

SsangYong C&E Co., Ltd and its subsidiaries

Audit's Report

On Consolidated Financial Statements

The 62th

From 1 January 2023

To 31 December 2023

Deloitte Anjin LLC.

Independent Auditor's Report

SsangYong C&E Co., Ltd.

Dear Shareholders and Board of Directors

Opinion

We have audited the consolidated financial statements of SsangYong C&E Co., Ltd. and its subsidiaries (hereinafter referred to as the "Consolidated Company"). These consolidated financial statements consist of the consolidated statement of financial position as of December 31, 2023, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the reporting period ending on the same day, and the notes of the consolidated statement of financial position and important accounting policy information.

In our opinion, the attached consolidated financial statements of the Consolidated Company are presented fairly in perspective of materiality reflecting the financial position of the Consolidated Company as of December 31, 2023, its financial performance and cash flows for the reporting period ended on the same date, in accordance with Korean International Financial Reporting Standards.

Basis for Opinion

We conducted the audit in accordance with the accounting auditing standards of the Republic of Korea. Our responsibilities under these standards are described in the Auditor's Responsibilities for the Audit of Consolidated Financial Statements section of this auditor's report.

We are independent from the Company in accordance with the ethical requirements of the Republic of Korea related to the audit of consolidated financial statements and have fulfilled other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to form a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- Evaluation of recoverable amount in Green Eco Division

As described in Note 14 to the consolidated financial statements, the Consolidated Company performed an impairment test considering the Green Eco Division as a cash-generating unit as of December 31, 2023. To estimate the recoverable amount, the Consolidated Company used a value-in-use model based on estimated future cash flows from the financial budget for the next five years.

The recoverable amount estimated from the impairment test performed by the Consolidated Company may have a significant impact on the consolidated financial statements because it involves significant judgment and estimates by management. Therefore, we selected the recoverable amount estimate performed by the Consolidated Company during the impairment test as a key audit item.

The main audit procedures we performed in this regard are as follows:

- Understanding and evaluating the Consolidated Company's internal controls related to impairment testing of cash-generating unit
- Review of independence and qualifications of external experts used by the Consolidated Company for impairment testing
- Comparison of data and assumptions used in estimating the consolidated company's future cash flows with the company's internal and external information
- Comparison of the discount rate applied by the Consolidated Company with the discount rate independently calculated using the auditor's internal experts.
- Perform independent recalculation to confirm the accuracy of the calculation of the recoverable amount of cash-generating unit presented by the Consolidated Company.
- Review of the adequacy of comparable assets for the value in use of the cash-generating unit

Other matters

The consolidated financial statements of the Consolidated Company for the reporting period ending December 31, 2022 were audited by another auditor, and an unqualified opinion was expressed in this auditor's audit report dated March 21, 2023.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Korean International Financial Reporting Standards (KIFRS), and for such internal control as

Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting unless Management either intends to liquidate the Corporation or to cease operations.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Understand audit-related internal control in order to design audit procedures appropriate for the situation.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. The engagement partner on the audit resulting in this independent auditors' report is Seongho Park.

10 Gukjegeumyung-ro, Youngdeungpo-gu, Seoul, Republic of Korea

Deloitte Anjin LLC

CEO Jong Sung Hong

20 March, 2024

This audit report is valid as of the audit report date (20 March 2024). Accordingly, events or situations that may have a significant impact on the accompanying Group's consolidated financial statements may occur between the days after which the audit report is accessed. This may lead to amendments to this audit report.

(Attachment) Consolidated Financial Statements

SsangYong C&E Co., Ltd and its subsidiaries

The 62th

From 1 January 2023

To 31 December 2023

The 61th

From 1 January 2022

To 31 December 2022

"The attached consolidated financial statements have been prepared by the Company."

SsangYong C&E Co., Ltd.

