

POSCO

Interim condensed separate financial statements

For each of the nine-month periods ended September 30, 2025 and 2024
with the independent auditor's review report

Table of Contents

Report on review of interim condensed separate financial statements

	Page
Interim condensed separate financial statements	
Interim condensed separate statements of financial position	1
Interim condensed separate statements of comprehensive income	3
Interim condensed separate statements of changes in equity	4
Interim condensed separate statements of cash flows.....	5
Notes to the interim condensed separate financial statements.....	7

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

We have reviewed the accompanying interim condensed separate financial statements of POSCO (the "Company"), which comprise the interim condensed separate statement of financial position as of September 30, 2025, and the related interim condensed separate statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2025, interim condensed separate statements of changes in equity and interim condensed separate statements of cash flows for each of the nine-month periods ended September 30, 2025 and 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*.



Shape the future
with confidence

Other matters

We have audited the separate statement of financial position of the Company as of December 31, 2024, 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) in accordance with KSA, and our report dated March 12, 2025 expressed an unqualified opinion thereon. The accompanying separate statement of financial position as of December 31, 2024, presented for comparative purposes, is not different, in all material respects, from the above audited separate statement of financial position.

November 11, 2025

This review report is effective as of November 11, 2025, 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

Interim condensed separate financial statements
for each of the nine-month periods ended September 30, 2025 and 2024

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

Hee-Geun Lee
Chief Executive Officer
POSCO

POSCO

Interim condensed separate statements of financial position as of September 30, 2025 (unaudited) and December 31, 2024

(in millions of Won)

	Notes	September 30, 2025	December 31, 2024
Assets			
Cash and cash equivalents	20	₩ 1,778,435	1,943,148
Trade accounts and notes receivable, net	4,20,23	4,566,511	4,715,232
Other receivables, net	5,20	447,186	560,117
Other short-term financial assets	6,20	3,365,518	3,948,910
Inventories	7	5,855,779	6,463,547
Asset held for sales	8	9,933	-
Other current assets	13	114,701	116,966
Total current assets		16,138,063	17,747,920
Long-term trade accounts and notes receivable, net	4,20,23	4,374	134
Other receivables, net	5,20	109,826	122,065
Other long-term financial assets	6,20	932,085	926,505
Investments in subsidiaries, associates and joint ventures	9	3,331,083	2,980,179
Investment property, net	10	39,363	58,067
Property, plant and equipment, net	11	20,907,449	21,236,357
Intangible assets, net	12	501,462	455,184
Defined benefit assets, net	18	179,341	222,540
Deferred tax assets		1,995,279	1,901,452
Other non-current assets	13	8,531	30,998
Total non-current assets		28,008,793	27,933,481
Total assets	₩	44,146,856	45,681,401

(continued)

POSCO

Interim condensed separate statements of financial position, continued as of September 30, 2025 (unaudited) and December 31, 2024

(in millions of Won)

	Notes		September 30, 2025	December 31, 2024
Liabilities				
Trade accounts and notes payable	20	₩	1,735,571	2,210,454
Short-term borrowings and current installments of long-term borrowings	14,20		2,216,329	2,429,405
Other payables	15,20		1,377,121	1,715,354
Other short-term financial liabilities	16,20		521	1,840
Current income tax liabilities			123,654	190,051
Provisions	17		36,710	34,385
Other current liabilities	19		106,662	141,461
Total current liabilities			<u>5,596,568</u>	<u>6,722,950</u>
Long-term borrowings, excluding current installments	14,20		4,571,885	5,452,879
Other payables	15,20		249,046	312,832
Long-term provisions	17		73,059	83,406
Other non-current liabilities	19		2,357	2,806
Total non-current liabilities			<u>4,896,347</u>	<u>5,851,923</u>
Total liabilities			<u>10,492,915</u>	<u>12,574,873</u>
Equity				
Share capital	21		482,403	482,403
Capital surplus	21		24,221,635	24,227,088
Accumulated other comprehensive income	22		201,331	38,441
Retained earnings			8,748,572	8,358,596
Total equity			<u>33,653,941</u>	<u>33,106,528</u>
Total liabilities and equity		₩	<u>44,146,856</u>	<u>45,681,401</u>

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

POSCO

Interim condensed separate statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2025 and 2024 (unaudited)

<i>(in millions of Won, except per share informations)</i>	<i>Notes</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
		2025	2024	2025	2024
Revenue	23	₩ 8,797,185	9,478,670	26,712,345	28,275,089
Cost of sales	27	(7,916,361)	(8,746,708)	(24,391,689)	(26,273,117)
Gross profit		880,824	731,962	2,320,656	2,001,972
Selling and administrative expenses					
Other administrative expenses	24,27	(219,754)	(224,459)	(655,318)	(648,020)
Selling expenses	24,27	(76,472)	(69,495)	(221,431)	(202,388)
Operating profit		584,598	438,008	1,443,907	1,151,564
Finance income and costs					
Finance income	20,25	(58,615)	445,266	726,375	1,313,713
Finance costs	20,25	70,010	(369,108)	(789,888)	(1,204,548)
Other non-operating income and expenses					
Other non-operating income	26	19,971	(10,933)	47,444	25,837
Other non-operating expenses	26,27	(64,286)	(157,819)	(217,844)	(342,450)
Profit before income tax		551,678	345,414	1,209,994	944,116
Income tax expense	28	(129,042)	(88,818)	(294,264)	(188,966)
Profit for the period		422,636	256,596	915,730	755,150
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit plans	18	(683)	1,895	1,712	7,299
Net changes in fair value of equity investments at fair value through other comprehensive income	20,22	54,572	9,777	162,787	43,103
Total comprehensive income		₩ 476,525	268,268	1,080,229	805,552
Earnings per share (in Won)	29				
Basic earnings per share (in Won)		4,381	2,660	9,491	7,827
Diluted earnings per share (in Won)		4,381	2,660	9,491	7,827

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

POSCO

Interim condensed separate statements of changes in equity
for each of the nine-month periods ended September 30, 2025 and 2024
(unaudited)

<i>(in millions of Won)</i>		Share capital	Capital surplus	Accumulated other comprehensive income	Retained earnings	Total
Balance as of January 1, 2024	₩	482,403	24,212,465	2,666	8,411,395	33,108,929
Comprehensive income:						
Profit for the period		-	-	-	755,150	755,150
Other comprehensive income						
Remeasurements of defined benefit plans, net of tax		-	-	-	7,299	7,299
Net changes in fair value of equity investments at fair value through other comprehensive income, net of tax		-	-	43,103	-	43,103
Transactions with owners of the Company, recognized directly in equity:						
Year-end dividends		-	-	-	(589,786)	(589,786)
Interim dividends					(298,222)	(298,222)
Shared based payments		-	14,623	-	-	14,623
Balance as of September 30, 2024	₩	482,403	24,227,088	45,769	8,285,836	33,041,096
Balance as of January 1, 2025	₩	482,403	24,227,088	38,441	8,358,596	33,106,528
Comprehensive income:						
Profit for the period		-	-	-	915,730	915,730
Other comprehensive income						
Remeasurements of defined benefit plans, net of tax		-	-	-	1,712	1,712
Net changes in fair value of equity investments at fair value through other comprehensive income, net of tax		-	-	162,890	(103)	162,787
Transactions with owners of the Company, recognized directly in equity:						
Year-end dividends		-	-	-	(332,858)	(332,858)
Interim dividends					(194,505)	(194,505)
Business combination		-	(5,453)	-	-	(5,453)
Balance as of September 30, 2025	₩	482,403	24,221,635	201,331	8,748,572	33,653,941

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

POSCO

Interim condensed separate statements of cash flows for each of the nine-month periods ended September 30, 2025 and 2024 (unaudited)

(in millions of Won)

	Notes	September 30, 2025	September 30, 2024
Cash flows from operating activities			
Profit	₩	915,730	755,150
Adjustments for :			
Expenses related to post-employment benefit		65,430	62,351
Depreciation		1,807,190	1,762,991
Amortization		44,686	78,288
Impairment loss on trade and other receivables		-	386
Finance income		(429,735)	(990,311)
Finance costs		460,170	887,715
Loss on valuation of inventories		15,797	29,407
Gain on disposal of property, plant and equipment		(23,663)	(8,071)
Loss on disposal of property, plant and equipment		86,412	108,919
Impairment loss on property, plant and equipment		70,002	184,099
Increase in provisions		7,519	15,059
Gain on insurance settlement		(9,968)	-
Income tax expense		294,264	188,966
Others		24	(2,364)
Changes in operating assets and liabilities	32	233,370	214,375
Interest received		118,071	92,015
Interest paid		(338,766)	(301,512)
Dividends received		41,889	31,163
Income taxes paid		(511,537)	(103,146)
Net cash provided by operating activities	₩	2,846,885	3,005,480

(continued)

POSCO

Interim condensed separate statements of cash flows, continued for each of the nine-month periods ended September 30, 2025 and 2024 (unaudited)

(in millions of Won)

	Notes	September 30, 2025	September 30, 2024
Cash flows from investing activities			
Decrease in deposits	₩	3,527,700	1,883,955
Proceeds from disposal of short-term financial instruments		5,501,198	4,882,950
Proceeds from disposal of equity securities		568	-
Proceeds from disposal of current debt securities		410,000	369,510
Collection of loans		8,414	8,833
Collection of lease receivables		9,136	8,674
Cash inflow from insurance claim		9,968	-
Acquisition of deposits		397	466
Proceeds from disposal of other securities		545	495
Increase in deposit instruments		(2,788,367)	(2,217,700)
Acquisition of short-term financial instruments		(5,522,543)	(2,354,337)
Increase in loans		(1,432)	(4,233)
Acquisition of debt securities		(704,000)	(1,010,073)
Acquisition of investments in subsidiaries, associates and joint ventures		(356,232)	(3,675)
Acquisition of property, plant and equipment		(1,632,019)	(2,563,350)
Payment for disposal of property, plant and equipment		(50,906)	(83,437)
Acquisition of intangible assets		(94,642)	(33,278)
Payment for deposits		(3,333)	(3,147)
Acquisition of other securities		(100)	-
Payment for Business Combination		(25,915)	-
Net cash used in investing activities	₩	(1,711,563)	(1,118,347)
Cash flows from financing activities			
Proceeds from borrowings		1,456,464	1,081,743
Increase in long-term financial liabilities		4,193	3,510
Proceeds from disposals of derivatives		194,273	166,264
Repayment of borrowings		(2,364,320)	(1,787,995)
Decrease in long-term financial liabilities		(2,311)	(128)
Repayment of lease liabilities		(61,436)	(58,579)
Payment of cash dividends		(527,363)	(888,008)
Net cash flows used in financing activities	₩	(1,300,500)	(1,483,193)
Effect of exchange rate fluctuation on cash held			
		465	(7,096)
Net increase(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of the period		(164,713)	396,844
Cash and cash equivalents at end of the period	₩	1,943,148	2,032,952
		1,778,435	2,429,796

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

POSCO

Notes to the interim condensed separate financial statements

September 30, 2025 and 2024

(unaudited)

1. General Information

POSCO("The Company") was newly established with the purpose of production and sales of steel rolled products and plates, upon a vertical spin-off of steel business of POSCO HOLDINGS INC. ("Pre-spin off Company", known as POSCO before spin-off, the surviving company) on March 1, 2022 (the date of spin-off). As of September 30, 2025, POSCO is wholly owned by POSCO HOLDINGS INC. (ownership percentage: 100%).

