,702	-	1,300,702
Other securities	216,109	-	-	216,109	216,109
Fair value through other comprehensive income					
Equity securities	677,686	635,342	-	42,344	677,686
Financial assets measured at amortized cost(* 1)					
Cash and cash equivalents	481,718	-	-	-	-
Trade accounts and notes receivable	51,370	-	-	-	-
Other receivables	39,394	-	-	-	-
Deposit instruments	1,250,002	-	-	-	-
₩	<u>4,016,981</u>	<u>635,342</u>	<u>1,300,702</u>	<u>258,453</u>	<u>2,194,497</u>
<b>Financial liabilities</b>					
Fair value through profit or loss					
Borrowings	₩ 39,919	39,919	-	-	39,919
Financial liabilities measured at amortized cost(* 1)					
Borrowings	1,347	-	1,347	-	1,347
Financial guarantee liabilities	14,113	-	-	-	-
Others	65,736	-	-	-	-
₩	<u>121,115</u>	<u>39,919</u>	<u>1,347</u>	<u>-</u>	<u>41,266</u>

(\*1) Fair value of financial assets and liabilities measured at amortized cost approximates their carrying amounts.

#### ② December 31, 2023

(in millions of Won)

	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Fair value through profit or loss					
Short term financial instruments	₩ 2,190,743	-	2,190,743	-	2,190,743
Other securities	204,320	-	-	204,320	204,320
Fair value through other comprehensive income					
Equity securities	926,752	884,408	-	42,344	926,752
Financial assets measured at amortized cost(* 1)					
Cash and cash equivalents	376,914	-	-	-	-
Trade accounts and notes receivable	100,323	-	-	-	-
Other receivables	64,393	-	-	-	-
Deposit instruments	1,750,002	-	-	-	-
₩	<u>5,613,447</u>	<u>884,408</u>	<u>2,190,743</u>	<u>246,664</u>	<u>3,321,815</u>
<b>Financial liabilities</b>					
Fair value through profit or loss					
Borrowings	₩ 1,756,691	1,756,691	-	-	1,756,691
Financial liabilities measured at amortized cost(* 1)					
Borrowings	1,316	-	1,316	-	1,316
Financial guarantee liabilities	8,539	-	-	-	-
Others	62,252	-	-	-	-
₩	<u>1,828,798</u>	<u>1,756,691</u>	<u>1,316</u>	<u>-</u>	<u>1,758,007</u>

(\*1) Fair value of financial assets and liabilities measured at amortized cost approximates their carrying amounts.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 18. Financial Instruments (cont'd)

- 2) Financial liabilities were recognized in connection with financial guarantee contracts as of September 30, 2024. Details of the amount of guarantees provided are as follows:

(in millions of Won)

Guarantee beneficiary	Financial institution	Guarantee limit		Guarantee amount		
		Foreign currency	Won equivalent	Foreign currency	Won equivalent	
<b>Subsidiaries</b>						
POSCO Asia Co., Ltd.	Credit Agricole	USD	50,000,000	65,980	-	-
	ING	USD	55,000,000	72,578	-	-
	Mizuho	USD	50,000,000	65,980	-	-
	Shinhan	USD	50,000,000	65,980	-	-
POSCO Argentina S.A.U.	BNP	USD	110,000,000	145,156	46,754,009	61,697
	CITI	USD	187,975,000	248,052	121,878,940	160,831
	Credit Agricole	USD	187,975,000	248,052	121,878,940	160,831
	HSBC	USD	187,975,000	248,052	121,878,940	160,831
	JPM	USD	187,975,000	248,052	121,878,940	160,831
	BANK OF AMERICA	USD	50,900,000	67,167	15,561,826	20,536
	KEXIM	USD	167,100,000	220,505	51,013,024	67,317
<b>Associates</b>						
Nickel Mining Company SAS	SMBC	EUR	46,000,000	67,807	46,000,000	67,807
		USD	1,284,900,000	1,695,554	600,844,619	792,874
		EUR	46,000,000	67,807	46,000,000	67,807