Representative Executive Officer Hyeonjun Lee

Head Office Location: (Road Name Address) Citycentertower, 34 Supyo-ro, Jung-gu,

Seoul special city

(TEL) 02) 2270 – 5535

Consolidated Statement of Financial Position

The 62th (Current Year) From 1 January 2023 to 31 December 2023

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

(Unit: KRW)

Account	NOTE	Current Year	Previous Year
Assets			
Current		838,976,096,656	769,745,188,939
Cash and cash equivalents	5,32	84,972,134,854	4,851,579,833
Short-term financial assets	5,17,32,36	55,655,966,192	12,557,148,392
Trade receivables	6,25,32,33	380,924,143,334	416,696,633,633
Other receivables	6,12,32,33	67,331,694,664	17,904,750,831
Inventories	8	241,348,086,272	278,306,078,889
Corporate tax assets of current term		-	88,325,822
Other current assets	15,35	8,744,071,340	39,340,671,539
Noncurrent assets		2,800,567,208,309	3,104,600,877,304
Long-term financial assets	5,7, 32,33,36	1,574,404,700	3,525,911,942
Associates and joint venture investment	10,33	2,153,270,901	1,435,579,565
Long-term trade receivables	6,32	-	447,293,636
Long-term other receivables	6,12,20,32,33,36	37,798,513,915	34,926,204,024
Tangible assets	11,33,36	2,167,002,782,156	2,447,653,688,602
Licensed assets	12	198,586,034,064	199,324,822,748
Investment property	13,36	11,835,180,717	10,816,228,353
Intangible assets	14,35,36	346,394,187,964	358,117,054,730
Deferred tax assets	29	33,849,514,802	35,202,124,465
Other non-current assets	15	1,373,319,090	13,151,969,239
Total assets		3,639,543,304,965	3,874,346,066,243
Liabilities			
Current liabilities		1,126,180,758,708	1,267,467,409,367
Trade payables	16,32,33	117,348,017,297	165,401,184,466
Other payables	12,16,17,32,33	209,889,059,717	191,432,711,394
Short-term borrowings	18,32,36	337,172,615,322	231,941,453,551
Short-term bonds	18,32	24,982,715,532	99,685,982,889
Current long-term liabilities	18,32,36	318,192,700,002	477,354,752,933
Tax liabilities for the period		77,779,485,912	42,706,177,058
Current provisions	20,35,36	325,409,561	29,688,753,165

Account	NOTE	Current Year	Previous Year
Other current liabilities	21,25	40,490,755,365	29,256,393,911
Non-current liabilities		934,420,101,806	1,013,737,710,019
Debentures	18,32,36	328,038,769,339	347,014,273,771
Long-term borrowings	18,32,36	224,790,856,386	293,824,715,689
Long-term other payables	12,16,17,32,33	130,800,330,979	128,845,882,005
Net defined benefit liabilities	19	189,040,627,734	184,798,771,844
Non-current provisions	20,36	34,818,838,195	31,853,590,271
Deferred tax liabilities	29	16,907,726,640	18,498,736,499
Other non-current liabilities	21,25,36	10,022,952,533	8,901,739,940
Total Liabilities		2,060,600,860,514	2,281,205,119,386
Capital			
Attributable capital to the owners of the Controlling corporation		1,578,942,444,451	1,593,140,946,857
Capital	1,22	50,385,959,500	50,385,959,500
Retained capital	24	25,997,357,790	25,997,357,790
Capital adjustment	23,24	(94,160,273,752)	(65,684,904,449)
Accumulated other comprehensive income	24	(2,437,521,458)	(3,409,788,237)
Retained earnings	24	1,599,156,922,371	1,585,852,322,253
Non-controlling interests		-	-
Total equity		1,578,942,444,451	1,593,140,946,857
Total liabilities and equity		3,639,543,304,965	3,874,346,066,243

"The accompanying notes are part of these consolidated financial statements."

Consolidated Statement Income

The 62th (Current Year) From 1 January 2023 to 31 December 20223

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

(Unit: KRW)

Account	NOTE	Current Year	Previous Year
Revenue	4,25,33	1,869,406,412,741	1,705,906,744,062
Cost of sales	25,30	1,505,557,021,596	1,351,392,732,143
Gross profit		363,849,391,145	354,514,011,919
Selling and administrative expenses	26,30	179,736,262,912	162,491,650,447
Operating profit		184,113,128,233	192,022,361,472
Finance income	27,32	2,623,695,841	1,419,971,680
Finance expenses	27,32	64,305,278,543	39,610,091,821
Other income	28,32	42,967,650,022	41,888,102,913
Other expenses	28,32	54,180,732,736	48,937,179,300
Investment profit (loss) in associates	10	717,691,336	167,070,749
Net profit before deducting tax		111,936,154,153	146,950,235,693
Tax expenses	29	43,936,306,762	37,496,355,007
Profit from continuing operations	29,30,38	67,999,847,391	109,453,880,686
Profit from discontinued operations		151,736,615,705	18,326,242,022
Net profit for the period		219,736,463,096	127,780,122,708
Attributable to net income for the period			
Percentage ownership of the Controlling corporation		219,736,463,096	127,780,122,708
Non-controlling interests		-	-
Continuing operations profit per share	31		
Basic earnings per share to owners of the Controlling corporation		136	218
Diluted earnings per share to owners of the Controlling corporation		136	218