2. Basis of Preparation

Statement of compliance

POSCO prepares its interim condensed separate financial statements in the Korean language, in accordance with Korean International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS") 1034 *Interim Financial Reporting*, enacted based on the *Act on External Audit of Stock Companies*. 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. 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 since the last annual separate financial statements as of and for year ended December 31, 2024.

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

Notes to interim condensed separate financial statements, continued

September 30, 2025 and 2024

(unaudited)

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. If estimates and assumptions that are based on management's best judgment at the end of the interim reporting period differ from the actual environment, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. 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 last annual financial statements.

(b) Measurement of fair value

A number of 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 CFO.

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.

2. Basis of Preparation (cont'd)

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.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

3. Summary of Material Accounting Policies

Except as 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 by the Company in its separate financial statements as of and for year ended December 31, 2024. The changes in accounting policies described below are expected to be applied to the separate financial statements as of and for the year ending December 31, 2025.

Changes in accounting policies

1) Amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

The amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require the disclosure of information that enables users of the financial statements to understand how the currency that is not exchangeable into another currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. When applying the amendments, the Company cannot restate comparative information. The amendments are not expected to have any material impact on the Company's interim condensed separate financial statements.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

4. Trade Accounts and Notes Receivable

Details of trade accounts and notes receivable as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		September 30, 2025	December 31, 2024
Current			
Trade accounts and notes receivable	₩	4,566,950	4,715,733
Less: Allowance for doubtful accounts		(439)	(501)
	₩	<u>4,566,511</u>	<u>4,715,232</u>
Non-current			
Trade accounts and notes receivable	₩	6,129	537
Less: Present value discount		(1,352)	-
Less: Allowance for doubtful accounts		(403)	(403)
	₩	<u>4,374</u>	<u>134</u>

The Company discounted its trade receivables in accordance with a factoring agreement entered into with financial institutions. These trade accounts and notes receivable have not been derecognized from the statement of financial position because the Company retains substantially all of the risks and rewards associated with the transferred assets. The amounts received on transfer have been recognized as secured borrowings. As of September 30, 2025 and December 31, 2024, the carrying amount of such secured borrowings are ₩254,462 million and ₩56,079 million, respectively, which are presented in the statements of financial position as short-term borrowings (see Note 14).

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
(unaudited)

5. Other Receivables

Details of other receivables as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2025</u>	<u>December 31, 2024</u>
Current			
Loans	₩	8,506	9,787
Other accounts receivable		382,227	494,139
Lease receivables		12,620	12,121
Accured income		44,101	44,349
Others		9	1
Less: Allowance for doubtful accounts		(277)	(280)
	₩	<u>447,186</u>	<u>560,117</u>
Non-current			
Loans	₩	45,482	52,848
Other accounts receivable		6,830	7,203
Lease receivables		37,192	46,568
Deposits		43,731	39,720
Less: Allowance for doubtful accounts		(23,409)	(24,274)
	₩	<u>109,826</u>	<u>122,065</u>

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

6. Other Financial Assets

(a) Details of other financial assets as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025	December 31, 2024
Current		
Derivative assets	₩ 118,080	301,234
Debt securities	694,000	400,000
Deposit instruments	2,094,367	2,833,700
Short-term financial instruments	459,071	413,976
	₩ 3,365,518	3,948,910
Non-current		
Derivative assets	₩ 238,989	453,652
Equity securities	686,008	465,320
Other securities	7,066	7,511
Deposit instruments(*1)	22	22
	₩ 932,085	926,505

(*1) Deposit instruments are restricted in use in relation to the Company's checking account.

(b) Details of equity securities as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025					December 31, 2024	
	Number of shares	Ownership (%)	Acquisition cost	Fair value	Net changes in fair value of equity securities	Book value	Book value
Marketable equity securities							
SAMWONSTEEL Co., Ltd.	5,700,000	14.25	₩ 14,878	13,794	(1,084)	13,794	13,367
YODOGAWA STEEL WORKS, LTD.	3,000,000	1.72	13,842	36,777	22,935	36,777	31,522
DONGKUK INDUSTRIES CO., LTD.	2,611,989	4.82	12,852	7,679	(5,173)	7,679	11,571
PT.Krakatau Steel	236,625,000	1.22	6,876	6,209	(667)	6,209	2,177
AJUSTEEL Co., Ltd.	510,000	1.93	4,600	1,823	(2,777)	1,823	1,981
dhSteel	1,564,296	7.21	4,224	2,910	(1,314)	2,910	698
Woori Financial Group Inc.	20,280,000	2.73	261,638	526,266	264,628	526,266	311,704
Others (5 companies)			14,616	11,609	(3,007)	11,609	12,731
			333,526	607,067	273,541	607,067	385,751
Non-marketable equity securities							
TAECHANG STEEL	99,999	10.99	8,845	8,845	-	8,845	8,845
Pinetree PosMagnesium Co., Ltd.	11,144,000	19.90	8,794	8,794	-	8,794	8,794
WINSTEEL CO.	342,577	10.00	8,060	8,060	-	8,060	8,060
KOH-A JUNG GONG CO., LTD.	490,000	19.84	7,573	7,573	-	7,573	7,573
POONGSAN SPECIAL METAL CO., LTD	315,790	5.00	7,556	7,556	-	7,556	7,556
DK Corporation	55,000	4.91	7,446	7,446	-	7,446	7,446
DaeSung SnM Co., Ltd.	50,567	8.21	7,237	7,237	-	7,237	7,237
Others (13 companies)			23,430	23,430	-	23,430	24,058
			78,941	78,941	-	78,941	79,569
	₩ 412,467		686,008	273,541	-	686,008	465,320

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

7. Inventories

Details of Inventories as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		September 30, 2025	December 31, 2024
Finished goods	₩	1,098,504	1,333,023
Semi-finished goods		1,621,957	1,796,543
By-products		11,187	16,383
Raw materials		1,267,473	1,352,488
Fuel and materials		597,002	485,424
Materials-in-transit		1,270,171	1,505,234
Others		5,282	783
		5,871,576	6,489,878
Less: Allowance for inventories valuation(*1,2)		(15,797)	(26,331)
	₩	5,855,779	6,463,547

(*1) The amounts of loss on valuation of inventories recognized in cost of sales for the nine-month period ended September 30, 2025 and the year ended December 31, 2024 are ₩15,797 million and ₩26,331 million, respectively.

(*2) This allowance relates to impairment losses on finished goods.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

8. Assets Held for Sales

Details of assets held for sales as of September 30, 2025 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2025</u>
Investments in associates(*1)	₩ 9,932
Property, plant and equipment, net(*2)	1
	₩ <u>9,933</u>

(*1) For the nine-month period ended September 30, 2025, investments in the associate SUZHOU POSCO-CORE TECHNOLOGY CO., LTD. were reclassified as an asset held for sale following the Company's decision to dispose of it.

(*2) For the nine-month period ended September 30, 2025, certain equipment, including dust collectors, were reclassified as assets held for sale following the Company's decision to dispose of them.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

9. Investments in Subsidiaries, Associates and Joint ventures

(a) Details of subsidiaries and carrying amounts as of September 30, 2025 and December 31, 2024 are as follows:

(in millions of Won)		Country	Principal operations	September 30, 2025		December 31, 2024	
[Domestic]	[Foreign]			Ownership (%)	Book value	Book value	Book value
POSCO STEELEON Co., Ltd.(*1)		Korea	Coated steel manufacturing and sales Packing materials manufacturing	56.87	₩	108,421	108,421
POSCO M-TECH(*2, 3)		Korea	Steel and sales	48.85	107,278	107,278	
eNtoB Corporation		Korea	Electronic commerce	69.32	46,358	46,358	
PNR		Korea	Steel by product processing and sales	70.00	12,339	12,339	
POSCO Humans		Korea	Business assistance service	100.00	11,685	11,685	
POSCO GYS Tech		Korea	Maintenance service	100.00	15,000	15,000	
POSCO GY Solution		Korea	Maintenance service	100.00	15,000	15,000	
POSCO GYR Tech		Korea	Maintenance service	100.00	23,300	23,300	
POSCO PH Solution		Korea	Maintenance service	100.00	9,400	9,400	
POSCO PS Tech		Korea	Maintenance service	100.00	15,000	15,000	
POSCO PR Tech		Korea	Maintenance service	100.00	12,300	12,300	
Pohang Scrap Recycling Distribution Center Co., Ltd.(*4)		Korea	Steel processing and sales	51.00	4,612	-	
CHEMGAS KOREA CO., LTD(*5)		Korea	Industrial gas manufacturing and sales	100.00	69,343	-	
POSCO Stainless Precision & Processing(*6)		Korea	Steel processing and sales	100.00	200,000	-	
eSteel4U(*7)		Korea	Steel wholesale and retail trade	61.12	4,331	-	
					654,367	376,081	
PT.KRAKATAU POSCO(*2)		Indonesia	Steel manufacturing and sales	50.00	928,168	928,168	
POSCO Thainox Public Company Limited		Thailand	STS cold-rolled steel manufacturing and sales	74.56	141,019	141,019	
POSCO MEXICO S.A. DE C.V.		Mexico	Automotive steel manufacturing and sales	83.28	190,802	190,802	
POSCO (Thailand) Company Limited		Thailand	Steel processing and sales	100.00	140,614	140,614	
POSCO YAMATO VINA STEEL JOINT STOCK COMPANY		Vietnam	Steel manufacturing and sales	51.00	77,028	77,028	
POSCO COATED STEEL (THAILAND) CO., LTD.		Thailand	Automotive steel manufacturing and sales	100.00	72,225	72,225	
POSCO-India Private Limited		India	Steel manufacturing and sales	100.00	69,674	69,674	
PT.POSCO INDONESIA JAKARTA PROCESSING CENTER		Indonesia	Steel processing and sales	70.51	56,976	56,976	
POSCO-MKPC SDN BHD		Malaysia	Steel processing and sales	70.00	56,789	56,789	
POSCO(Chongqing) Automotive Processing Center Co., Ltd.		China	Steel processing and sales	90.00	6,479	6,479	
POSCO-VIETNAM Co., Ltd.		Vietnam	Steel manufacturing and sales	100.00	36,972	36,972	
POSCO-Poland Wroclaw Processing Center Sp. z o. o.		Poland	Steel processing and sales	60.00	22,929	22,929	
POSCO-Mexico Villagrán Wire-rod Processing Center		Mexico	Steel processing and sales	56.75	1,363	1,363	
POSCO-India Pune Processing Center Private Limited		India	Steel processing and sales	65.00	37,870	37,865	
POSCO Maharashtra Steel Private Limited		India	Steel manufacturing and sales	100.00	519,334	519,258	
POSCO INDIA PROCESSING CENTER PRIVATE LIMITED		India	Steel processing and sales	93.34	102,580	102,565	
POSCO ASSAN TST STEEL INDUSTRY Inc.		Turkiye	Steel processing and sales	60.00	2	1	
Others (6 companies)					91,693	91,693	
					2,552,517	2,552,420	
					₩	3,206,884	2,928,501

(*1) Excluding the treasury shares held as of September 30, 2025, the Company's ownership with voting rights amounts to 56.96%.