- 3) Finance income and costs by category of financial instrument for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

① For the nine-month period ended September 30, 2024

(in millions of Won)

	Finance income and costs						Other comprehensive loss	
	Interest income (expense)	Gain and loss on foreign currency	Gain and loss on disposal	Gain and loss on valuation	Others	Total		
Financial assets at fair value through profit or loss	₩	-	1,510	27,406	58,685	-	87,601	-
Financial assets at fair value through other comprehensive income		-	-	(8,219)	-	-	(8,219)	(35,849)
Financial assets measured at amortized cost		69,014	1,683	-	-	-	70,697	-
Financial liabilities at fair value through profit or loss		-	(56,301)	(12,292)	236,931	-	168,338	-
Financial liabilities measured at amortized cost		(873)	383	-	-	1,606	1,116	-
	₩	68,141	(52,725)	6,895	295,616	1,606	319,533	(35,849)

② For the nine-month period ended September 30, 2023

(in millions of Won)

	Finance income and costs						Other comprehensive income	
	Interest income (expense)	Gain and loss on foreign currency	Gain and loss on disposal	Gain and loss on valuation	Others	Total		
Financial assets at fair value through profit or loss	₩	-	3,875	34,582	132,751	-	171,208	-
Financial assets at fair value through other comprehensive income		-	-	-	-	-	-	175,656
Financial assets measured at amortized cost		51,125	20,603	-	-	-	71,728	-
Financial liabilities at fair value through profit or loss		-	(93,331)	-	(429,985)	-	(523,316)	-
Financial liabilities measured at amortized cost		-	(325)	-	-	4,935	4,610	-
	₩	51,125	(69,178)	34,582	(297,234)	4,935	(275,770)	175,656

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 19. Share Capital and Capital Surplus

(a) Share capital as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in Won, except share information)</i>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Authorized shares	200,000,000	200,000,000
Par value	₩ 5,000	5,000
Issued shares(* 1,2)	82,624,377	84,571,230
Shared capital(* 3)	₩ 482,403,125,000	482,403,125,000

(\*1) As of September 30, 2024, the total number of American Depositary Receipts (ADRs) outstanding in overseas stock market amounts to 20,116,948 and such ADRs are equivalent to 5,029,237 shares of common stock.

(\*2) Pursuant to the resolution of a Board of Directors' meeting on July 12, 2024, the Company decided to retire 1,946,853 shares using distributable profits, and the retirement of shares was completed on August 6, 2024. As a result, as of September 30, 2024, the Company's total number of issued shares has decreased from 84,571,230 to 82,624,377.

(\*3) As of September 30, 2024, the difference between the ending balance of common stock and the par value of issued common stock is ₩69,281 million due to retirement of 13,865,248 treasury shares.

(b) Capital surplus as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Share premium	₩ 463,825	463,825
Gain on disposal of treasury shares	808,994	808,994
Gain from merger	80,627	80,627
Loss on disposal of hybrid bonds	(1,787)	(1,787)
Share-based payment	16,331	18,898
	₩ <u>1,367,990</u>	<u>1,370,557</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 20. Accumulated Other Comprehensive Income (loss)

Accumulated other comprehensive income as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Changes in fair value of equity investments at fair value through other comprehensive income (loss) ₩	(23,327)	30,678

#### 21. Treasury Shares

Based on the Board of Directors' resolution, the Company holds treasury shares for business purposes including price stabilization. Changes in treasury shares for the nine-month period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

<i>(shares, in millions of Won)</i>	<u>September 30, 2024</u>		<u>December 31, 2023</u>	
	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>
Beginning	8,695,023	₩ 1,889,658	8,722,053	₩ 1,892,308
Acquisition of treasury shares	255,428	92,311	-	-
Disposal of treasury shares	-	-	(27,030)	(2,650)
Retirement of treasury shares	(1,946,853)	(431,107)	-	-
Ending	<u>7,003,598</u>	<u>₩ 1,550,862</u>	<u>8,695,023</u>	<u>₩ 1,889,658</u>

