

# **POSCO HOLDINGS INC.**

Interim condensed separate financial statements  
for the three-month period ended March 31, 2024  
with the independent auditor's review report

**POSCO HOLDINGS INC.**

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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 March 31, 2024, and the related interim condensed separate statement of comprehensive income, interim condensed separate statement of changes in equity and interim condensed separate statement of cash flows for the three-month period ended March 31, 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, 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.

## Other matters

The interim condensed separate statement of comprehensive income, interim condensed separate statement of changes in equity and interim condensed separate statement of cash flows for the three-month period ended March 31, 2023, prepared in accordance with KIFRS 1034 and presented for comparative purposes, have been reviewed by Samjong KPMG, whose review report dated May 15, 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 Samjong KPMG, 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*

May 16, 2024

This review report is effective as of May 16, 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 three-month periods ended March 31, 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  
Representative Director and President  
POSCO HOLDINGS INC.

# POSCO HOLDINGS INC.

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

(in millions of Won)

	Notes	March 31, 2024 (unaudited)	December 31, 2023
<b>Assets</b>			
Cash and cash equivalents	18	₩ 630,785	376,914
Trade accounts and notes receivable, net	4,18,22	1,020,755	238,332
Other receivables, net	5,18,29	54,892	68,821
Other short-term financial assets	6,18	3,677,897	3,940,743
Current income tax assets		36,470	32,015
Other current assets	11	4,899	1,074
<b>Total current assets</b>		<b>5,425,698</b>	<b>4,657,899</b>
Other receivables, net	5,18,29	8,975	6,955
Other long-term financial assets	6,18	907,951	1,131,074
Investments in subsidiaries, associates and joint ventures	7	45,601,053	45,321,370
Investment property, net	8	309,218	309,900
Property, plant and equipment, net	9	196,706	197,787
Intangible assets, net	10	19,732	19,341
Other non-current assets	11	7,311	1,872
<b>Total non-current assets</b>		<b>47,050,946</b>	<b>46,988,299</b>
<b>Total assets</b>		<b>₩ 52,476,644</b>	<b>51,646,198</b>

(in millions of Won)

	Notes	March 31, 2024 (unaudited)	December 31, 2023
<b>Assets</b>			
Cash and cash equivalents	18	₩ 630,785	376,914
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(continued)

# POSCO HOLDINGS INC.

## Condensed separate interim statements of financial position, continued as of March 31, 2024 (Unaudited) and December 31, 2023

(in millions of Won)

	Notes	March 31, 2024 (unaudited)	December 31, 2023
<b>Liabilities</b>			
Short-term borrowings and current installments of long-term borrowings	12,18	₩ 1,642,466	1,756,691
Other current payables	13,18,22,29	221,195	39,739
Other short-term financial liabilities	14,18,29	1,903	1,571
Provisions	15	8,522	14,983
Other current liabilities	17,22	7,492	6,686
<b>Total current liabilities</b>		<b>1,881,578</b>	<b>1,819,670</b>
Long-term borrowings, excluding current installments	12,18	1,374	1,316
Other non-current payables	13,18,29	29,910	26,804
Other long-term financial liabilities	14,18,29	8,471	6,968
Defined benefit liabilities, net	16	2,013	4,283
Deferred tax liabilities		2,312,284	2,281,500
Long-term provisions	15,30	5,059	2,634
Other non-current liabilities	17,22	3,199	3,158
<b>Total non-current liabilities</b>		<b>2,362,310</b>	<b>2,326,663</b>
<b>Total liabilities</b>		<b>4,243,888</b>	<b>4,146,333</b>
<b>Equity</b>			
Share capital	19	482,403	482,403
Capital surplus	19	1,370,557	1,370,557
Accumulated other comprehensive income (loss)	20	(6,199)	30,678
Treasury shares	21	(1,889,658)	(1,889,658)
Retained earnings		48,275,653	47,505,885
<b>Total equity</b>		<b>48,232,756</b>	<b>47,499,865</b>
<b>Total liabilities and equity</b>	₩	<b>52,476,644</b>	<b>51,646,198</b>

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

## POSCO HOLDINGS INC.

### Condensed separate interim statements of comprehensive income for each of the three-month periods ended March 31, 2024 and 2023(Unaudited)

<i>(in millions of won, except per share informations)</i>	<b>Notes</b>	<b>Three-month period ended</b>	
		<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Operating revenue</b>	22,29	₩ 898,738	562,987
<b>Operating expenses</b>	23,26,29	(85,662)	(69,097)
<b>Operating profit</b>		813,076	493,890
Finance income and costs	18,24		
Finance income		209,425	161,129
Finance costs		(41,580)	(149,233)
Other non-operating income and expenses	25,26,29		
Other non-operating income		170	8,266
Other non-operating expenses		(686)	(904)
<b>Profit before income tax</b>		980,405	513,148
Income tax benefit (expense)	27	(39,066)	38,593
<b>Profit</b>		941,339	551,741
<b>Other comprehensive income (loss)</b>			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans	16	(36)	(145)
Net changes in fair value of equity investments at fair value through other comprehensive income	6,18,20	(18,721)	122,150
<b>Total comprehensive income</b>		₩ 922,582	673,746
<b>Earnings per share (in Won)</b>	28		
Basic earnings per share (in Won)		12,406	7,274
Diluted earnings per share (in Won)		₩ 10,778	7,274