(*2) As of September 30, 2025, the Company classified POSCO M-TECH and PT. KRAKATAU POSCO as subsidiaries, considering additional facts and circumstances, such as the relative size of the voting rights held by the Company and the degree of diversification of other voting rights holders, although the Company holds less than half of the voting rights of POSCO M-TECH and PT. KRAKATAU POSCO.

(*3) Excluding the treasury shares held as of September 30, 2025, the Company's ownership with voting rights amounts to 48.85%.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

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

(*4) The Company acquired the domestic steel scrap business division previously operated by POSCO INTERNATIONAL Corporation for the nine-month period ended September 30, 2025. As a result of this acquisition, a subsidiary formerly owned by the division has been newly consolidated.

(*5) Newly acquired for the nine-month period ended September 30, 2025.

(*6) Newly established for the nine-month period ended September 30, 2025.

(*7) Acquired from POSCO INTERNATIONAL Corporation for the nine-month period ended September 30, 2025.

(b) Details of associates and carrying amounts as of September 30, 2025 and December 31, 2024 are as follows:

(in millions of Won)	Country	Principal operations	September 30, 2025		December 31, 2024	
			Ownership (%)	Book value	Book value	Book value
[Domestic]						
DAEHO GLOBAL MANAGEMENT CO., LTD.	Korea	Investment advisory service Welding material and tools	35.82	₩ 4,108	4,108	4,108
Pohang Special Welding Co., Ltd.	Korea	manufacturing and sales	50.00	3,111	3,111	3,111
FEWM CO., LTD.(*1)	Korea	Industrial gas manufacturing and sales	40.00	12,800	-	-
POSCO CVC 1st Fund(*2,5)	Korea	New technology business investment association	80.00	800	-	-
				20,819		7,219
[Foreign]						
SUZHOU POSCO-CORE TECHNOLOGY CO., LTD.(*3)	China	Steel processing and sales Titanium raw material manufacturing and sales	-	-	9,932	9,932
LLP POSUK Titanium	Kazakhstan		33.90	10,124	10,132	10,132
ZHANGJIAGANG XIAO-SHA COIL SERVICE CENTER CO.,LTD(*4)	China	Steel processing and sales	17.50	2,885	2,885	2,885
POSCO SUZHOU PROCESSING CENTER CO., LTD.	China	Steel processing and sales	30.00	2,763	2,763	2,763
POSK(Pinghu) Steel Processing Center Co., Ltd.	China	Steel processing and sales	20.00	441	441	441
POSCO Vietnam Processing Center. Co.,Ltd (*2)	Vietnam	Steel processing and sales	9.17	12,101	12,101	12,101
POSCO-SAMSUNG-SLOVAKIA PROCESSING CENTER	Slovakia	Steel processing and sales	30.00	6,205	6,205	6,205
M RES NSW HCC II Pty Ltd(*5,6)	Australia	Overseas mining investment	80.00	68,861	-	-
				103,380	44,459	51,678
			₩	124,199		

(*1) Newly acquired for the nine-month period ended September 30, 2025.

(*2) As of September 30, 2025, the entity is classified as an associate considering that the Company cannot exercise control over the entity as a limited partner even though the Company's percentage of ownership is more than 50%.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

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

(*3) Classified as assets held for sale for the nine-month period ended September 30, 2025.

(*4) As of September 30, 2025, the entity is classified as an associate as the Company has determined that it has significant influence over the entity considering the composition of board of directors and others even though the Company's percentage of ownership is less than 20%.

(*5) Newly established for the nine-month period ended September 30, 2025.

(*6) As of September 30, 2025, the entity is classified as an associate as the Company has determined that it has significant influence considering the composition of board of directors even though the Company's percentage of ownership is more than 50%.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

10. Investment Property

Changes in the carrying amount of investment properties for the nine-month period ended September 30, 2025 and the year ended December 31, 2024 are as follows:

1) For the nine-month period ended September 30, 2025

<i>(in millions of Won)</i>	Beginning	Depreciation(*1)	Others(*2)	Ending
Land	₩ 2	-	-	2
Buildings	3,871	(257)	-	3,614
Structures	978	(66)	-	912
Right-of-use assets	53,216	(21,704)	3,323	34,835
	₩ 58,067	(22,027)	3,323	39,363

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

(*2) Others include reclassification resulting from changes in the rental ratio of the assets provided under sublease by the Company.

2) For the year ended December 31, 2024

<i>(in millions of Won)</i>	Beginning	Depreciation(*1)	Others(*2)	Ending
Land	₩ 2	-	-	2
Buildings	4,215	(344)	-	3,871
Structures	1,065	(87)	-	978
Right-of-use assets	78,107	(27,019)	2,128	53,216
	₩ 83,389	(27,450)	2,128	58,067

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

(*2) Others include reclassification resulting from changes in the rental ratio of the assets provided under sublease by the Company.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

11. Property, Plant and Equipment, Net

(a) Changes in the carrying amount of property, plant and equipment for the nine-month period ended September 30, 2025 and the year ended December 31, 2024 are as follows:

1) For the nine-month period ended September 30, 2025

(in millions of Won)	Beginning	Acquisitions	Disposals	Impairment(*1)	Depreciation	Business Combination	Others(*2)	Ending
Land	₩ 1,298,175	-	-	-	-	-	23,111	1,321,286
Buildings	1,907,258	602	(1,777)	(404)	(152,823)	-	573,719	2,326,575
Structures	2,362,646	266	(1,155)	(6,070)	(164,641)	-	222,643	2,413,689
Machinery and equipment	12,650,905	21,016	(10,035)	(55,444)	(1,370,386)	4,403	1,325,932	12,566,391
Vehicles	26,698	497	-	-	(14,395)	-	11,852	24,652
Tools	30,035	924	-	-	(10,802)	-	2,625	22,782
Furniture and fixtures	68,664	3,199	(39)	(3)	(29,896)	-	50,174	92,099
Right-of-use assets	311,872	6,332	-	-	(42,221)	-	(2,448)	273,535
Construction-in-progress	2,580,104	1,509,775	-	(8,081)	-	-	(2,215,358)	1,866,440
	₩ 21,236,357	1,542,611	(13,006)	(70,002)	(1,785,164)	4,403	(7,750)	20,907,449

(*1) For the nine-month period ended September 30, 2025, the Company estimated the recoverable amount after calculating the net fair values of individual assets whose operation was suspended, such as the 3FINEX factory in Pohang, and recognized an impairment loss of ₩70,002 million on such individual items of property, plant and equipment

(*2) Others represent assets transferred from construction-in-progress to other property, plant and equipment, assets transferred from right of use to investment properties, and others.

2) For the year ended December 31, 2024

(in millions of Won)	Beginning	Acquisitions	Disposals	Impairment(*1)	Depreciation	Others(*2)	Ending
Land	₩ 1,284,191	-	(51)	-	-	14,035	1,298,175
Buildings	1,902,913	358	(269)	(10,850)	(190,497)	205,603	1,907,258
Structures	1,972,389	3,185	(2,887)	(16,889)	(209,365)	616,213	2,362,646
Machinery and equipment	11,835,007	46,078	(16,803)	(181,537)	(1,819,224)	2,787,384	12,650,905
Vehicles	20,239	863	(31)	-	(19,796)	25,423	26,698
Tools	31,366	3,308	(8)	(24)	(13,993)	9,386	30,035
Furniture and fixtures	82,414	3,399	(396)	(221)	(32,655)	16,123	68,664
Right-of-use assets	348,499	16,773	-	-	(51,757)	(1,643)	311,872
Construction-in-progress	3,094,275	3,198,675	(1,222)	(17,718)	-	(3,693,906)	2,580,104
	₩ 20,571,293	3,272,639	(21,667)	(227,239)	(2,337,287)	(21,382)	21,236,357

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

11. Property, Plant and Equipment, Net (cont'd)

(*1) For the nine-month period ended September 30, 2024, the Company estimated the recoverable amount after calculating the net fair values of individual assets whose operation was suspended, such as steelmaking plant no. 1 and blast furnace no. 4 in Pohang, and recognized an impairment loss of ₩227,239 million on such individual items of property, plant and equipment.

(*2) Others represent assets transferred from construction-in-progress to other property, plant and equipment, assets transferred from right of use to investment properties, and others.

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

1) Right-of-use assets

① Changes in carrying amount of right-of-use assets presented as property, plant and Equipment and investment property for the nine-month period ended September 30, 2025 are as follows:

<i>(in millions of Won)</i>		Beginning	Acquisitions	Depreciation	Others	Ending
Land	₩	7,068	-	(213)	-	6,855
Buildings		135,360	3,876	(42,353)	3,322	100,205
Structures		38,373	-	(3,710)	-	34,663
Machinery and equipment		788	-	(296)	-	492
Vehicles		9,431	2,456	(2,013)	(1,344)	8,530
Ships		160,003	-	(12,037)	-	147,966
Furniture and fixtures		14,065	-	(3,302)	(1,104)	9,659
	₩	365,088	6,332	(63,924)	874	308,370

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

11. Property, Plant and Equipment, Net (cont'd)

② Changes in the carrying amount of right-of-use assets presented as property, plant and equipment and investment property for year ended December 31, 2024 are as follows:

<i>(in millions of Won)</i>		Beginning	Acquisitions	Depreciation	Others	Ending
Land	₩	7,353	-	(285)	-	7,068
Buildings		174,712	6,947	(48,669)	2,370	135,360
Structures		43,585	-	(5,212)	-	38,373
Machinery and equipment		1,183	-	(395)	-	788
Vehicles		10,499	1,563	(2,631)	-	9,431
Ships		176,688	-	(16,685)	-	160,003
Furniture and fixtures		12,586	8,263	(4,898)	(1,886)	14,065
	₩	<u>426,606</u>	<u>16,773</u>	<u>(78,775)</u>	<u>484</u>	<u>365,088</u>

2) Amount recognized in profit or loss

The amount recognized in profit or loss related to leases for each of the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Interest on lease liabilities	₩ 2,545	2,917	8,063	9,261
Expenses relating to short-term leases	1,267	2,236	3,835	6,659
Expenses relating to leases of low-value assets	1,194	1,221	3,581	3,727
	<u>5,006</u>	<u>6,374</u>	<u>15,479</u>	<u>19,647</u>

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

12. Intangible Assets

Changes in carrying amount of intangible assets for the nine-month period ended September 30, 2025 and the year ended December 31, 2024 are as follows:

(a) For the nine-month period ended September 30, 2025

<i>(in millions of Won)</i>	Beginning	Acquisitions	Disposals	Amortization	Impairment	Others(*2)	Ending
Intellectual property rights	₩ 19,506	-	-	(4,549)	-	3,124	18,081
Membership(*1)	79,334	-	-	-	-	1,102	80,436
Development expense	77,771	874	-	(27,328)	-	11,845	63,162
Port facilities usage rights	168,233	-	-	(11,144)	-	-	157,089
Construction-in-progress	105,825	87,764	-	-	-	(14,025)	179,564
Other intangible assets	4,515	-	-	(1,665)	-	280	3,130
₩	455,184	88,638	-	(44,686)	-	2,326	501,462

(*1) The useful economic life of membership is indefinite.