#### 22. Operating Revenue

(a) Details of operating revenue disaggregated by types of revenue and timing of revenue recognition for each of the three-month and the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>	<u>For the three-month periods ended September 30</u>		<u>For the nine-month periods ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Types of revenue</b>				
Dividend income	₩ 355,460	424,155	1,320,175	1,113,179
Others	46,810	49,530	140,693	155,333
	<u>₩ 402,270</u>	<u>473,685</u>	<u>1,460,868</u>	<u>1,268,512</u>
<b>Timing of revenue recognition</b>				
Revenue recognized at a point in time	₩ 355,826	424,158	1,320,183	1,113,189
Revenue recognized over time	46,444	49,527	140,685	155,323
	<u>₩ 402,270</u>	<u>473,685</u>	<u>1,460,868</u>	<u>1,268,512</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 22. Operating Revenue (cont'd)

(b) Details of contract assets and liabilities from contracts with customers as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Receivables</b>		
Account receivables	₩ 51,370	100,323
<b>Contract assets</b>		
Account receivables	100,745	138,009
<b>Contract liabilities</b>		
Advance received	1,173	5
Unearned income	5,173	5,901

#### 23. Operating Expenses

Operating expenses for each of the three-month and the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>	<u>For the three-month periods ended September 30</u>		<u>For the nine-month periods ended September 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Wages and salaries	₩ 17,425	18,791	50,007	54,261
Expenses related to post-employment benefits	1,852	1,248	5,478	5,700
Other employee benefits	4,058	4,232	13,552	10,034
Travel	1,450	1,806	4,117	4,080
Taxes and public dues	(1,062)	(268)	11,817	13,038
Depreciation	2,802	2,522	8,410	7,595
Amortization	409	314	1,213	897
Rental	1,249	898	3,893	2,150
Repairs	300	93	670	314
Advertising	5,942	7,304	16,136	17,957
Research & development	37,063	23,851	107,200	66,237
Service fees	16,087	13,692	47,113	43,054
Supplies	59	157	337	329
Vehicles maintenance	646	695	2,121	1,904
Industry association fee	78	550	1,815	2,042
Training	336	472	1,171	825
Others	3,753	1,373	6,906	2,428
	₩ <u>92,447</u>	<u>77,730</u>	<u>281,956</u>	<u>232,845</u>



## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 24. Finance Income and Costs

Details of finance income and costs for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

(in millions of Won)	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2024	2023	2024	2023
<b>Finance income</b>				
Interest income	₩ 22,512	17,493	69,014	51,125
Gain on foreign currency transactions	9,041	736	4,216	6,308
Gain on foreign currency translations	615	7,006	1,774	21,417
Gain on transactions of derivatives	1,058	-	1,058	-
Gain on disposal of financial assets at fair value through profit or loss	4,577	1,421	26,348	34,743
Gain on valuation of financial assets at fair value through profit or loss	15,213	17,975	58,685	132,836
Gain on valuation of financial liabilities at fair value through profit or loss	2,713	-	236,931	-
Others	628	1,804	1,613	5,203
	₩ <u>56,357</u>	<u>46,435</u>	<u>399,639</u>	<u>251,632</u>
<b>Finance costs</b>				
Loss on foreign currency transactions	₩ 1,291	1,120	57,005	3,338
Loss on foreign currency translations	3,771	10,613	1,710	93,565
Loss on transactions of derivatives	6,035	-	6,035	-
Loss on disposal of equity securities	-	-	8,219	161
Loss on valuations of financial assets at fair value through profit or loss	-	85	-	85
Loss on valuation of financial liabilities at fair value through profit or loss	-	309,681	-	429,985
Loss on bond redemption	6,257	-	6,257	-
Others	295	20	880	268
	₩ <u>17,649</u>	<u>321,519</u>	<u>80,106</u>	<u>527,402</u>