Account	NOTE	Current Year	Previous Year
Discontinued operations profit per share			
Basic earnings per share to owners of the Controlling corporation		304	36
Diluted earnings per share to owners of the Controlling corporation		304	36
Earnings per share			
Basic earnings per share to owners of the Controlling corporation		440	254
Diluted earnings per share to owners of the Controlling corporation		440	254

"The accompanying notes are part of these consolidated financial statements."

Consolidated Statement of Comprehensive Income

The 62th (Current Year) From 1 January 2023 to 31 December 2023

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

(Unit: KRW)

Account	NOTE	Current Year	Previous Year
Net profit for the period		219,736,463,096	127,780,122,708
Other comprehensive income for the period		(15,256,122,232)	30,051,117,025
Items not subsequently reclassified to profit or loss		(15,299,776,366)	29,556,881,507
Re-measurement factors for defined benefit plans		(15,307,555,313)	30,076,500,971
Other comprehensive income - profit after tax on equity instruments measured at fair value		7,778,947	(519,619,464)
Items that may be subsequently reclassified to profit or loss		43,654,134	494,235,518
Cash flow hedges derivative valuation loss		43,654,134	494,235,518
Total comprehensive income for the period		204,480,340,864	157,831,239,733

"The accompanying notes are part of these consolidated financial statements."

Consolidated Statement of Changes in Equity

The 62th (Current Year) From 1 January 2023 to 31 December 2023

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

(Unit: KRW)

Account	Attributable capital to the owners of the Controlling corporation						Non-controlling interests	Total equity
	Capital	Capital surplus	Capital adjustment	Other comprehensive income accumulated amount	Retained earnings	Sub total		
1 January 2022 (Starting Capital)	50,385,959,500	25,997,357,790	(66,445,781,222)	(3,411,267,441)	1,648,943,836,085	1,655,470,104,712	-	1,655,470,104,712
Net profit for the period	-	-	-	-	127,780,122,708	127,780,122,708	-	127,780,122,708
Other comprehensive income:								
Re-measurement factors for defined benefit plans	-	-	-	-	30,076,500,971	30,076,500,971	-	30,076,500,971
Other comprehensive income after-tax gains on equity instruments measured at fair value	-	-	-	(492,756,314)	(26,863,150)	(519,619,464)	-	(519,619,464)
Loss on valuation of cash flow hedging derivatives	-	-	-	494,235,518	-	494,235,518	-	494,235,518
Transactions with owners reflected directly in equity:								
Annual dividends	-	-	-	-	(55,250,998,550)	(55,250,998,550)	-	(55,250,998,550)
Interim dividends	-	-	-	-	(165,752,995,650)	(165,752,995,650)	-	(165,752,995,650)
Stock option	-	-	760,876,773	-	-	760,876,773	-	760,876,773
Others	-	-	-	-	82,719,839	82,719,839	-	82,719,839
31 December 2022(Ending Capital)	50,385,959,500	25,997,357,790	(65,684,904,449)	(3,409,788,237)	1,585,852,322,253	1,593,140,946,857	-	1,593,140,946,857
1 January 2023(Starting Capital)	50,385,959,500	25,997,357,790	(65,684,904,449)	(3,409,788,237)	1,585,852,322,253	1,593,140,946,857	-	1,593,140,946,857
Net profit for the period	-	-	-	-	219,736,463,096	219,736,463,096	-	219,736,463,096
Other comprehensive income:								
Re-measurement factors for defined benefit plans	-	-	-	-	(15,307,555,313)	(15,307,555,313)	-	(15,307,555,313)
Other comprehensive income after-tax gains on equity instruments measured at fair value	-	-	-	489,012,718	(481,233,771)	7,778,947	-	7,778,947
Loss on valuation of cash flow hedging derivatives	-	-	-	483,254,061	(439,599,927)	43,654,134	-	43,654,134
Transactions with owners reflected directly in equity:								
Annual dividends	-	-	-	-	(55,250,998,550)	(55,250,998,550)	-	(55,250,998,550)
Interim dividends	-	-	-	-	(104,845,006,490)	(104,845,006,490)	-	(104,845,006,490)
Acquisition of treasury stocks	-	-	(56,703,867,600)	-	-	(56,703,867,600)	-	(56,703,867,600)
Cancellation of treasury stocks	-	-	28,228,498,297	-	(28,228,498,297)	-	-	-
Change in scope of consolidation	-	-	-	-	(1,883,077,100)	(1,883,077,100)	-	(1,883,077,100)
Others	-	-	-	-	4,106,470	4,106,470	-	4,106,470
31 December 2023(Ending Capital)	50,385,959,500	25,997,357,790	(94,160,273,752)	(2,437,521,458)	1,599,156,922,371	1,578,942,444,451	-	1,578,942,444,451