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

(b) For the year ended December 31, 2024

<i>(in millions of Won)</i>	Beginning	Acquisitions	Disposals	Amortization	Impairment	Others(*2)	Ending
Intellectual property rights	₩ 14,457	75	(198)	(8,191)	-	13,363	19,506
Membership(*1)	79,334	-	-	-	-	-	79,334
Development expense	121,194	3,363	(22)	(68,309)	(597)	22,142	77,771
Port facilities usage rights	183,092	-	-	(14,859)	-	-	168,233
Construction-in-progress	44,358	93,654	-	-	-	(32,187)	105,825
Other intangible assets	5,564	-	-	(2,281)	-	1,232	4,515
₩	447,999	97,092	(220)	(93,640)	(597)	4,550	455,184

(*1) The useful economic life of membership is indefinite.

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

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

13. Other Assets

Details of other assets as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Current		
Advance payments	₩ 5,233	3,299
Prepaid expenses	109,468	113,667
	<u>₩ 114,701</u>	<u>116,966</u>
Non-current		
Long-term advance payments	₩ 128	-
Long-term prepaid expenses	2,279	2,570
Others	6,124	28,428
	<u>₩ 8,531</u>	<u>30,998</u>

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

14. Borrowings

(a) Details of borrowings as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025	December 31, 2024
Short-term borrowings		
Short-term borrowings	₩ 416,396	56,079
Current portion of debentures	1,801,540	2,375,800
Less: Current portion of discount on debentures issued	(1,607)	(2,474)
	₩ 2,216,329	2,429,405
Long-term borrowings		
Long-term borrowings	₩ 100,000	-
Debentures	4,494,620	5,486,000
Less: Discount on debentures issued	(22,735)	(33,121)
	₩ 4,571,885	5,452,879

(b) Details of short-term borrowings as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	Lenders	Maturity date	Annual interest rate (%)	September 30, 2025	December 31, 2024
Transfers of account receivables that do not qualify for derecognition(*1)	Shinhan Card, Shinhan Bank	-	-	₩ 254,462	56,079
Borrowings in foreign trade	Bank-of-China and others	Oct.15, 2025 ~ Dec.15,2025	1.58 ~ 1.70	161,934 ₩ 416,396	-

(*1) The account receivables have been discounted according to the factoring agreement and have been recognized as short-term borrowings (Note 4).

(c) Details of current portion of debentures as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	Lenders	Maturity date	Annual interest rate (%)	September 30, 2025	December 31, 2024
Debentures	309-3rd Non-guaranteed bonds and others	Jan. 12,2026 ~ Sep. 16,2026	1.72 ~ 4.05	₩ 819,705	699,670
Foreign debentures	Global debentures 9-1	Jan. 17,2026	5.63	980,228 ₩ 1,799,933	1,673,656 2,373,326

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

14. Borrowings(cont'd)

(d) Details of long-term borrowings as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		Lenders	Maturity date	Annual interest rate (%)	September 30, 2025	December 31, 2024
Borrowings		Korea Development Bank	Jul. 29, 2035	2.81	₩ 100,000	-
Debentures		310-3rd Non-guaranteed bonds and others	Jan. 14, 2027 ~ Jan. 14, 2032	1.77 ~ 4.11	1,547,063	1,368,349
Foreign debentures		Global debentures 8-2 and others	Jan. 23, 2027 ~ Jan. 17, 2033	4.50 ~ 5.88	2,924,822	4,084,530
					₩ 4,571,885	5,452,879

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

15. Other Payables

Details of other payables as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2025</u>	<u>December 31, 2024</u>
Current			
Accounts payable	₩	655,119	887,260
Accrued expenses		622,070	730,866
Lease liabilities		80,361	79,500
Withholdings		19,571	17,728
	₩	<u>1,377,121</u>	<u>1,715,354</u>
Non-current			
Long-term accrued expenses	₩	16	15
Lease liabilities		248,822	312,647
Long-term withholdings		208	170
	₩	<u>249,046</u>	<u>312,832</u>

16. Other Financial Liabilities

Details of other financial liabilities as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>		<u>September 30, 2025</u>	<u>December 31, 2024</u>
Current			
Financial guarantee liabilities	₩	521	1,840

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

17. Provisions

(a) Details of provisions as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025		December 31, 2024	
	Current	Non-current	Current	Non-current
Provision for bonus payments(*1,2)	₩ 12,571	47,596	15,189	47,596
Provision for restoration	-	-	2,962	-
Provision for product warranties(*3)	17,989	4,110	16,234	3,599
Provision for legal contingencies and claims(*4)	-	21,353	-	32,211
Others(*5)	6,150	-	-	-
	₩ 36,710	73,059	34,385	83,406

(*1) Represents the provision for bonuses limited to 100% of annual salaries for executives.

(*2) The Company measured the present value of the estimated future payments for long-service costs based on an actuarial valuation and recognized a provision of ₩52,038 million as of September 30, 2025.

(*3) The Company has recognized a provision for the claim cost expected to be charged to the Company.

(*4) As of September 30, 2025, the Company recognized a provision for litigation regarding the litigation cases pending.

(*5) As of September 30, 2025, the Company recognized the expected sales incentives payable to customers as a provision.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

17. Provisions (cont'd)

(b) Changes in provisions for the nine-month period ended September 30, 2025 and the year ended December 31, 2024 are as follows:

1) For the nine-month period ended September 30, 2025

<i>(in millions of Won)</i>	Beginning	Increase	Reversal	Utilization	Ending
Provision for bonus payments	₩ 62,785	9,453	-	(12,071)	60,167
Provision for restoration	2,962	42	-	(3,004)	-
Provision for product warranties	19,832	12,145	-	(9,878)	22,099
Provision for legal contingencies and claims	32,211	-	(10,859)	-	21,352
Others	-	6,192	-	(41)	6,151
	₩ 117,790	27,832	(10,859)	(24,994)	109,769

2) For the year ended December 31, 2024

<i>(in millions of Won)</i>	Beginning	Increase	Reversal	Utilization	Ending
Provision for bonus payments	₩ 40,195	40,349	-	(17,759)	62,785
Provision for restoration	5,442	160	(1,640)	(1,000)	2,962
Provision for product warranties	21,851	9,726	-	(11,745)	19,832
Provision for legal contingencies and claims	-	32,212	-	-	32,212
Others	-	9,243	-	(9,243)	-
	₩ 67,488	91,690	(1,640)	(39,747)	117,791

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

18. 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 nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Expense related to post-employment benefit plans under defined contribution plans	₩ 12,679	11,471	38,410	35,159

(b) Defined benefit plans

- 1) The amounts recognized in relation to net defined benefit liabilities (assets) in the statements of financial position as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025	December 31, 2024
Present value of funded obligations	₩ 1,278,004	1,324,972
Fair value of plan assets	(1,457,345)	(1,547,512)
Net defined benefit liabilities	₩ (179,341)	(222,540)

- 2) Changes in the present values of defined benefit obligations for each of the nine-month period ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025	September 30, 2024
Defined benefit obligation at the beginning of period	₩ 1,324,972	1,259,340
Current service costs	72,836	73,561
Interest costs	33,813	35,892
Amount transferred from associate	3,462	3,323
Amount transferred to associate	(3,972)	(3,368)
Benefits paid	(153,107)	(135,943)
Defined benefit obligation at the end of period	₩ 1,278,004	1,232,805

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
 (unaudited)

18. Employee Benefits (cont'd)

3) Changes in the fair values of plan assets for each of the nine-month period ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>		September 30, 2025	September 30, 2024
Fair value of plan assets at the beginning of period	₩	1,547,512	1,557,782
Interest on plan assets		41,220	47,102
Remeasurement of plan assets		2,327	9,917
Contributions to plan assets		-	50,000
Amount transferred from associate		3,462	3,323
Amount transferred to associate		(3,972)	(3,368)
Benefits paid		(133,204)	(113,063)
Fair value of plan assets at the end of period	₩	<u>1,457,345</u>	<u>1,551,693</u>

4) The amounts related to the defined benefit plans recognized in the statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Current service costs	₩ 24,029	24,509	72,836	73,561
Net interest costs	(2,469)	(3,737)	(7,407)	(11,210)
	<u>₩ 21,560</u>	<u>20,772</u>	<u>65,429</u>	<u>62,351</u>

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

19. Other Liabilities

Details of other liabilities as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Current		
Advances received	₩ 4,152	16,548
Withholdings	49,032	51,665
Unearned revenue	53,478	73,248
	<hr/> ₩ 106,662	<hr/> 141,461
Non-current		
Unearned revenue	₩ 2,357	2,806

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

20. 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, 2025 and December 31, 2024 are as follows:

① September 30, 2025

	(in millions of Won)	Book value	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets						
Fair value through profit or loss						
Derivative assets	₩	357,070	-	357,070	-	357,070
Short term financial instruments		459,070	-	459,070	-	459,070
Other securities		7,066	-	-	7,066	7,066
Equity securities		35,469	-	-	35,469	35,469
Fair value through other comprehensive income						
Equity securities		650,540	607,067	-	43,473	650,540
Financial assets measured at amortized cost(*1)						
Cash and cash equivalents		1,778,435	-	-	-	-
Trade accounts and notes receivable		4,564,030	-	-	-	-
Debt securities		694,000	-	-	-	-
Other receivables		278,203	-	-	-	-
Deposit instruments		2,094,389	-	-	-	-
	₩	<u>10,918,272</u>	<u>607,067</u>	<u>816,140</u>	<u>86,008</u>	<u>1,509,215</u>
Financial liabilities						
Financial liabilities measured at amortized cost(*1)						
Trade accounts and notes payable	₩	1,735,571	-	-	-	-
Borrowings		6,788,215	-	6,916,962	-	6,916,962
Financial guarantee liabilities		521	-	-	-	-
Others		1,177,779	-	-	-	-
	₩	<u>9,702,086</u>	<u>-</u>	<u>6,916,962</u>	<u>-</u>	<u>6,916,962</u>