#### 25. Other Non-Operating Income and Expenses

Details of other non-operating income and expenses for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

(in millions of Won)	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2024	2023	2024	2023
<b>Other non-operating income</b>				
Gain on disposal of investments in subsidiaries, associates and joint venture	₩ -	236	-	236
Reversal of other provisions	-	-	54	8,158
Others	676	2,171	2,189	3,084
	₩ <u>676</u>	<u>2,407</u>	<u>2,243</u>	<u>11,478</u>
<b>Other non-operating expenses</b>				
Impairment loss on other accounts receivables	₩ -	2,351	106	2,351
Loss on disposal of property, plant and equipment	-	2,254	-	2,254
Loss on disposals of assets held for sale	-	896	-	998
Increase of other provisions	139	60	234	590
Others	560	516	5,630	1,322
	₩ <u>699</u>	<u>6,077</u>	<u>5,970</u>	<u>7,515</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 26. Expenses by Nature

Expenses that are recorded by nature as cost of sales, operating expenses and other non-operating expenses in the statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows (excluding finance costs and income tax expenses):

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2024	2023	2024	2023
Employee benefits expenses	₩ 27,866	26,106	81,382	69,976
Depreciation(* 1)	3,406	2,772	10,219	8,227
Amortization	432	314	1,280	897
Service fees	16,962	14,068	48,776	43,540
Rental	3,408	2,175	10,867	3,650
Advertising	5,953	7,304	16,147	17,957
Loss on disposal of property, plant and equipment	-	2,254	-	2,254
Research & development	26,298	15,924	71,368	53,734
Other expenses	8,822	12,890	47,887	42,278
	₩ 93,147	83,807	287,926	242,513

(\*1) Includes depreciation of investment property.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

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#### 27. Income Taxes

The effective tax rates of the Company for each of the nine-month periods ended September 30, 2024 and 2023 are 1.75% and 0%, respectively.

##### (a) Income taxes

The Company vertically spun off its steel business at the spin-off date on March 1, 2022. The Company's vertical spin-off meets the requirements for qualified spin-off under the Corporate Tax Act. Accordingly, transfer gains of ₩8,452,339 million under the Corporate Tax Act were incurred for the net asset transferred to the newly established company (POSCO), and the Company simultaneously set a Corporate Tax Act-based provision for accelerated depreciation on the transfer gains and recognized deferred tax liabilities.

Deductible temporary differences related to the investment in newly established company (POSCO) which is caused by transfer gains under the Corporate Tax Act were not recognized as deferred tax assets, since it is not probable they will reverse through disposal or liquidation.

##### (b) Global minimum top-up tax

In 2023, Pillar Two legislation has been enacted in the Republic of Korea, where the Company is domiciled, and will be effective for the fiscal years starting on or after January 1, 2024. Accordingly, the Company calculated the Pillar Two income tax expense for the nine-month period ended September 30, 2024 as the Company is subject to global minimum top-up tax under the application of the OECD's Pillar Two Model Rules via domestic legislation. As a result of the Company's assessment on the Pillar Two income taxes, the Company did not recognize any income tax expense for the nine-month period ended September 30, 2024 as the impact of the global minimum top-up tax on the interim condensed separate financial statements as of September 30, 2024 would not be significant. Furthermore, the Company applies temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two Model Rules as prescribed in KIFRS 1012 *Income Taxes*, and accordingly, the Company did not recognize deferred tax assets and liabilities related to the global minimum top-up tax and does not disclose information related to deferred income tax.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 28. Earnings per Share

(a) Basic earnings per share for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in Won, except share information)</i>		For the three-month periods ended September 30		For the nine-month periods ended September 30	
		2024	2023	2024	2023
Profit for the period	₩	334,994,032,159	153,385,707,998	1,468,571,617,105	885,431,452,822
Weighted-average number of common shares outstanding(*1)		75,699,376	75,876,207	75,816,833	75,867,296
Basic earnings per share	₩	4,425	2,022	19,370	11,671