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



## POSCO HOLDINGS INC.

### Interim condensed separate interim statements of changes in equity for each of the three-month periods ended March 31, 2024 and 2023 (Unaudited)

The accompanying notes are an integral part of the interim condensed separate financial statements.  
(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	-	-	-	-	551,741	551,741
Other comprehensive income (loss)						
Remeasurements of defined benefit plans, net of tax	-	-	-	-	(145)	(145)
Net changes in fair value of equity investments						
at fair value through other comprehensive income, net of tax	-	-	121,814	-	336	122,150
<b>Transactions with owners of the Company, recognized directly in equity:</b>						
Year-end dividends	-	-	-	-	(151,699)	(151,699)
Disposal of treasury shares	-	4,083	-	5,864	-	9,947
Share-based payment	-	(7,085)	-	-	-	(7,085)
<b>Balance as of March 31, 2023</b>	₩ 482,403	1,357,892	(66,987)	(1,886,444)	47,809,908	47,696,772
<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	-	-	-	-	941,339	941,339
Other comprehensive income (loss)						
Remeasurements of defined benefit plans, net of tax	-	-	-	-	(36)	(36)
Net changes in fair value of equity investments						
at fair value through other comprehensive income, net of tax	-	-	(36,877)	-	18,156	(18,721)
<b>Transactions with owners of the Company, recognized directly in equity:</b>						
Year-end dividends	-	-	-	-	(189,691)	(189,691)
<b>Balance as of March 31, 2024</b>	₩ 482,403	1,370,557	(6,199)	(1,889,658)	48,275,653	48,232,756

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 three-month periods ended March 31, 2024 and 2023****(Unaudited)**

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<i>(in millions of Won)</i>	<b>Notes</b>	<b>Three-month period ended</b>	
		<b>March 31, 2024</b>	<b>March 31, 2023</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from operating activities</b>			
Profit		₩ 941,339	551,741
Adjustments for :			
Post-employment benefit expense		1,708	2,540
Depreciation		3,406	2,735
Amortization		399	286
Impairment loss on trade and other receivables		106	-
Finance income		(208,245)	(158,018)
Dividend income		(850,028)	(520,174)
Finance costs		41,381	147,375
Gain on disposal of intangible assets		(54)	-
Loss on disposal of intangible assets		18	-
Reversal of provisions		(54)	(7,733)
Income tax expense (benefit)		39,066	(38,593)
Others		(34)	1,411
Changes in operating assets and liabilities	31	(40,877)	(39,290)
Interest received		18,993	12,615
Dividends received		99,092	30,431
Income taxes paid		(8,262)	(8,041)
Net cash provided by (used in) operating activities		₩ 37,954	(22,715)

(continued)

## POSCO HOLDINGS INC.

### Interim condensed separate statements of cash flows, continued for each of the three-month periods ended March 31, 2024 and 2023 (Unaudited)

(in millions of Won)

	Notes	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
<b>Cash flows from investing activities</b>			
Decrease in deposits	₩	1,100,000	-
Proceeds from disposal of short-term financial instruments		1,928,280	4,079,038
Proceeds from disposal of equity securities		194,230	-
Proceeds from disposal of other securities		2,321	-
Proceeds from disposal of investments in subsidiaries, associates and joint ventures		-	22,702
Increase in deposits		(1,000,000)	(300,000)
Acquisition of short-term financial instruments		(1,727,199)	(3,600,137)
Increase in long-term loans		(106)	-
Acquisition of other securities		(3,112)	(5,112)
Acquisition of investment in subsidiaries, associates and joint ventures		(276,766)	(279,702)
Acquisition of investment properties		(1,200)	-
Acquisition of property, plant and equipment		(1,777)	(5,362)
Acquisition of intangible asstes		(1,386)	(753)
Payment of short-term lease security deposits		(510)	-
Net cash provided by (used in) investing activities	₩	<u>212,775</u>	<u>(89,326)</u>
<b>Cash flows from financing activities</b>			
Increase in long-term financial liabilities		3,148	3,781
Payment of cash dividends		(6)	(7)
Net cash provided by financing activities	₩	<u>3,142</u>	<u>3,774</u>
<b>Effect of exchange rate fluctuation on cash held</b>		-	11
<b>Net increase (decrease) in cash and cash equivalents</b>		253,871	(108,256)
<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>630,785</u></u>	<u><u>1,306,945</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

March 31, 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 March 31, 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”), 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**

**March 31, 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

March 31, 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

March 31, 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 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