(*1) The fair values of financial assets and liabilities measured at amortized cost except borrowings approximate their carrying amounts.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

20. Financial Instruments (cont'd)

② December 31, 2024

<i>(in millions of Won)</i>	Book value	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets					
Fair value through profit or loss					
Derivative assets	₩ 754,886	-	754,886	-	754,886
Short term financial instruments	413,976	-	413,976	-	413,976
Other securities	7,511	-	-	7,511	7,511
Equity securities	35,541	-	-	35,541	35,541
Fair value through other comprehensive income					
Equity securities	429,780	385,751	-	44,029	429,780
Financial assets measured at amortized cost(*1)					
Cash and cash equivalents	1,943,148	-	-	-	-
Trade accounts and notes receivable	4,703,770	-	-	-	-
Debt securities	400,000	-	-	-	-
Other receivables	322,597	-	-	-	-
Deposit instruments	2,833,722	-	-	-	-
	₩ 11,844,931	385,751	1,168,862	87,081	1,641,694
Financial liabilities					
Financial liabilities measured at amortized cost(*1)					
Trade accounts and notes payable	₩ 2,210,454	-	-	-	-
Borrowings	7,882,284	-	8,080,375	-	8,080,375
Financial guarantee liabilities	1,840	-	-	-	-
Others	1,863,121	-	-	-	-
	₩ 11,957,699	-	8,080,375	-	8,080,375

(*1) The fair values of financial assets and liabilities measured at amortized cost except borrowings approximate their carrying amounts.

2) Details of financial guarantee contracts recognized as financial liabilities as of September 30, 2025 are as follows:

<i>(in millions of Won)</i>	Guarantee beneficiary	Financial institution	Guarantee limit		Guarantee amount	
Foreign currency			Won equivalent		Foreign currency	Won equivalent
[Subsidiaries]						
POSCO ASSAN TST STEEL INDUSTRY	Citi	USD	42,145,620	59,097	42,145,620	59,097
	Shinhan Bank	USD	40,352,190	56,582	40,352,190	56,582
	Woori Bank	USD	40,352,190	56,582	40,352,190	56,582
[Associates]						
LLP POSUK Titanium	Shinhan Bank	USD	12,750,000	17,877	12,750,000	17,877
		USD	135,600,000	190,138	135,600,000	190,138

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

20. Financial Instruments (cont'd)

3) Details of finance income and costs by category of financial instruments for each of the nine-month periods ended September 30, 2025 and 2024 are as follows:

① For the nine-month period ended September 30, 2025

	Finance income and costs							Other comprehensive income
	Interest income (expense)	Dividend income ^{(*)1}	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	₩ -	-	-	(32,510)	(98,572)	(62)	(131,144)	-
Financial assets at fair value through other comprehensive income	-	24,730	-	-	-	-	24,730	162,787
Financial assets measured at amortized cost	122,523	-	(131,557)	-	-	-	(9,034)	-
Financial liabilities at fair value through profit or loss	-	-	-	534	-	-	534	-
Financial liabilities measured at amortized cost	(273,503)	-	307,323	-	-	422	34,242	-
	₩ (150,980)	24,730	175,766	(31,976)	(98,572)	360	(80,672)	162,787

(*)1 Finance income in the statement of comprehensive income includes the dividends from subsidiaries of ₩17,158 million for the nine-month period ended September 30, 2025.

② For the nine-month period ended September 30, 2024

	Finance income and costs							Other comprehensive income
	Interest income (expense)	Dividend income ^{(*)1}	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	₩ -	-	-	138,565	186,468	3,503	328,536	-
Financial assets at fair value through other comprehensive income	-	22,690	-	-	-	-	22,690	43,103
Financial assets measured at amortized cost	101,932	-	63,109	-	-	-	165,041	-
Financial liabilities at fair value through profit or loss	-	-	-	373	45,455	-	45,828	-
Financial liabilities measured at amortized cost	(256,291)	-	(203,839)	-	-	(1,275)	(461,405)	-
	₩ (154,359)	22,690	(140,730)	138,938	231,923	2,228	100,690	43,103

(*)1 Finance income in the statement of comprehensive income includes the dividends from subsidiaries of ₩8,473 million for the nine-month period ended September 30, 2024.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

20. Financial Instruments (cont'd)

4) Details of finance income and costs by category of financial instruments for each of the three-month periods ended September 30, 2025 and 2024 are as follows:

① For the three-month period ended September 30, 2025

(in millions of Won)		Finance income and costs						Other comprehensive income
	W	Interest income (expense)	Dividend income(*1)	Gain and loss on foreign currency	Gain and loss on disposal	Gain and loss on valuation	Others	
Financial assets at fair value through profit or loss		-	-	-	(47,223)	253,449	(23)	206,203
Financial assets at fair value through other comprehensive income		-	4,059	-	-	-	-	4,059
Financial assets measured at amortized cost		32,317	-	59,061	-	-	-	91,378
Financial liabilities at fair value through profit or loss		-	-	-	-	-	-	-
Financial liabilities measured at amortized cost		(84,162)	-	(206,847)	-	-	99	(290,910)
	W	(51,845)	4,059	(147,786)	(47,223)	253,449	76	10,730
								54,572

(*1) Finance income in the statement of comprehensive income includes the dividends from subsidiaries of ₩666 million for the three-month period ended September 30, 2025.

② For the three-month period ended September 30, 2024

(in millions of Won)		Finance income and costs						Other comprehensive income
	W	Interest income (expense)	Dividend income(*1)	Gain and loss on foreign currency	Gain and loss on disposal	Gain and loss on valuation	Others	
Financial assets at fair value through profit or loss		-	-	-	82,577	(241,780)	4,165	(155,038)
Financial assets at fair value through other comprehensive income		-	3,650	-	-	-	-	3,650
Financial assets measured at amortized cost		39,555	-	(89,330)	-	-	-	(49,775)
Financial liabilities at fair value through profit or loss		-	-	-	-	(9,500)	-	(9,500)
Financial liabilities measured at amortized cost		(78,120)	-	367,994	-	-	(3,054)	286,820
	W	(38,565)	3,650	278,664	82,577	(251,280)	1,111	76,157
								9,777

(b) Financial risk management

The Company is exposed to credit risk, liquidity risk and market risk arising from financial assets and liabilities. The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as of December 31, 2024.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

21. Share Capital and Capital Surplus

(a) Details of share capital as of September 30, 2025 and December 31, 2024 are as follows:

<i>(share, in Won)</i>	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Authorized shares	200,000,000	200,000,000
Par value	₩ 5,000	5,000
Issued shares	96,480,625	96,480,625
Shared capital	₩ 482,403,125,000	482,403,125,000

(b) Details of capital surplus as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Share premium	₩ 24,222,056	24,222,056
Other capital surplus	(421)	5,032
₩	<u>24,221,635</u>	<u>24,227,088</u>

22. Accumulated Other Comprehensive Income

Details of accumulated other comprehensive income as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Changes in fair value of equity investments at fair value through other comprehensive income	₩ 201,331	38,441

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

23. Revenue

(a) Details of revenues disaggregated by types of revenue and timing of revenue recognition for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Types of revenue				
Revenue from sales of goods	₩ 8,443,178	9,096,861	25,592,659	27,162,993
Revenue from services	283,089	295,590	897,531	854,058
Others	70,918	86,219	222,155	258,038
	₩ 8,797,185	9,478,670	26,712,345	28,275,089
Timing of revenue recognition				
Revenue recognized at a point in time	₩ 8,490,966	9,164,043	25,745,045	27,355,477
Revenue recognized over time	306,219	314,627	967,300	919,612
	₩ 8,797,185	9,478,670	26,712,345	28,275,089

(b) Details of contract assets and liabilities from contracts with customers as of September 30, 2025 and December 31, 2024 are as follows:

<i>(in millions of Won)</i>	September 30, 2025		December 31, 2024	
	2025	2024	2025	2024
Receivables				
Account receivables	₩ 4,564,030	4,705,101	4,564,030	4,705,101
Contract assets				
Account receivables	6,855	10,265	6,855	10,265
Contract liabilities				
Advance received	4,003	16,548	4,003	16,548
Unearned income	53,277	76,054	53,277	76,054

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
 (unaudited)

24. Selling and Administrative Expenses

(a) Other administrative expenses

Details of other administrative expenses for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Wages and salaries	₩ 71,224	62,659	199,071	177,949
Expenses related to post-employment benefits	4,699	5,371	15,180	17,118
Other employee benefits	11,797	21,438	40,845	49,755
Travel	2,825	2,073	7,885	6,516
Depreciation	10,049	8,601	30,823	26,116
Amortization	5,622	6,458	17,354	20,662
Rental	13,010	13,145	47,569	44,949
Repairs	1,942	2,311	4,996	6,484
Advertising	14,062	12,902	38,546	38,275
Research & development	6,517	7,388	17,510	21,120
Service fees	59,455	65,288	183,905	190,209
Supplies	272	(64)	936	194
Vehicles maintenance	1,107	1,123	3,805	3,622
Industry association fee	1,397	1,460	4,003	3,493
Training	8,825	7,212	21,413	18,911
Conference	1,129	1,049	3,375	3,143
Others	5,822	6,045	18,102	19,504
	₩ 219,754	224,459	655,318	648,020

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

24. Selling and Administrative Expenses (cont'd)

(b) Selling expenses

Details of selling expenses for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Freight and custody expenses	₩ 46,055	43,503	129,330	120,003
Operating expenses for distribution center	1,203	1,673	3,649	4,121
Sales commissions	28,256	19,826	80,076	67,861
Sales advertising	266	1,433	555	1,683
Sales promotion	936	856	2,633	2,486
Sample	131	239	578	617
Sales insurance premium	(375)	1,965	4,610	5,617
	₩ 76,472	69,495	221,431	202,388

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

25. Finance Income and Costs

Details of finance income and costs for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Finance income				
Interest income(*1)	₩ 32,317	39,555	122,523	101,932
Dividend income	4,726	3,650	41,889	31,163
Gain on foreign currency transactions	114,504	104,282	296,640	293,930
Gain on foreign currency translations	(217,173)	459,457	236,836	504,014
Gain on valuation of derivatives	-	(252,507)	-	173,357
Gain on transactions of derivatives	-	64,915	534	79,988
Gain on valuation of financial assets at fair value through profit or loss	(1,167)	17,662	1,655	61,922
Gain on disposal of financial assets at fair value through profit or loss	8,061	7,017	25,818	64,356
Others	117	1,235	480	3,051
	₩ (58,615)	445,266	726,375	1,313,713
Finance costs				
Interest expenses	₩ 84,162	78,120	273,503	256,291
Loss on foreign currency transactions	91,164	121,791	324,397	313,038
Loss on foreign currency translations	(46,044)	163,282	33,314	625,634
Loss on valuation of derivatives	(254,106)	5,790	96,582	5,790
Loss on transactions of derivatives	55,284	-	58,327	2,971
Loss on valuation of financial assets at fair value through profit or loss	(509)	-	3,646	-
Others	39	125	119	824
	₩ (70,010)	369,108	789,888	1,204,548

(*1) Interest income calculated using the effective interest method for each of the nine-month periods ended September 30, 2025 and 2024 is ₩119,048 million and ₩88,967 million, respectively.