(\*1) The weighted-average number of common shares outstanding used to calculate basic earnings per share is as follows:

<i>(shares)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2024	2023	2024	2023
Total number of common shares issued	83,297,040	84,571,230	84,143,400	84,571,230
Weighted-average number of treasury shares	(7,597,664)	(8,695,023)	(8,326,567)	(8,703,934)
Weighted-average number of common shares outstanding	75,699,376	75,876,207	75,816,833	75,867,296

(b) The Company has exchangeable bonds that can be exchanged for common stocks with dilutive effects as of September 30, 2024. Considering the anti-dilution effect as of September 30, 2023, the Company did not calculate diluted earnings per share. Diluted earnings per share for the three-month and nine-month periods ended September 30, 2024 are calculated as follows:

<i>(in Won, except share information)</i>	₩	For the three-month period ended September 30, 2024	For the nine-month period ended September 30, 2024
Profit for the period		334,994,032,159	1,468,571,617,105
Gain or loss from revaluation of and exchange rate on exchangeable bonds		(8,425,258,347)	(138,904,137,256)
Diluted profit for the period		326,568,773,812	1,329,667,479,849
Adjusted weighted-average number of common shares outstanding(* 1)		78,013,947	78,757,791
Diluted earnings per share		4,186	16,883

(\*1) The weighted-average number of common shares outstanding used to calculate diluted earnings per share are as follows:

<i>(shares)</i>	For the three-month period ended September 30, 2024	For the nine-month period ended September 30, 2024
Weighted-average number of common shares outstanding	75,699,376	75,816,833
Weighted-average number of potential common shares	2,314,571	2,940,958
Adjusted weighted-average number of common shares	78,013,947	78,757,791

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 29. Related Party Transactions

(a) Related parties of the Company as of September, 2024 are as follows:

Type	Company
Subsidiaries	<p>[Domestic] POSCO, POSCO Eco &amp; Challenge Co., Ltd., POSCO STEELEON CO., Ltd, POSCO DX, POSCO Research Institute, POSCO WIDE Co., Ltd., POSCO Capital, POSCO FUTURE M CO., LTD., eNtoB Corporation, POSCO FLOW CO.,LTD., POSCO M-TECH, Busan E&amp;E Co., Ltd., POSCO INTERNATIONAL Corporation, POSCO Mobility Solution Corporation, POSCO-Pilbara LITHIUM SOLUTION Co., Ltd., POSCO HY Clean Metal Co., Ltd., POSCO LITHIUM SOLUTION, Shinan Green Energy Co.,LTD., eSteel4U, QSONE Co.,Ltd., TANCHEON E&amp;E, POSCO IH, POSCO A&amp;C Co., Ltd, Posco Group University, POSCO GY Solution, POSCO GYR Tech, POSCO GYS Tech, POSCO PR Tech, POSCO PS Tech, POSCO PH Solution, POSCO Humans Co.,Ltd., Pohang Scrap Recycling Distribution Center Co., Ltd., P&amp;O Chemical Co., Ltd., POSCO NIPPON STEEL RHF JOINT VENTURE.CO.,Ltd., Songdo Development PMC (Project Management Company) LLC., NEH Co.,Ltd., POSCO CNGR Nickel Solution, POSCO-GS Eco Materials Co., Ltd, Korea Fuel Cell and others.</p> <p>[Foreign] POSCO America Corporation, POSCO AUSTRALIA PTY LTD., POSCO Asia Co., Ltd., POSCO (Zhangjiagang) Stainless Steel Co.,Ltd., POSCO-China Holding Corporation, POSCO JAPAN Co., Ltd., POSCO-VIETNAM Co., Ltd., POSCO MEXICO S.A. DE C.V., POSCO Maharashtra Steel Private Limited, PT. KRAKATAU POSCO, YAMATO VINA STEEL JOINTSTOCK COMPANY, POSCO Argentina S.A.U., SenexHoldings PTY LTD, ULTIUM CAM LIMITED PARTNERSHIP and others.</p>
Investments in associates and joint ventures	<p>[Domestic] POSCO MC MATERIALS, Samcheok Blue Power Co.,Ltd., SNNC, Gale International Korea, LLC, Eco Energy Solution, UITrans LRT Co., Ltd., Pohang Special Welding Co.,Ltd., and others.</p> <p>[Foreign] Roy Hill Holdings Pty Ltd, POSCO-NPS Niobium LLC, KOBRASCO, PT NICOLE METAL INDUSTRY, HBIS-POSCO Automotive Steel Co.,Ltd, South-East Asia Gas Pipeline Company Ltd., 9404-5515 Quebec Inc., AES Mong Duong Power Company Limited, KOREALNG LTD., Nickel Mining Company SAS and others.</p>