March 31, 2024 and 2023

(Unaudited)

#### 4. Trade Accounts and Notes Receivable

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Trade accounts and notes receivable	₩	851,414	100,323
Unbilled receivables (contract assets)		169,341	138,009
Less: Allowance for doubtful accounts		-	-
	₩	<u>1,020,755</u>	<u>238,332</u>

#### 5. Other Receivables

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Other accounts receivable	₩	35,639	51,530
Others(* 1)		23,328	21,193
Less: Allowance for doubtful accounts(* 1)		(4,075)	(3,902)
	₩	<u>54,892</u>	<u>68,821</u>
<b>Non-current</b>			
Long-term loans(* 1)	₩	227,027	217,349
Others		8,975	6,955
Less: Allowance for doubtful accounts(* 1)		(227,027)	(217,349)
	₩	<u>8,975</u>	<u>6,955</u>

(\*1) The Company assessed the recoverability of other receivables to FQM Australia Pty Ltd, an associate, and recognized an allowance for doubtful accounts for such other receivables from the entity during the year ended December 31, 2023.



# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

### 6. Other Financial Assets

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Deposit instruments	₩	1,650,000	1,750,000
Short-term financial instruments		<u>2,027,897</u>	<u>2,190,743</u>
	₩	<u>3,677,897</u>	<u>3,940,743</u>
<b>Non-current</b>			
Equity securities	₩	699,958	926,752
Other securities		207,991	204,320
Deposit instruments		<u>2</u>	<u>2</u>
	₩	<u>907,951</u>	<u>1,131,074</u>

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

<i>(in millions of Won)</i>	<u>March 31, 2024</u>					<u>December 31, 2023</u>	
	<u>Number of shares</u>	<u>Ownership (%)</u>	<u>Acquisition cost</u>	<u>Fair value</u>	<u>Net changes in fair value of equity securities</u>	<u>Book value</u>	<u>Book value</u>
<b>Marketable equity securities</b>							
Nippon Steel Corporation	15,698,500	1.65	₩ 473,962	512,181	38,219	512,181	462,775
KB Financial group Inc.	-	-	-	-	-	-	209,016
CSN Mineracao S.A.	102,186,675	1.86	206,265	145,433	(60,832)	145,433	212,617
			<u>680,227</u>	<u>657,614</u>	<u>(22,613)</u>	<u>657,614</u>	<u>884,408</u>
<b>Non-marketable equity securities</b>							
POSCO 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>
			₩ 708,020	699,958	(8,062)	699,958	926,752

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries	₩	42,796,575	42,519,521
Associates		520,380	520,380
Joint ventures		<u>2,284,097</u>	<u>2,281,469</u>
	₩	<u>45,601,052</u>	<u>45,321,370</u>

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

<i>(in millions of Won)</i>	Country	Principal operations	<u>March 31, 2024</u>		<u>December 31, 2023</u>
			Ownership (%)	Book value	Book value
<b>[Domestic]</b>					
POSCO	Korea	Steel, rolled products, and plates manufacturing and sales	100.00	₩ 29,701,054	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	1,013,718	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	65.38	70,990	70,990
Busan E&E Co., Ltd.	Korea	Municipal solid waste fuel and power generation	70.00	30,148	30,148
POSOCO-Pilbara LITHIUM SOLUTION Co., Ltd.	Korea	Lithium manufacturing and sales	82.00	314,940	314,940
POSCO LITHIUM SOLUTION	Korea	Lithium 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	49,380	-
Others (11 companies)				<u>452,877</u>	<u>442,847</u>
				<u>37,219,616</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, and technology research	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.( * 2)	Argentina	Mineral exploration, manufacturing and sales	100.00	1,364,525	1,150,087
Others (18 companies)				<u>301,014</u>	<u>301,014</u>
				<u>5,576,959</u>	<u>5,362,521</u>
				₩ <u>42,796,575</u>	<u>42,519,521</u>

(\*1) During the three-month period ended March 31, 2024, the Company acquired 60% of shares of POSCO CNGR Nickel Solution Co., Ltd. at ₩49,380 million and classified as acquired equity interests as investments in subsidiaries.

(\*2) During the three-month period ended March 31, 2024, the Company acquired ₩214,438 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

March 31, 2024 and 2023

(Unaudited)

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

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

(in millions of Won)

	Country	Principal operations	March 31, 2024		December 31,
			Ownership (%)	Book value	2023
<b>[Domestic]</b>					
SNNC	Korea	STS material manufacturing and sales	49.00	₩ 100,631	100,631
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>138,767</u>	<u>138,767</u>
<b>[Foreign]</b>					
Nickel Mining Company SAS	New Caledonia	Raw material manufacturing and sales	49.00	189,197	189,197
9404-5515 Quebec Inc.(* 1)	Canada	Investments	12.61	156,194	156,194
Others (4 companies)				36,222	36,222
				<u>381,613</u>	<u>381,613</u>
				₩ <u>520,380</u>	<u>520,380</u>