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
 (unaudited)

26. 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, 2025 and 2024 are as follows:

<i>(In millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Other non-operating income				
Gain on disposals of property, plant and equipment	₩ 6,416	958	23,663	8,071
Gain on insurance settlement	8,487	175	9,968	566
Gain on disposals of emission rights	-	(13,343)	-	-
Others	5,068	1,277	13,813	17,200
	₩ 19,971	(10,933)	47,444	25,837
Other non-operating expenses				
Loss on disposals of property, plant and equipment	₩ 33,901	27,752	86,412	108,920
Impairment loss on property, plant and equipment	-	124,391	70,002	184,099
Other bad debt expense	-	(889)	-	386
Donations	24,911	5,114	46,074	33,655
Idle tangible asset expenses	1,322	(419)	3,781	1,839
Others	4,152	1,870	11,575	13,551
	₩ 64,286	157,819	217,844	342,450

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

27. Expenses by Nature

Expenses that are recorded by nature as cost of sales, selling and administrative 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, 2025 and 2024 are as follows (excluding finance costs and income tax expense):

<i>(in millions of Won)</i>	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2025	2024	2025	2024
Changes in inventories(*1)	₩ (10,764)	(120,112)	403,767	409,026
Raw materials and consumables used	5,492,308	6,519,895	16,747,429	18,804,254
Employee benefits expenses	589,341	499,704	1,566,006	1,432,772
Outsourced processing cost	722,050	696,409	2,077,370	2,090,328
Depreciation(*2)	600,422	592,878	1,807,190	1,762,991
Amortization	14,852	25,685	44,686	78,288
Electricity and water expenses	156,639	117,779	548,011	410,989
Service fees	83,596	88,837	255,542	260,740
Rental	29,451	24,984	87,143	79,074
Advertising	14,063	12,902	38,546	38,275
Freight and custody expenses	288,076	330,745	908,567	968,009
Sales commissions	28,256	19,826	80,076	67,861
Loss on disposals of property, plant and equipment	33,901	27,752	86,412	108,920
Impairment loss on property, plant and equipment	-	124,391	70,002	184,099
Other expenses	234,682	236,807	765,535	770,348
	₩ 8,276,873	9,198,482	25,486,282	27,465,974

(*1) Presenting changes in products, semi-finished products and by-products.

(*2) Including depreciation of investment properties.

POSCO

Notes to interim condensed separate financial statements, continued

September 30, 2025 and 2024

(unaudited)

28. Income Taxes

Income tax expenses were calculated by adjusting deferred tax expenses (benefits) due to the accrual and reversal of temporary differences in current tax expenses and income tax expenses (benefits) related to items not recognized in profit or loss. The effective tax rates of the Company for each of the nine-month periods ended September 30, 2025 and 2024 are 24.3% and 20.0%, respectively.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

29. Earnings Per Share

Details of basic earnings per share for each of the three-month and nine-month periods ended September 30, 2025 and 2024 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	
	2025	2024	2025	2024
Profit attributable to controlling interest	₩ 422,636,498,458	256,596,179,632	₩ 915,729,970,639	755,149,995,995
Weighted-average number of common shares outstanding(*1)	96,480,625	96,480,625	96,480,625	96,480,625
Basic earnings per share	₩ 4,381	2,660	₩ 9,491	7,827

(*1) The weighted-average number of common shares 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	
	2025	2024	2025	2024
Total number of common shares issued	96,480,625	96,480,625	96,480,625	96,480,625
Weighted-average number of common shares outstanding	96,480,625	96,480,625	96,480,625	96,480,625

The Company does not have any dilutive potential common shares as of September 30, 2025 and 2024, so diluted earnings per share are the same as basic earnings per share.

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

30. Related Party Transactions

(a) Details of the Company's related parties as of September 30, 2025 are as follows:

	Company
The parent company	POSCO HOLDINGS INC.
Subsidiaries	POSCO STEELEON Co., Ltd, POSCO M-TECH, PNR, POSCO Humans, eNtoB Corporation, Pohang Scrap Recycling Distribution Center Co., Ltd, CHEMGAS KOREA CO.,LTD, POSCO Stainless Precision & Processing, eSteel4U, POSCO (Thailand) Company.Ltd, POSCO-MKPC SDN BHD, POSCO-VIETNAM Co., Ltd., POSCO Thainox Public Company Limited, POSCO COATED STEEL (THAILAND) CO.,LTD., POSCO Philippine Manila Processing Center, Inc., PT. KRAKATAU POSCO, POSCO Maharashtra Steel Private Limited, POSCO ASSAN TST STEEL INDUSTRY Inc., POSCO-India Pune Processing Center. Pvt. Ltd., POSCO INDIA PROCESSING CENTER PRIVATE LIMITED and others
Associates and joint ventures(*1)	DAEHO GLOBAL MANAGEMENT CO., LTD., Pohang Special Welding Co., Ltd., FEWM CO., LTD., POSCO CVC 1st Fund, POSK(Pinghu) Steel Processing Center Co., Ltd., SUZHOU POSCO-CORE TECHNOLOGY CO., LTD., ZHANGJIAGANG XIAO-SHA COIL SERVICE CENTER CO.,LTD, POSCO Vietnam Processing Center. Co.,Ltd, POSCO-SAMSUNG-SLOVAKIA PROCESSING CENTER, M RES NSW HCC II Pty Ltd
Other related parties(*2)	POSCO Eco & Challenge Co., Ltd., POSCO DX, POSCO WIDE Co., Ltd., POSCO FUTURE M CO., LTD., POSCO FLOW CO., LTD., SNNC, POSCO Mobility Solution Corporation, POSCO INTERNATIONAL Corporation, POSCO Canada Ltd., POSCO(Guangdong) Automotive Steel Co., Ltd., POSCO VST CO., LTD., POSCO INTERNATIONAL SINGAPORE PTE LTD., Roy Hill Holdings Pty Ltd, POSCO Asia Co.,LTD., POSCO-China Holding Corp. and others

(*1) For the nine-month period ended September 30, 2025, the Company classified its investments in SUZHOU POSCO-CORE TECHNOLOGY CO., LTD., associate, as assets held for sale after deciding to dispose of the entity.

(*2) Other related parties are the subsidiaries, associates and joint ventures of POSCO HOLDINGS INC., the parent company of the Company.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

30. Related Party Transactions (cont'd)

(b) Details of significant transactions with the company's related parties for each of the nine-month periods ended September 30, 2025 and 2024 are as follows:

1) For the nine-month period ended September 30, 2025

	(in millions of Won)	Sales and others ⁽¹⁾		Purchase and others ⁽²⁾			
		Sales	Others	Purchase of material	Purchase of fixed assets	Outsourced processing cost	Others
The parent company							
POSCO HOLDINGS INC. ⁽³⁾	₩	10,999	812	-	89	-	641,013
Subsidiaries							
POSCO STEELEN Co., Ltd		363,683	7,372	635	-	29,444	70
eNio8 Corporation		24	1,309	285,550	41,868	2,609	14,028
POSCO M-TECH		345	421	69,723	3,852	158,311	115
PNR		488	-	-	-	31,865	-
POSCO Humans		843	-	-	-	5,063	19,880
POSCO (THAILAND) COMPANY LIMITED		75,742	756	-	-	-	106
POSCO-MKPC SDN BHD		4,216	837	-	-	-	356
POSCO VIETNAM CO., LTD.		263,355	42	-	-	-	77
POSCO MEXICO S.A. DE C.V.		299,342	15	-	-	-	1,473
POSCO-Poland Wroclaw Processing Center Sp. z o. o.		5,191	-	-	-	-	-
POSCO Thainox Public Company Limited		215,353	5,651	-	-	-	89
POSCO COATED STEEL (THAILAND) CO., LTD.		245,344	117	-	-	-	1,037
POSCO TNPC Otomotiv Celik San. Ve Tic. A.S		40,232	-	-	-	-	825
POSCO-Indonesia Jakarta Processing Center		1,597	-	-	-	-	1,393
POSCO PS Tech		52	1	2	11,234	89,274	814
POSCO PR Tech		-	23	5	17,018	81,199	709
POSCO PH Solution		-	40	6	3,123	36,397	1,326
POSCO GYS Tech		96	12	13	5,792	84,905	464
POSCO GYR Tech		83	-	-	5,538	78,438	156
POSCO GY Solution		82	-	-	3,952	38,894	24
Pohang Scrap Recycling Distribution Center Co., Ltd. ⁽⁴⁾		-	-	-	-	2,956	-
eSteel4U ⁽⁴⁾		422,438	-	-	-	-	80
PT. KRAKATAU POSCO		2,572	-	13,592	-	-	35
POSCO-India Pune Processing Center Private Ltd		14,062	-	-	-	-	-
POSCO Maharashtra Steel Private Limited		822,299	-	-	-	-	352
POSCO INDIA PROCESSING CENTER PRIVATE LIMITED		137,778	-	-	-	-	1,235
POSCO ASSAN TST STEEL INDUSTRY		242,233	732	-	-	-	23
Others		4,866	-	-	-	-	866
		3,162,316	17,328	369,526	92,377	639,355	45,533
Associates and joint ventures							
POSCO-SAMSUNG-SLOVAKIA PROCESSING CENTER		38,547	-	-	-	-	-
POSCO Vietnam Processing Center Co.,Ltd		58,398	163	-	-	-	412
ZHANGJIAGANG XIAO-SHA COILSERVICE CENTER CO.,LTD		-	666	-	-	-	-
		96,945	829	-	-	-	412
Other related party⁽⁴⁾							
POSCO Eco & Challenge Co., Ltd.		239	24	-	386,131	112	14,938
POSCO DX ⁽⁵⁾		1,499	17	-	208,175	49,227	141,651
POSCO WIDE Co., Ltd.		6,937	42	504	919	20,807	37,760
POSCO FUTURE M CO., LTD.		358,793	166	454,973	4,939	196,442	487
POSCO FLOW CO., LTD. ⁽⁶⁾		7,486	-	487,742	38	5,862	844,372
SNNC		6,936	4	231,615	701	1,402	-
POSCO Mobility Solution Corporation		626,060	-	9,482	449	12,717	982
POSCO INTERNATIONAL Corporation ⁽⁷⁾		7,517,482	3	568,726	-	1,797	28,414
POSCO(Guangdong) Automotive Steel Co.,Ltd		143,453	-	-	-	-	-
POSCO VST CO., LTD.		213,271	-	-	-	-	20
POSCO INTERNATIONAL SINGAPORE PTE LTD.		-	9	1,184,758	-	-	-
Roy Hill Holdings Pty Ltd		-	-	1,102,161	-	-	-
Others		203,844	371	138,998	34,516	-	55,487
		9,086,000	636	4,178,959	635,868	288,366	1,124,111
	₩	12,356,260	19,605	4,548,485	728,334	927,721	1,811,069

(*1) Sales and others mainly consist of sales of steel products to the parent company, associates and other related parties.