(b) Material transactions with related companies for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

#### 1) For the nine-month period ended September 30, 2024

(in millions of Won)

	Sales and others(* 1)			Purchase and others	
	Sales	Dividends	Others	Purchase of fixed assets	Others
<b>Subsidiaries(* 2)</b>					
POSCO	₩ 113,665	888,008	66	191	9,470
POSCO Eco & Challenge Co., Ltd.	7,561	11,037	-	1,729	705
POSCO STEELEON CO., Ltd	899	-	-	-	9
POSCO DX	1,027	9,940	-	982	9,540
POSCO Research Institute	-	-	-	30	8,180
eNtoB Corporation	-	-	-	49	6,231
POSCO FUTURE M CO., LTD.	6,459	11,565	-	-	9
POSCO INTERNATIONAL Corporation	4,548	124,396	74	-	61
Busan E&E Co., Ltd.	-	2,472	-	-	-
POSCO America Corporation	-	-	-	-	5,030
Others	3,907	831	1,445	1	17,279
	<u>138,066</u>	<u>1,048,249</u>	<u>1,585</u>	<u>2,982</u>	<u>56,514</u>
<b>Associates and joint ventures(* 2)</b>					
POSCO-NPS Niobium LLC	-	22,045	-	-	-
Roy Hill Holdings Pty Ltd	-	202,550	-	-	-
Others	273	14,494	168	-	-
	<u>273</u>	<u>239,089</u>	<u>168</u>	<u>-</u>	<u>-</u>
₩	<u>138,339</u>	<u>1,287,338</u>	<u>1,753</u>	<u>2,982</u>	<u>56,514</u>

(\*1) Sales and others mainly consist of trademark usage income, rental income, and dividend income from subsidiaries, associates and joint ventures.

(\*2) As of September 30, 2024, the Company provided payment guarantees to related parties (see Note 18).

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 29. Related Party Transactions (cont'd)

#### 2) For the nine-month period ended September 30, 2023

(in millions of Won)

	Sales and others(* 1)			Purchase and others	
	Sales	Dividends(* 3)	Others	Purchase of fixed assets	Others
<b>Subsidiaries(* 2)</b>					
POSCO	₩ 115,159	325,043	-	-	11,362
POSCO Eco & Challenge Co., Ltd.	6,432	11,037	440	8,117	4,166
POSCO STEELEON CO., Ltd	1,641	-	-	-	93
POSCO DX	2,367	7,455	-	3,382	5,663
eNtoB Corporation	-	-	40	70	1,396
POSCO FUTURE M CO., LTD.	2,872	13,878	-	-	-
POSCO MOBILITY SOLUTION	739	-	55	-	-
POSCO INTERNATIONAL Corporation	7,753	77,616	-	-	44
POSCO Maharashtra Steel Private Limited	692	-	353	-	-
POSCO ASSAN TST STEEL INDUSTRY	17	-	430	-	-
Others	9,504	6,084	4,874	6,519	29,494
	147,176	441,113	6,192	18,088	52,218
<b>Associates and joint ventures(* 2)</b>					
SNNC	696	-	55	-	-
Roy Hill Holdings Pty Ltd	-	205,739	-	-	-
Others	236	69,485	11,566	-	90
	932	275,224	11,621	-	90
₩	148,108	716,337	17,813	18,088	52,308

(\*1) Sales and others mainly consist of trademark usage income, rental income, and dividend income from subsidiaries, associates and joint ventures.