"The accompanying notes are part of these consolidated financial statements."

Consolidated Statement of Cash flows

The 62th (Current Year) From 1 January 2023 to 31 December 2023

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

(Unit: KRW)

Account	NOTE	Current Year	Previous Year
I. Cash flows from operating activities		343,474,610,666	228,138,187,208
1. Net profit for the period		219,736,463,096	127,780,122,709
2. Adjustment for non-cash provision	34	157,936,091,159	364,599,207,893
3. Adjustment for working equity	34	23,270,680,375	(218,853,585,459)
4. Interest received		2,564,563,053	447,257,130
5. Dividends received		231,342,149	607,899,068
6. Tax refunds		7,176,905	29,816,020
7. Taxes paid		(60,271,706,071)	(46,472,530,153)
II. Cash flows from investing activities		124,218,929,802	(225,037,372,837)
Decrease of short-term financial assets		66,828,130,902	548,361,924
Increase of short-term financial assets		(109,995,786,315)	(11,297,534,331)
Decrease of long-term financial assets		144,855,671	144,258
Increase of long-term financial assets		-	(66,592,518)
Recovery of short-term loan		339,619,000	49,229,630
Recovery of long-term loans		-	63,992,200
Increase of long-term loan		(140,565,890)	(500,565,870)
Recovery of short-term loans		48,626,585	15,000,000
Increase of short-term deposit		(10,000,000)	(3,000,000)
Recovery of long-term loans		810,982,530	3,464,239,013
Increase of long-term deposit		(3,082,847,390)	(2,601,312,830)
Acquisition of tangible assets		(186,117,148,532)	(254,825,558,844)

Account	NOTE	Current Year	Previous Year
Disposal of tangible assets		101,435,923,214	45,098,286,037
Disposal of subsidiary stock		261,655,243,983	-
Receipt of government grant		815,263,670	430,086,146
Acquisition of investment property		-	(96,227,795)
Disposal of investment property		-	306,694,000
Acquisition of intangible assets		(5,445,387,300)	(182,989,136)
Disposal of intangible assets		55,000,000	-
Acquisition of right-of-use assets		-	(953,621)
Increase in long-term advance payment		-	(5,438,671,100)
Net cash outflow due to changes in scope of consolidation		(3,122,980,326)	-
III. Cash flows from financing activities		(387,572,985,447)	(106,431,885,921)
Borrowing of short-term borrowings		1,131,857,136,456	1,410,057,880,325
Repayment of short-term borrowings		(1,202,078,139,611)	(1,208,420,477,353)
Issuance of short-term bonds		24,974,730,000	100,000,000,000
Repayment of short-term bonds		(100,000,000,000)	-
Repayment of liquid bonds		(175,346,000,000)	-
Repayment of current long-term liabilities		(40,363,323,370)	(209,431,973,000)
Issue of convertible notes		218,784,685,199	79,890,900,000
Payment of receivables issuance fee		-	(664,060,000)
Refund of receivables issuance fee		-	11,544,140
Borrowing of long-term borrowings		159,200,609,929	90,680,500,000
Repayment of long-term borrowings		-	(498,000,000)
Repayment of lease liabilities, etc.		(121,654,511,048)	(102,556,448,821)
Payment of interest		(67,293,832,001)	(42,107,598,095)
Dividends paid		(160,096,005,040)	(221,003,994,200)
Acquisition of treasury stocks		(56,703,867,600)	-
Others		4,106,470	1,969,320

Account	NOTE	Current Year	Previous Year
Settlement of derivatives		1,141,425,169	(2,392,128,237)
IV. Increase(decrease) of cash and cash equivalents (I+II+III)		80,120,555,021	(103,331,071,550)
V. Cash and cash equivalents at the beginning of the year		4,851,579,833	108,182,651,383
VI. Cash and cash equivalents at the end of the year		84,972,134,854	4,851,579,833