(*2) Purchases and others mainly consist of related parties' purchases of construction services and purchases of raw materials to manufacture steel products.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

30. Related Party Transactions (cont'd)

(*3) Others (purchase) mainly consist of dividend, service fees for brand usage and rentals.

(*4) Newly consolidated through an acquisition from POSCO INTERNATIONAL Corporation for the nine-month period ended September 30, 2025, and includes the transactions occurred prior to the consolidation.

(*5) Others (purchase) mainly consist of maintenance expenses for ERP System.

(*6) Others (purchase) mainly consist of freight expenses.

(*7) The Company is engaged in a SWAP agreement with POSCO INTERNATIONAL Corporation for the purchase of LNG.

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

	Sales and others(*1)		Purchase and others(*2)			
	Sales	Others	Purchase of material	Purchase of fixed assets	Outsourced processing cost	Others
The parent company						
POSCO HOLDINGS INC.(*3)	₩ 9,335	325	-	75	-	1,001,738
Subsidiaries						
POSCO STEELEON Co., Ltd	459,401	5,513	96	54	31,106	73
eNtB Corporation	12	1,176	268,443	48,562	2,291	12,663
POSCO M-TECH	48	726	63,481	-	159,079	-
PNR	486	-	-	-	37,130	-
POSCO Humans	814	-	-	-	4,885	19,539
POSCO (Thailand) Company Ltd	68,464	-	-	-	-	32
POSCO-MKPC SDN BHD	6,620	909	-	-	-	309
POSCO-VIETNAM Co., Ltd.	193,265	242	-	-	-	50
POSCO MEXICO S.A. DE C.V.	474,383	168	-	-	-	1,408
POSCO-Poland Wroclaw Processing Center Sp. z o. o.	5,463	-	-	-	-	-
POSCO Thainox Public Company Limited	171,803	-	-	-	-	226
POSCO COATED STEEL (THAILAND) CO., LTD.	220,930	122	-	-	-	1,073
POSCO ChengDu Processing Center	36	-	-	-	-	-
POSCO TNPC Otomotiv Celik San. Ve Tic. A.S	53,932	-	-	-	-	384
POSCO-Indonesia Jakarta Processing Center	2,569	-	-	-	-	2,631
POSCO PS Tech	52	-	-	10,677	90,369	1,253
POSCO PR Tech	-	24	5	18,990	69,643	1,658
POSCO PH Solution	-	39	33	8,064	34,264	3,891
POSCO GYS Tech	84	12	8	8,722	84,577	1,163
POSCO GYR Tech	77	-	3	8,649	78,168	494
POSCO GY Solution	63	15	-	4,510	38,769	9
PT. KRAKATAU POSCO	4,893	2,184	-	-	-	-
Others	10,286	-	-	-	-	745
	1,673,681	11,130	332,069	108,228	630,281	47,601
Associates and joint ventures						
POSCO-SAMSUNG-SLOVAKIA PROCESSING CENTER	34,330	-	-	-	-	-
POSCO Vietnam Processing Center. Co.,Ltd	48,928	-	-	-	-	291
Others	151	-	-	-	-	-
	83,409	-	-	-	-	291
Other related party						
POSCO Eco & Challenge Co., Ltd.	226	-	-	807,046	101	35,373
POSCO DX(*4)	1,433	17	-	325,832	49,750	137,186
POSCO WIDE Co., Ltd.	7,088	59	575	245	17,894	34,979
POSCO FUTURE M CO., LTD.	322,522	161	411,118	38,926	171,388	11,718
POSCO FLOW CO., LTD.(*5)	9,072	93	532,060	2	9,920	923,941
SNNC	6,390	12	215,278	-	-	19
POSCO Mobility Solution Corporation	597,238	1	-	2,594	39,456	501
eSteel4U	442,016	-	-	-	-	236
POSCO INTERNATIONAL Corporation(*7)	7,989,680	-	836,993	-	753	20,066
POSCO Canada Ltd.	-	1,020	26,700	-	-	-
POSCO Maharashtra Steel Private Limited(*6)	708,573	60	-	-	-	854
POSCO(Guangdong) Automotive Steel Co.,Ltd	201,427	-	-	-	-	-
POSCO VST CO., LTD.	136,681	-	-	-	-	31
POSCO INTERNATIONAL SINGAPORE PTE LTD.	-	2,124	1,306,692	-	-	-
POSCO ASSAN TST STEEL INDUSTRY(*6)	288,183	2,591	-	-	-	-
Roy Hill Holdings Pty Ltd	-	9,680	1,336,984	-	-	-
Others	461,851	581	151,397	207,412	4,844	68,472
	11,172,380	16,399	4,817,797	1,382,057	294,106	1,233,376
₩	12,938,805	27,854	5,149,866	1,490,360	924,387	2,283,006

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

30. Related Party Transactions (cont'd)

- (*1) Sales and others mainly consist of sales of steel products to the parent company, associates and other related parties.
- (*2) The purchases and others mainly consist of related parties' purchases of construction services and purchases of raw materials to manufacture steel products.
- (*3) Others (purchase) mainly consist of service fees for brand usage and rentals.
- (*4) Others (purchase) mainly consist of maintenance expenses for the ERP System.
- (*5) Others (purchase) mainly consist of freight expenses.
- (*6) Newly consolidated as a subsidiary through an acquisition from POSCO HOLDINGS Inc. for the nine-month period ended September 30, 2024 and presenting transactions occurred prior to the consolidation.
- (*7) The Company is engaged in a SWAP agreement with POSCO INTERNATIONAL Corporation for the purchase of LNG.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

30. Related Party Transactions (cont'd)

(c) Details of the related account balances of material transactions with the Company's related parties as of September 30, 2025 and December 31, 2024 are as follows:

1) September 30, 2025

(in millions of Won)		Receivables			Payables			
		Trade accounts and notes receivable	Others	Total	Trade accounts and notes payable	Accounts payable	Others	Total
The parent company								
POSCO HOLDINGS INC.	₩	336	48,657	48,993	-	76,668	291,480	368,148
Subsidiaries								
POSCO STEELEON Co., Ltd		73,221	25	73,246	47	8	4,234	4,289
eNtoB Corporation		-	-	-	94	6,019	365	6,478
POSCO M-TECH		-	9	9	-	18,345	17,021	35,366
PNR		-	114	114	-	2,044	4,302	6,346
POSCO Humans		16	1	17	-	640	1,726	2,366
POSCO (THAILAND) COMPANY LIMITED		29,475	-	29,475	-	-	-	-
POSCO-MKPC SDN BHD		-	-	-	-	-	141	141
POSCO-VIETNAM Co., Ltd.		100,828	830	101,658	-	-	7	7
POSCO MEXICO S.A. DE C.V.		93,156	567	93,723	-	-	295	295
POSCO Thainox Public Company Limited		69,196	356	69,552	-	-	-	-
POSCO COATED STEEL (THAILAND) CO., LTD.		71,237	249	71,486	-	-	159	159
POSCO-Indonesia Jakarta Processing Center		-	-	-	-	-	62	62
POSCO PS Tech		-	2	2	-	8,767	4,060	12,827
POSCO PR Tech		-	2	2	-	6,774	4,206	10,980
POSCO PH Solution		-	1	1	-	3,015	2,008	5,023
POSCO GYS Tech		-	3	3	-	7,092	6,164	13,256
POSCO GYR Tech		-	3	3	-	6,768	5,136	11,904
POSCO GY Solution		-	4	4	-	2,859	2,008	4,867
Pohang Scrap Recycling Distribution Center Co., Ltd.(*1)		-	-	-	-	1,059	-	1,059
eSteel4U(*1)		137,827	-	137,827	-	13	-	13
PT. KRAKATAU POSCO		2,228	2,073	4,301	-	14	7	21
POSCO Maharashtra Steel Private Limited		415,072	1,330	416,402	-	27,425	8	27,433
POSCO ASSAN TST STEEL INDUSTRY Inc.		242,357	1,179	243,536	-	-	-	-
POSCO INDIA PROCESSING CENTER PRIVATE LIMITED		-	-	-	-	-	895	895
POSCO TNPC Otomotiv Celik San. Ve Tic. A.S		-	-	-	-	-	205	205
Others		105	438	543	-	88	5	93
		1,234,718	7,186	1,241,904	141	90,930	53,014	144,085
Associates and joint ventures								
Pohang Special Welding Co., Ltd.		-	42	42	-	-	-	-
POSCO Vietnam Processing Center Co.,Ltd		9,228	-	9,228	-	-	124	124
		9,228	42	9,270	-	-	124	124
Other related party								
POSCO Eco & Challenge Co., Ltd.		-	8	8	-	32,274	171	32,445
POSCO DX		41	10	51	-	55,523	19,890	75,413
POSCO WIDE Co., Ltd.		322	677	999	-	3,572	5,270	8,842
POSCO FUTURE M CO., LTD.		37,596	60,914	98,510	44,366	14,333	23,653	82,352
POSCO FLOW CO., LTD.		914	1,201	2,115	108,363	8,887	43,607	160,857
SNNC		534	53	587	10,655	360	76	11,091
POSCO Mobility Solution Corporation		138,800	-	138,800	600	288	1,980	2,868
POSCO INTERNATIONAL Corporation		918,829	4,099	922,928	6,549	11,530	3,027	21,106
POSCO(Guangdong) Automotive Steel Co., Ltd.		38,353	-	38,353	-	-	-	-
POSCO VST CO., LTD.		83,327	332	83,659	-	-	-	-
POSCO INTERNATIONAL SINGAPORE PTE LTD.		-	-	-	193,506	65	-	193,571
Roy Hill Holdings Pty Ltd		-	-	-	339,025	-	-	339,025
Others		15,718	26,938	42,656	2,826	10,846	6,677	20,349
		1,234,434	94,232	1,328,666	705,890	137,678	104,351	947,919
		W	2,478,716	150,117	2,628,833	706,031	305,276	448,969
								1,460,276

(*1) Newly consolidated through an acquisition from POSCO INTERNATIONAL Corporation
for the nine-month period ended September 30, 2025.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