(\*2) As of September 30, 2023, the Company provided payment guarantees to related parties (see Note 18).

(\*3) Gain on disposals of investment in subsidiaries, recognized as dividends amounting to ₩14,898 million, is excluded.

(c) The balances of receivables and payables arising from significant transactions with related parties as of September 30, 2024 and December 31, 2023 are as follows:

#### 1) September 30, 2024

(in millions of Won)

	Receivables			Payables		
	Trade accounts and notes receivable	Others	Total	Accounts payable	Others	Total
<b>Subsidiaries</b>						
POSCO	₩ 78,316	1,423	79,739	4,186	35,846	40,032
POSCO Eco & Challenge Co., Ltd.	7,210	309	7,519	113	-	113
POSCO STEELEON CO., Ltd	841	-	841	-	-	-
POSCO DX	1,114	-	1,114	1,978	391	2,369
POSCO FUTURE M CO., LTD.	14,668	-	14,668	-	56	56
POSCO Mobility Solution Corporation	735	-	735	-	5	5
POSCO INTERNATIONAL Corporation	4,713	10	4,723	-	304	304
POSCO Argentina S.A.U	-	22,020	22,020	-	-	-
Others	2,169	230	2,399	3,054	244	3,298
	109,766	23,992	133,758	9,331	36,846	46,177
<b>Associates and joint ventures</b>						
SNNC	202	-	202	-	-	-
Roy Hill Holdings Pty Ltd	27,521	-	27,521	-	-	-
FQM Australia Holdings Pty Ltd(* 1)	-	224,027	224,027	-	-	-
Others	141	356	497	-	-	-
	27,864	224,383	252,247	-	-	-
₩	137,630	248,375	386,005	9,331	36,846	46,177

(\*1) FQM Australia Holdings Pty Ltd's other receivable consists of long-term loans and accrued interest. Meanwhile, the Company has recognized an allowance for doubtful accounts for all of these other receivables.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

### 29. Related Party Transactions (cont'd)

#### 2) December 31, 2023

(in millions of Won)

	Receivables			Payables		
	Trade accounts and notes receivable	Others	Total	Accounts payable	Others	Total
<b>Subsidiaries</b>						
POSCO	₩ 110,913	19,666	130,579	3,937	32,901	36,838
POSCO Eco & Challenge Co., Ltd.	9,262	1,714	10,976	-	170	170
POSCO STEELEON CO., Ltd	1,063	-	1,063	-	-	-
POSCO DX	1,574	-	1,574	1,434	423	1,857
eNtoB Corporation	-	-	-	1,391	3	1,394
POSCO FUTURE M CO., LTD	14,299	463	14,762	-	31	31
POSCO Mobility Solution Corporation	981	-	981	-	-	-
POSCO INTERNATIONAL Corporation	6,449	25	6,474	-	163	163
PT. KRAKATAU POSCO	-	3,582	3,582	-	-	-
Others	3,345	11,152	14,497	9,022	151	9,173
	<u>147,886</u>	<u>36,602</u>	<u>184,488</u>	<u>15,784</u>	<u>33,842</u>	<u>49,626</u>
<b>Associates and joint ventures</b>						
SNNC	334	-	334	-	-	-
Roy Hill Holdings Pty Ltd	88,008	-	88,008	-	-	-
FQM Australia Holdings Pty Ltd(* 1)	-	218,900	218,900	-	-	-
Others	195	560	755	-	-	-
	<u>88,537</u>	<u>219,460</u>	<u>307,997</u>	<u>-</u>	<u>-</u>	<u>-</u>
₩	<u>236,423</u>	<u>256,062</u>	<u>492,485</u>	<u>15,784</u>	<u>33,842</u>	<u>49,626</u>

(\*1) FQM Australia Holdings Pty Ltd's other receivable consists of long-term loans and accrued interest. During the year ended December 31, 2023, the Company provided additional loan of ₩6,448 million to FQM Australia Holdings Pty Ltd. Meanwhile, the Company has recognized an allowances for doubtful accounts for all of these other receivables during the year ended December 31, 2023.