(\*1) As of March 31, 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 March 31, 2024 and December 31, 2023 are as follows:

(in millions of Won)

	Country	Principal operations	March 31, 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	Indonesia	Nickel Smelting	49.00	293,647	293,361
Hydrogen Duqm LLC(* 2)	Oman	Green Hydrogen/Ammonia product business development	44.80	2,342	-
				₩ <u>2,284,097</u>	<u>2,281,469</u>

(\*1) As of March 31, 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 three-month period ended March 31, 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

March 31, 2024 and 2023

(Unaudited)

#### 8. Investment Property

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

(a) For the three-month period ended March 31, 2024

<i>(in millions of Won)</i>		<b>Beginning</b>	<b>Acquisition</b>	<b>Depreciation(* 1)</b>	<b>Transfer(* 2)</b>	<b>Ending</b>
Land	₩	193,446	1,200	-	50	194,696
Buildings		101,229	-	(1,812)	78	99,495
Structures		15,225	-	(206)	8	15,027
	₩	<u>309,900</u>	<u>1,200</u>	<u>(2,018)</u>	<u>136</u>	<u>309,218</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>Transfer(* 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

March 31, 2024 and 2023

(Unaudited)

#### 9. Property, Plant and Equipment

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

(a) For the three-month period ended March 31, 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	(476)	(78)	29,022
Structures		7,748	1	(101)	(8)	7,640
Machinery and equipment		27,549	277	(512)	-	27,314
Vehicles		63	-	(5)	-	58
Furniture and fixtures		13,485	124	(294)	-	13,315
Construction-in-progress		69,206	-	-	-	69,206
	₩	<u>197,787</u>	<u>443</u>	<u>(1,388)</u>	<u>(136)</u>	<u>196,706</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 March 31, 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 March 31, 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 periods ended March 31, 2024 and 2023 are as follows:

(in millions of Won)

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Expenses related to short-term leases	2,186	59
Expenses related to leases of low-value assets	1,449	473
₩	<u>3,635</u>	<u>532</u>

#### 10. Intangible Assets

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

(a) For the three-month period ended March 31, 2024

(in millions of Won)	<u>Beginning</u>	<u>Acquisitions</u>	<u>Amortization</u>	<u>Others(* 2)</u>	<u>Ending</u>
Intellectual property rights ₩	576	-	(40)	65	601
Membership(* 1)	11,618	-	-	-	11,618
Development expense	2,905	-	(301)	1,436	4,040
Construction-in-progress	3,565	808	-	(1,519)	2,854
Other intangible assets	677	-	(58)	-	619
₩	<u>19,341</u>	<u>808</u>	<u>(399)</u>	<u>(18)</u>	<u>19,732</u>

(\*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

March 31, 2024 and 2023

(Unaudited)

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

(b) For the year ended December 31, 2023

(b) For the year ended December 31, 2023

<i>(in millions of Won)</i>		<b>Beginning</b>	<b>Acquisitions</b>	<b>Amortization</b>	<b>Others(* 2)</b>	<b>Ending</b>
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 March 31, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		<b>March 31, 2024</b>	<b>December 31, 2023</b>
<b>Current</b>			
Advance payments	₩	101	208
Prepaid expenses		4,798	865
		<u>4,899</u>	<u>1,073</u>
<b>Non-current</b>			
Long-term advance payments		7,264	1,843
Long-term prepaid expenses		39	21
Others		8	8
	₩	<u>7,311</u>	<u>1,872</u>

#### 12. Borrowings

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

<i>(in millions of Won)</i>		<b>March 31, 2024</b>	<b>December 31, 2023</b>
<b>Current</b>			
Exchangeable bonds	₩	1,642,466	1,756,691
<b>Non-current</b>			
Long-term borrowings	₩	1,374	1,316

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

### 12. Borrowings (cont'd)

(b) Current portion of debentures as of March 31, 2024 and December 31, 2023 are as follows:

<i>(in millions of Won)</i>		Issuance date	Maturity date	Annual interest rate (%)	March 31, 2024	December 31, 2023
	Lenders					
Exchangeable bonds(* 1)	Foreign currency exchangeable bonds	2021.09.01.	2026.09.01.	-	1,642,466	1,756,691

(\*1) The issuance conditions of the exchangeable bonds issued by the Company are as follows. As of December 31, 2023, exchangeable bonds are reclassified as current liabilities because the bondholders' put option for redemption has become exercisable within 12 months.

<b>Foreign currency exchangeable bonds</b>	
Type of bond	Exchangeable bonds
Aggregate principal amount	EUR 1,065,900,000
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)	446,504(*)
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

(\* ) The exchange price has changed due to cash dividends paid during the three-month period ended March 31, 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.