30. Related Party Transactions (cont'd)

2) December 31, 2024

(in millions of Won)		Receivables			Payables			
		and	Others	Total	and	payable	Others	Total
The parent company								
POSCO HOLDINGS INC.	₩	-	41,966	41,966	-	102,520	84,604	187,124
Subsidiaries								
POSCO STEELEON Co., Ltd		61,687	113	61,800	-	6	6,047	6,053
eNtoB Corporation		-	-	-	430	6,801	340	7,571
POSCO M-TECH		-	1	1	-	19,182	23,787	42,969
PNR		-	86	86	-	1,868	3,505	5,373
POSCO Humans		16	-	16	-	885	2,622	3,507
POSCO (THAILAND) COMPANY LIMITED		19,973	-	19,973	-	-	-	-
POSCO-MKPC SDN BHD		-	-	-	-	-	-	-
POSCO-VIETNAM Co., Ltd.		106,033	1,421	107,454	-	-	-	-
POSCO MEXICO S.A. DE C.V.		211,563	956	212,519	-	-	-	-
POSCO Thainox Public Company Limited		84,360	481	84,841	-	-	-	-
POSCO COATED STEEL (THAILAND) CO., LTD.		72,357	693	73,050	-	1	-	1
POSCO PS Tech		-	3	3	-	7,930	14,873	22,803
POSCO PR Tech		-	6	6	-	3,760	12,853	16,613
POSCO PH Solution		-	3	3	-	3,819	7,167	10,986
POSCO GYS Tech		-	3	3	-	4,796	14,717	19,513
POSCO GYR Tech		-	2	2	-	7,061	13,797	20,858
POSCO GY Solution		-	2	2	-	1,876	7,273	9,149
PT. KRAKATAU POSCO		7,593	5,912	13,505	-	-	-	-
POSCO Maharashtra Steel Private Limited		363,586	1,912	365,498	-	124,210	-	124,210
POSCO ASSAN TST STEEL INDUSTRY Inc.		281,858	1,347	283,205	-	81	-	81
Others		45	200	245	-	-	-	-
	₩	1,209,071	13,141	1,222,212	430	182,276	106,981	289,687
Associates and joint ventures								
Pohang Special Welding Co., Ltd.		-	33	33	-	-	-	-
POSCO Vietnam Processing Center. Co.,Ltd		5,585	-	5,585	-	-	-	-
	₩	5,585	33	5,618	-	-	-	-
Other related party								
POSCO Eco & Challenge Co., Ltd.		-	9	9	-	70,421	280	70,701
POSCO DX		40	4	44	-	179,910	25,832	205,742
POSCO WIDE Co., Ltd.		475	659	1,134	-	6,488	4,664	11,152
POSCO FUTURE M CO., LTD.		43,546	4,770	48,316	42,635	17,166	20,110	79,911
POSCO FLOW CO., LTD.		331	546	877	120,980	2,100	43,533	166,613
SNNC		518	70	588	8,426	1,285	13	9,724
POSCO Mobility Solution Corporation		112,418	-	112,418	-	1,746	5,055	6,801
eSteel4U		106,875	-	106,875	-	-	-	-
POSCO INTERNATIONAL Corporation		906,600	1,231	907,831	30,212	6,032	4,330	40,574
POSCO(Guangdong)Automotive Steel Co., Ltd.		48,546	-	48,546	-	-	-	-
POSCO VST CO., LTD.		82,674	519	83,193	-	-	-	-
POSCO INTERNATIONAL SINGAPORE PTE LTD.		-	-	-	184,013	188	-	184,201
Roy Hill Holdings Pty Ltd		-	2,440	2,440	356,234	25	-	356,259
Others		33,493	28,544	62,037	1,775	13,805	5,147	20,727
	₩	1,335,516	38,792	1,374,308	744,275	299,166	108,964	1,152,405
	₩	2,550,172	93,932	2,644,104	744,705	583,962	300,549	1,629,216

(d) Guarantees provided for the related parties

As of September 30, 2025, the Company has entered into financial guarantee contracts for its related parties and recognizes the related guarantee obligations as financial guarantee liabilities (see Note 20-(a)-2).

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

30. Related Party Transactions (cont'd)

(e) The Company acquired equity and the steel scrap business segment from other related party for the nine-month period ended September 30, 2025 (see Notes 9 and 33).

(f) For each of the nine-month periods ended September 30, 2025 and 2024, details of compensation to the Company's key management officers are as follows:

<i>(in millions of Won)</i>	September 30, 2025	September 30, 2024
Short-term benefits	₩ 31,219	28,190
Post-employment benefits	4,811	8,518
	<hr/> ₩ 36,030	<hr/> 36,708

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

31. Commitments and Contingencies

(a) Contingent liabilities

Contingent liabilities may develop in a way not initially expected. Therefore, management continuously assesses contingent liabilities to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

The management makes estimates and assumptions that affect disclosures of commitments and contingencies. All estimates and assumptions are based on the evaluation of current circumstances and appraisals with the support of internal specialists or external consultants.

The management regularly analyzes current information about these matters and provides for probable contingent losses including the estimate of legal expenses to resolve the matters. Internal and external lawyers are used for these assessments. In making the decision regarding the need for provisions, management considers whether the Company has an obligation as a result of a past event, whether it is probable that an outflow of cash or other resources embodying economic benefits will be required to settle the obligation and the ability to make a reliable estimate of the amount of obligation.

31. Commitments and Contingencies (cont'd)

(b) Key Commitments

- 1) The Company entered into long-term contracts to purchase iron ore, coal, nickel and others. The contracts of iron ore and coal generally have terms of more than two years and three years, respectively, and the contracts of nickel have terms of more than one year. These contracts provide for periodic price adjustments based on the market price. As of September 30, 2025, 51 million tons of iron ore and 15 million tons of coal remained to be purchased under such long-term contracts.
- 2) The Company entered into an agreement with Tangguh Liquefied Natural Gas (LNG) Consortium in Indonesia. The contractual volume is 550,000 tons per year for 20 years of contract period from August 2005 and 120,000 tons per year for the contract period from September 2025 to December 2026. The purchase price is subject to change, based on changes of the monthly standard oil price (JCC) and with a price ceiling.
- 3) The Company entered into a consecutive voyage charter (CVC) contract for the transportation of raw materials. As of September 30, 2025, there are 32 vessels under contract and the average remaining contract period is about 6 years.
- 4) The Company entered into an agreement (LNG SPA) with POSCO INTERNATIONAL SINGAPORE PTE LTD. to purchase 370 thousand tons of LNG annually for 15 years commencing in November 2026. The purchase price is subject to change based on changes of U.S. Henry Hub Natural Gas Spot Price. The Company has extension option of extending the purchase contract by five years.
- 5) As of September 30, 2025, the Company has entered into supplier finance agreements which have a limit of USD 1,270 million with five financial institutions including SMBC.

POSCO

Notes to interim condensed separate financial statements, continued September 30, 2025 and 2024 (unaudited)

31. Commitments and Contingencies (cont'd)

- 6) As of September 30, 2025, the commitments for the acquisition of property, plant and equipment and intangible assets not yet incurred amount to ₩2,372,070 million.
- 7) As of September 30, 2025 and December 31, 2024, the carrying amounts of financial liabilities related to supplier finance arrangements entered into by the Company are as follows. There were no significant non-cash changes in the carrying amounts of trade payables and other payables that are part of the supplier finance arrangements.

<i>(in millions of Won)</i>		September 30, 2025	September 30, 2024
Trade payables	₩	555,929	861,022
Other payables		131,250	206,335
	₩	<u>687,179</u>	<u>1,067,357</u>

(c) Litigation in progress

As of September 30, 2025, the Company is involved in 175 lawsuits collectively amounting to ₩499.3 billion as defendant, which arise in the ordinary course of business such as claim for confirmation of employee status. The Company has recognized provisions for certain lawsuits and claims and the Company believes that it has a present obligation since it is probable that an outflow of resources embodying economic benefits will be required.

(d) The Company was spun off from POSCO HOLDINGS INC. and newly incorporated on March 1, 2022 and is jointly liable for the liabilities of POSCO HOLDINGS INC. under Article 530(9)(1) of the *Commercial Act* of the Republic of Korea.

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
 (unaudited)

32. Statements of Cash Flows

Changes in operating assets and liabilities for each of the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(in millions of Won)</i>		September 30, 2025	September 30, 2024
Trade accounts and notes receivable, net	₩	147,994	173,833
Other accounts receivable		110,832	(165,878)
Accrued revenue		4,921	(1,748)
Inventories		603,242	425,126
Prepaid expenses		4,195	(39,785)
Other current assets		(1,940)	(1,188)
Long-term guarantee deposits		(961)	(541)
Derivative assets		54,368	22,703
Other non-current assets		25,671	23,296
Trade accounts and notes payable		(482,130)	(104,844)
Other accounts payable		(131,679)	(133,713)
Accrued expenses		(30,451)	54,325
Advances received		(12,396)	33,294
Withholdings		(2,633)	1,128
Unearned revenue		(20,219)	12,543
Other current liabilities		(15,541)	(11,296)
Payments of post-employment benefits		(153,107)	(135,942)
Plan assets		<u>133,204</u>	<u>63,062</u>
	₩	<u>233,370</u>	<u>214,375</u>

POSCO

Notes to interim condensed separate financial statements, continued
September 30, 2025 and 2024
(unaudited)

33. Business Combination

(a) Overview of business combination

The Company acquired the domestic scrap metal business's property, plant and equipment and intangible assets of POSCO International, as well as its equity interest in Pohang Scrap Recycling Distribution Center Co., Ltd. for or the nine-month periods ended September 30, 2025. The purpose of this business combination is to strengthen purchasing competitiveness through the acquisition of the domestic scrap metal business operations.

POSCO

Notes to interim condensed separate financial statements, continued
 September 30, 2025 and 2024
(unaudited)

33. Business Combination(cont'd)

	Acquisition date of control
Scrap metal business of POSCO International	May 16, 2025

(b) Accounting for business combinations

This business combination is a business combination under common control. Accordingly, the assets acquired from, and liabilities assumed by POSCO International have been recognized at their carrying amounts in the consolidated financial statements of the ultimate parent company. The difference between the consideration transferred and the carrying amount of the net assets acquired has been adjusted to capital surplus.

<i>(in millions of Won)</i>	Amount
Consideration transferred	
Cash	₩ 25,915
	₩ 25,915
Identifiable assets acquired and liabilities assumed	
Investments in	₩ 4,612
Inventories	9,491
Property, plant and equipment	4,403
Other assets	1,956
	₩ 20,462
Equity arising from the business combination	
Capital surplus	₩ (5,453)
	₩ (5,453)

POSCO

Notes to interim condensed separate financial statements, continued

September 30, 2025 and 2024

(unaudited)

34. Uncertainty in Estimates Due to Imposition of Tariffs by the United States

In June 2025, the U.S. government announced an executive order imposing a 50% tariff on all steel and aluminum products imported to the U.S., effective from June 4, 2025. This tariff imposition introduces uncertainty in the estimation of financial statements.