(d) For each of the nine-month periods ended September 30, 2024 and 2023, the Company additional capital contribution transaction in subsidiaries, etc.(see Note 7):

(e) For each of the nine-month periods ended September 30, 2024 and 2023, details of compensation to key management officers are as follows:

(in millions of Won)

	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Short-term benefits	₩ 19,099	25,871
Retirement benefits	2,570	4,221
	<u>₩ 21,669</u>	<u>30,092</u>

Key management officers include directors (including non-standing directors), executive officials and fellow officials who have significant influence and responsibilities in the Company's business and operations.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

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#### 30. Commitments and Contingencies

##### (a) Commitments

- 1) As of September 30, 2024, the Company entered into commitments with KOREA ENERGY AGENCY for long-term foreign currency borrowing, which is limited up to the amount of USD 1.05 million. The borrowing is related to the exploration of gas hydrates in Western Fergana-Chinabad. The repayment of the borrowing depends on the success of the project. The Company is not liable for the repayment of full or part of the money borrowed if the respective project fails. The Company has agreed to pay a certain portion of its profits under certain conditions, as defined by the borrowing agreements. As of September 30, 2024, the ending balance of the borrowing amounts to USD 1.02 million.
- 2) The Company has deposited 83,671 treasury shares for exchange with the Korea Securities Depository in relation to foreign currency exchangeable bonds as of September 30, 2024.

(b) As of September 30, 2024, the Company has provided three blank checks to KOREA ENERGY AGENCY as collateral for long-term foreign currency borrowings.

##### (c) Litigation in progress

The Company is involved in 3 lawsuits amounting in total to ₩500 million as defendant as of September 30, 2024. However, the Company has not recognized any provisions for the lawsuit since the Company does not believe it has a present obligation as of September 30, 2024.

(d) The Company has a joint obligation with the company newly established through spin-off, POSCO, to discharge all liabilities (including financial guarantee contracts) incurred prior to the spin-off date.



## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued September 30, 2024 and 2023 (Unaudited)

#### 31. Cash Flows from Operating Activities

Changes in operating assets and liabilities for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2024</u>	<u>September 30, 2023</u>
Trade accounts and notes receivable	₩	37,170	(6,440)
Other accounts receivable		11,591	12,376
Prepaid expenses		(2,293)	(3,026)
Other current assets		(365)	165
Short-term guarantee deposits		-	(656)
Other non-current assets		(6,307)	(3,558)
Other accounts payable		(3,510)	3,446
Accrued expenses		8,682	6,112
Advances received		1,167	(319)
Withholdings		(1,463)	(1,084)
Unearned revenue		(1,060)	(66)
Other current liabilities		(8,508)	(6,004)
Payments of severance benefits		(14,093)	(7,635)
Plan assets		2,531	2,104
	₩	<u>23,542</u>	<u>(4,585)</u>

#### 32. Events After the Reporting Period

- (a) Pursuant to the resolution of the Board of Directors on November 1, 2024, the Company decided to pay interim cash dividends of ₩2,500 per common share (total dividend: ₩189.1 billion).
- (b) Pursuant to the resolution of the Board of Directors on November 1, 2024, the Company decided to acquire ₩500 billion of the ₩600 billion in hybrid bonds to be issued by POSCO Future M Co., Ltd. for the purpose of strengthening financial soundness, etc. The issuance and acquisition of these hybrid bonds are scheduled for December 18, 2024.
- (c) Pursuant to the resolution of the Board of Directors on November 1, 2024, the Company decided to sell the shares of four companies including POSCO Maharashtra Steel Private Limited, in order to support the follow-up actions of vertical spin-off and enhance the management efficiency of the steel business within the Group.