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

<i>(in millions of Won)</i>		Issuance date	Maturity date	Annual interest rate (%)	March 31, 2024	December 31, 2023
	Lenders					
Foreign borrowings	KOREA ENERGY AGENCY	2011.12.27.	2026.12.26.	3 year Government bond ₩	1,374	1,316



**POSCO HOLDINGS INC.****Notes to the interim condensed separate financial statements, continued****March 31, 2024 and 2023****(Unaudited)**

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**13. Other Payables**

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

*(in millions of Won)*

		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Accounts payable	₩	16,939	25,971
Accrued expenses		11,484	10,681
Dividend payable		192,772	3,087
	₩	<u>221,195</u>	<u>39,739</u>
<b>Non-current</b>			
Long-term withholdings		33,109	29,962
Less: Present value discount		(3,199)	(3,158)
	₩	<u>29,910</u>	<u>26,804</u>

**14. Other Financial Liabilities**

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

*(in millions of Won)*

		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Financial guarantee liabilities	₩	1,903	1,571
<b>Non-current</b>			
Financial guarantee liabilities	₩	8,471	6,968

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

#### 15. Provisions

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

(in millions of Won)

		March 31, 2024		December 31, 2023	
		Current	Non-current	Current	Non-current
Provision for bonus payments(* 1)	₩	2,106	-	6,055	-
Provision for restoration(* 2)		6,416	5,059	8,928	2,634
	₩	<u>8,522</u>	<u>5,059</u>	<u>14,983</u>	<u>2,634</u>

(\*1) Represents the provision for bonuses limited to 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 March 31, 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 3.77% to assess present value of these costs.

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

1) For the three-month period ended March 31, 2024

(in millions of Won)

		Beginning	Increase	Reversal	Utilization	Ending
Provision for bonus payments	₩	6,055	2,106	-	(6,055)	2,106
Provision for restoration		11,562	-	(54)	(33)	11,475
	₩	<u>17,617</u>	<u>2,106</u>	<u>(54)</u>	<u>(6,088)</u>	<u>13,581</u>

2) For the year ended December 31, 2023

(in millions of Won)

		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

March 31, 2024 and 2023

(Unaudited)

#### 16. Employee Benefits

##### (a) Defined contribution plans

The expense related to post-employment benefit plans under defined contribution plans for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
Expense related to post-employment benefit plans under defined contribution plans	₩	43	70

##### (b) Defined benefit plans

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
Present value of funded obligations	₩	40,530	44,276
Fair value of plan assets		<u>(38,517)</u>	<u>(39,993)</u>
Net defined benefit liabilities	₩	<u>2,013</u>	<u>4,283</u>

2) The amounts recognized in the statements of comprehensive income for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
Current service costs	₩	1,793	2,646
Net interest costs		<u>(85)</u>	<u>(105)</u>
	₩	<u>1,708</u>	<u>2,541</u>

#### 17. Other Liabilities

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Current</b>			
Advances received	₩	879	5
Withholdings		2,516	3,938
Unearned revenue		4,097	2,743
	₩	<u>7,492</u>	<u>6,686</u>
<b>Non-current</b>			
Unearned revenue	₩	3,199	3,158

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 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 March 31, 2024 and December 31, 2023 are as follows:

#### ① March 31, 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	₩ 2,027,897	-	2,027,897	-	2,027,897
Other securities	207,991	-	-	207,991	207,991
Fair value through other comprehensive income					
Equity securities	699,958	657,614	-	42,344	699,958
Financial assets measured at amortized cost(* 1)					
Cash and cash equivalents	630,785	-	-	-	-
Trade accounts and notes receivable	851,414	-	-	-	-
Other receivables	59,753	-	-	-	-
Deposit instruments	1,650,002	-	-	-	-
₩	<u>6,127,800</u>	<u>657,614</u>	<u>2,027,897</u>	<u>250,335</u>	<u>2,935,846</u>
<b>Financial liabilities</b>					
Fair value through profit or loss					
Borrowings	₩ 1,642,466	1,642,466	-	-	1,642,466
Financial liabilities measured at amortized cost(* 1)					
Borrowings	1,374	-	1,374	-	1,374
Financial guarantee liabilities	10,374	-	-	-	-
Others	246,751	-	-	-	-
₩	<u>1,900,965</u>	<u>1,642,466</u>	<u>1,374</u>	<u>-</u>	<u>1,643,840</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

March 31, 2024 and 2023

(Unaudited)

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

- 2) Financial liabilities were recognized in connection with financial guarantee contracts as of March 31, 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	67,340	-	-
	ING	USD	55,000,000	74,074	-	-
	Mizuho	USD	50,000,000	67,340	-	-
	Shinhan	USD	50,000,000	67,340	-	-
POSCO Argentina S.A.U.	BNP	USD	20,000,000	26,935	18,529,994	24,956
	CITI	USD	97,975,000	131,953	90,773,815	122,254
	Credit Agricole	USD	97,975,000	131,953	90,773,815	122,254
	HSBC	USD	97,975,000	131,953	90,773,815	122,254
	JPM	USD	97,975,000	131,953	90,773,815	122,254
<b>Associates</b>						
Nickel Mining Company SAS	SMBC	EUR	46,000,000	66,835	46,000,000	66,835
		USD	616,900,000	830,841	381,625,254	513,972
		EUR	46,000,000	66,835	46,000,000	66,835

- 3) Finance income and costs by category of financial instrument for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

① For the three-month period ended March 31, 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	₩	-	2,870	11,003	26,065	-	39,938	-
Financial assets at fair value through other comprehensive income		-	-	(8,219)	-	-	(8,219)	(18,721)
Financial assets measured at amortized cost		20,456	1,694	-	-	-	22,150	-
Financial liabilities at fair value through profit or loss		-	(29,776)	-	144,001	-	114,225	-
Financial liabilities measured at amortized cost		(291)	(433)	-	-	476	(248)	-
	₩	20,165	(25,645)	2,784	170,066	476	167,846	(18,721)

② For the three-month period ended March 31, 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	₩	-	1,825	27,514	100,226	-	129,565	-
Financial assets at fair value through other comprehensive income		-	-	-	-	-	-	122,150
Financial assets measured at amortized cost		16,169	11,787	-	-	-	27,956	-
Financial liabilities at fair value through profit or loss		-	(74,480)	-	(72,632)	-	(147,112)	-
Financial liabilities measured at amortized cost		-	(10)	-	-	1,497	1,487	-
	₩	16,169	(60,878)	27,514	27,594	1,497	11,896	122,150

**POSCO HOLDINGS INC.****Notes to the interim condensed separate financial statements, continued****March 31, 2024 and 2023****(Unaudited)****19. Share Capital and Capital Surplus**

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

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

(\*1) As of March 31, 2024, total number of American depository receipts (ADRs) outstanding in overseas stock market amounts to 20,307,420 and such ADRs are equivalent to 5,076,855 shares of common stock.

(\*2) As of March 31, 2024, the difference between the ending balance of common stock and the par value of issued common stock is ₩59,547 million due to retirement of 11,909,395 treasury shares.

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
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		18,898	18,898
	₩	<u>1,370,557</u>	<u>1,370,557</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

#### 20. Accumulated Other Comprehensive Income

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
Changes in fair value of equity investments at fair value through other comprehensive income	₩	(6,199)	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 three-month period ended March 31, 2024 and the year ended December 31, 2023 are as follows:

<i>(shares, in millions of Won)</i>	<u>March 31, 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
Disposal of treasury shares	-	-	(27,030)	(2,650)
Ending	<u>8,695,023</u>	<u>₩ 1,889,658</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 periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Types of revenue</b>			
Dividend income	₩	850,028	520,174
Others		48,710	42,813
	₩	<u>898,738</u>	<u>562,987</u>
<b>Timing of revenue recognition</b>			
Revenue recognized at a point in time	₩	850,030	519,947
Revenue recognized over time		48,708	43,040
	₩	<u>898,738</u>	<u>562,987</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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

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

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>December 31, 2023</u>
<b>Receivables</b>			
Account receivables	₩	851,414	100,323
<b>Contract assets</b>			
Account receivables		169,341	138,009
<b>Contract liabilities</b>			
Advance received		879	5
Unearned income		7,296	5,901

#### 23. Operating Expenses

Operating expenses for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
Wages and salaries	₩	16,330	17,719
Post-employment benefit expense		1,941	3,125
Other employee benefits		5,041	2,999
Travel		1,349	1,008
Depreciation		2,807	2,544
Amortization		377	286
Rental		1,376	532
Repairs		209	127
Advertising		5,072	4,671
Research & development		32,532	22,529
Service fees		15,178	11,428
Supplies		208	49
Vehicles maintenance		728	525
Industry association fee		99	1,006
Training		179	64
Taxes and public dues		417	135
Conference		533	592
Others		1,286	1,172
Cost of sales		-	(1,414)
	₩	<u>85,662</u>	<u>69,097</u>



## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

#### 24. Finance Income and Costs

Details of finance income and costs for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Finance income</b>			
Interest income	₩	20,456	16,169
Gain on foreign currency transactions		1,181	3,111
Gain on foreign currency translations		6,242	12,457
Gain on disposal of financial assets at fair value through profit or loss		11,003	27,514
Gain on valuation of financial assets at fair value through profit or loss		26,065	100,226
Gain on valuation of financial liabilities at fair value through profit or loss		144,001	-
Others		478	1,652
	₩	<u>209,426</u>	<u>161,129</u>
<b>Finance costs</b>			
Loss on foreign currency transactions	₩	197	1,702
Loss on foreign currency translations		32,871	74,744
Loss on valuation of financial liabilities at fair value through profit or loss		-	72,632
Loss on disposal of equity securities		8,219	-
Others		293	155
	₩	<u>41,580</u>	<u>149,233</u>

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

Details of other non-operating income and expenses for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Other non-operating income</b>			
Reversal of other provisions	₩	54	8,158
Others		116	108
	₩	<u>170</u>	<u>8,266</u>
<b>Other non-operating expenses</b>			
Impairment loss on other accounts receivables	₩	106	-
Loss on disposals of assets held for sale		-	102
Increase of other provisions		-	425
Others		580	377
	₩	<u>686</u>	<u>904</u>

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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#### 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 periods ended March 31, 2024 and 2023 are as follows (excluding finance costs and income tax expenses):

<i>(in millions of Won)</i>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Employee benefits expenses	₩ 27,833	22,809
Depreciation(* 1)	3,406	2,735
Amortization	399	286
Service fees	15,660	11,490
Rental	3,967	629
Advertising	5,072	4,671
Research & development	19,125	20,405
Other expenses	10,886	8,390
	<u>₩ 86,348</u>	<u>71,415</u>

(\*1) Includes depreciation of investment property.

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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#### 27. Income Taxes

The effective tax rates of the Company for each of the three-month periods ended March 31, 2024 and 2023 are 3.98% 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 of 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 three-month period ended March 31, 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 concluded that no Pillar Two income taxes will be levied on the Company for the three-month period ended March 31, 2024 since its subsidiaries and the Company required to pay taxes are qualified for the application of transitional exemption or their effective tax rates are above 15%. 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

March 31, 2024 and 2023

(Unaudited)

#### 28. Earnings per Share

(a) Basic earnings per share for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in Won, except share information)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
Profit for the period	₩	941,339,021,421	551,741,289,484
Weighted-average number of common shares outstanding(* 1)		75,876,207	75,849,177
Basic earnings per share	₩	12,406	7,274

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

<i>(shares)</i>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Total number of common shares issued	84,571,230	84,571,230
Weighted-average number of treasury shares	<u>(8,695,023)</u>	<u>(8,722,053)</u>
Weighted-average number of common shares outstanding	<u>75,876,207</u>	<u>75,849,177</u>

(b) The Company has potentially issuable common shares due to its exchangeable bonds and share-based payment program as of March 31, 2024. Considering gain or loss from revaluation of and exchange rate on exchangeable bonds have an anti-dilution effect as of March 31, 2023, the Company did not calculate diluted earnings per share. Diluted earnings per share for the year ended March 31, 2024 are calculated as follows:

<i>(in Won, except share information)</i>		<u>March 31, 2024</u>
Profit for the period	₩	941,339,021,421
Gain or loss from revaluation of and exchange rate on exchangeable bonds		(87,838,993,624)
Diluted profit for the period		853,500,027,797
Adjusted weighted-average number of common shares outstanding(* 1)		79,189,781
Diluted earnings(loss) per share		10,778

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

<i>(shares)</i>	<u>March 31, 2024</u>
Weighted-average number of common shares outstanding	75,876,207
Weighted-average number of potential common shares	<u>3,313,574</u>
Adjusted weighted-average number of common shares	<u>79,189,781</u>

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

### 29. Related Party Transactions

(a) Material transactions with related companies for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

#### 1) For the three-month period ended March 31, 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	₩ 39,719	589,786	-	191	3,841
POSCO Eco & Challenge Co., Ltd.	2,316	11,037	-	87	42
POSCO STEELEON CO., Ltd	266	-	-	-	9
POSCO DX	394	9,940	-	219	3,944
POSCO Research Institute	-	-	-	30	1,935
POSCO WIDE Co., Ltd	82	-	-	1	1,567
eNtoB Corporation	-	-	-	37	1,707
POSCO FUTURE M CO., LTD.	3,494	11,565	-	-	-
POSCO MOBILITY SOLUTION	245	-	-	-	-
POSCO INTERNATIONAL Corporation	1,612	124,396	-	-	12
Busan E&E Co., Ltd.	-	2,472	-	-	-
POSCO America Corporation	-	-	-	-	1,547
Others	936	1	422	-	2,411
	49,064	749,197	422	565	17,015
<b>Associates and joint ventures(* 2)</b>					
SNNC	83	-	-	-	-
POSCO-NPS Niobium LLC	-	8,041	-	-	-
Roy Hill Holdings Pty Ltd	-	91,837	-	-	-
Others	49	-	56	-	-
	132	99,878	56	-	-
₩	49,196	849,075	478	565	17,015

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

(\*2) As of March 31, 2024, the Company provided payment guarantees to related parties (see Note 18).

#### 2) For the three-month period ended March 31, 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	₩ 31,396	325,043	-	-	5,653
POSCO Eco & Challenge Co., Ltd.	2,091	11,037	-	87	836
POSCO STEELEON CO., Ltd	528	-	-	-	23
POSCO DX	651	7,455	-	1,029	1,817
eNtoB Corporation	-	-	-	-	185
POSCO FUTURE M CO., LTD.	1,174	13,878	-	-	-
POSCO MOBILITY SOLUTION	223	-	-	-	-
POSCO INTERNATIONAL Corporation	2,511	77,616	-	-	-
POSCO Maharashtra Steel Private Limited	-	-	146	-	-
POSCO ASSAN TST STEEL INDUSTRY	-	-	142	-	-
Others	2,477	5,126	1,419	102	7,160
	41,051	440,155	1,707	1,218	15,674
<b>Associates and joint ventures(* 2)</b>					
SNNC	41	-	-	-	-
Roy Hill Holdings Pty Ltd	-	32,443	-	-	-
Others	48	7,201	3,714	-	90
	89	39,644	3,714	-	90
₩	41,140	479,799	5,421	1,218	15,764

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

(\*2) As of March 31, 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.

# POSCO HOLDINGS INC.

## Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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

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

#### 1) March 31, 2024

(in millions of Won)

	Receivables			Payables		
	Trade accounts and notes receivable	Others	Total	Accounts payable	Others	Total
<b>Subsidiaries</b>						
POSCO	₩ 723,927	16,715	740,642	5,310	35,870	41,180
POSCO Eco & Challenge Co., Ltd.	22,615	1,447	24,062	-	449	449
POSCO STEELEON CO., Ltd	1,329	-	1,329	-	-	-
POSCO DX	11,907	1	11,908	873	89	962
POSCO FUTURE M CO., LTD.	28,694	48	28,742	-	39	39
POSCO Mobility Solution Corporation	1,226	-	1,226	-	2	2
POSCO INTERNATIONAL Corporation	132,458	25	132,483	-	244	244
POSCO Argentina S.A.U	7	16,327	16,334	-	-	-
Others	3,563	598	4,161	1,120	341	1,461
	<u>925,726</u>	<u>35,161</u>	<u>960,887</u>	<u>7,303</u>	<u>37,034</u>	<u>44,337</u>
<b>Associates and joint ventures</b>						
SNNC	417	-	417	-	-	-
Roy Hill Holdings Pty Ltd	91,837	-	91,837	-	-	-
FQM Australia Holdings Pty Ltd(* 1)	-	228,645	228,645	-	-	-
Others	245	350	595	-	-	-
	<u>92,499</u>	<u>228,995</u>	<u>321,494</u>	<u>-</u>	<u>-</u>	<u>-</u>
₩	<u>1,018,225</u>	<u>264,156</u>	<u>1,282,381</u>	<u>7,303</u>	<u>37,034</u>	<u>44,337</u>

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

#### 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	-	-	-
POSCO Argentina S.A.U	301	10,948	11,249	-	-	-
Others	3,044	204	3,248	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 to its associates by ₩6,448 million. Meanwhile, the Company has recognized allowance for doubtful accounts for all of other receivables during the year ended December 31, 2023

## POSCO HOLDINGS INC.

### Notes to the interim condensed separate financial statements, continued

March 31, 2024 and 2023

(Unaudited)

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

(c) For each of the three-month periods ended March 31, 2024 and 2023, details of compensation to key management officers are as follows:

<i>(in millions of Won)</i>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Short-term benefits	₩ 4,915	8,700
Retirement benefits	889	2,648
	<u>₩ 5,804</u>	<u>11,348</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.

#### 30. Commitments and Contingencies

(a) Commitments

- 1) As of March 31, 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 fail. The Company has agreed to pay a certain portion of its profits under certain conditions, as defined by the borrowing agreements. As of March 31, 2024, the ending balance of the borrowing amounts to USD 1.02 million.
- 2) The Company has deposited 3,247,373 treasury shares for exchange with the Korea Securities Depository in relation to foreign currency exchangeable bonds as of March 31, 2024.

(b) As of March 31, 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 4 lawsuits for compensatory damage amounted to ₩10 billion as defendant as of March 31, 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 March 31, 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

March 31, 2024 and 2023

(Unaudited)

#### 31. Cash Flows from Operating Activities

Changes in operating assets and liabilities for each of the three-month periods ended March 31, 2024 and 2023 are as follows:

<i>(in millions of Won)</i>		<u>March 31, 2024</u>	<u>March 31, 2023</u>
Trade accounts and notes receivable	₩	(31,174)	(32,127)
Other accounts receivable		13,525	6,577
Accrued revenues		-	683
Prepaid expenses		(3,951)	(1,765)
Other current assets		(234)	(565)
Short-term guarantee deposits		-	(41)
Other non-current assets		(5,248)	-
Other accounts payable		(7,121)	(3,078)
Accrued expenses		803	(4,719)
Advances received		873	(374)
Withholdings		(1,421)	709
Unearned revenue		1,063	230
Other current liabilities		(3,949)	(2,468)
Payments of severance benefits		(5,865)	(4,320)
Plan assets		1,822	1,968
	₩	<u>(40,877)</u>	<u>(39,290)</u>

#### 32. Events after the reporting period

Pursuant to the resolution of the Board of Directors on May 14, 2024, the Company decided to pay interim cash dividends of ₩2,500 per common share (total dividend: ₩189.7 billion).