"The accompanying notes are part of these consolidated financial statements. "

NOTE

The 62th (Current Year) From 1 January 2023 to 31 December 2023

The 61th (Previous Year) From 1 January 2022 to 31 December 2022

SsangYong C&E Co., Ltd and its subsidiaries

1. Current status of the Controlling corporation

SsangYong C&E Co., Ltd. (hereinafter "the Controlling corporation") was established on 14 May 1962 and is domiciled in South Korea. The Company's registered office is at Jung-gu, Seoul special city. The company is primarily involved in cement business, environmental resource business, leasing business, shipping business, and limestone business. The Controlling corporation's paid-in capital as of the end of the current term was KRW 50,386 million through several capital increases since its establishment, and was listed on the Korea Exchange on 3 May 1975. As of the end of the current year, the largest shareholder of the Controlling corporation is Han & Co Cement Holdings (Ownership ratio: 78.48%). Consolidated financial statements for the reporting period ending 31 December 2021 consist of the Controlling corporation and its subsidiaries (hereinafter "the Group"), its associates and joint ventures.

Consolidated financial statements for the reporting period ending 31 December 2022 consist of the Controlling corporation and its subsidiaries (hereinafter referred to as the "Group"), its affiliates and joint ventures.

2. Basis for preparing financial statements

The Group prepared consolidated financial statements in accordance with the Korean International Financial Reporting Standards, which is an accounting standard established by adopting the International Accounting Standards from International Accounting Standards Committee stipulated in Article 5 (1) 1 of the Act on External Audit of Corporations and others.

Our consolidated financial statements were approved by the Board of Directors on 07 February 2024, and the final approval is expected at the general shareholders' meeting on 28 March 2024.

(1) Measurement basis

The consolidated financial statements were prepared on a historical cost basis except for the major items in the consolidated statement of financial position in the following below:

- Derivatives measured at the fair value
- Equity securities and investments measured at the fair value
- Defined benefit liabilities subtracted the fair value of plan assets from the present value of the defined benefit liability

(2) Functional and presentation currency

These consolidated financial statements are presented in functional currency of the main economic environment in which the Group operates. These consolidated financial statements are presented and reported in Korean Won, which is the Controlling corporation's functional and presentation currency.

(3) Use of judgements and estimates

According to the Korean International Financial Reporting Standards, preparing the consolidated financial statements is required to the application of accounting policies, the use of estimates and assumptions based on management's best judgment regarding matters affecting the reported amounts of assets, liabilities, income and expenses as at the end of the reporting period. If the estimates and assumptions based on management's best judgment as at the end of the reporting period are different from actual circumstances, these estimates and actual results may differ from these estimates. Estimates and underlying assumptions are continuously reviewed, and changes in accounting estimates are recognized as of the end of the current year in which the estimate is changed and in the future period to be affected.

① Uncertainty in assumptions and estimates

Information about uncertainties in assumptions and estimates that pose a significant risk that material adjustments may occur within the reporting period is included in the following notes.

- Note 6: measuring expected credit profit or loss of trade receivables
- Note 12: measuring the lease term
- Note 14: measuring the discount rate and cash flow used in goodwill impairment testing
- Note 17: measuring the fair value of derivatives
- Note 19: measuring defined benefit obligations - key actuarial assumptions
- Note 20 and 36: provisions and contingent liabilities - assumptions about the likelihood and amount of an outflow of resources
- Note 29: possibility of recognition of deferred tax assets

② Fair value measurement

As our accounting policies and disclosures require the fair value measurement for a number of financial and non-financial assets and liabilities, the Group has established the fair value assessment policies and procedures. These policies and procedures include the operation of an appraisal department responsible for reviewing all significant fair value measurements, including those classified as Level 3 in the fair value hierarchy.

The evaluation department regularly reviews significant unobservable inputs and adjustments to the evaluation. When the fair value measurement uses third-party information such as broker prices or rating agencies, the evaluation department is determining whether it can be concluded that the evaluation based on information obtained from a third party includes classification by level within the fair value hierarchy and meets the requirements of the relevant standard.

When measuring the fair value of an asset or a liability, the Group uses observable market 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: amount derived from directly or indirectly observable input variables for an asset or liability other than the quoted price at Level 1.
- Level 3: amount derived from a valuation technique that includes inputs that are not based on observable data for the asset or liability (non-observable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the Group categorizes the fair value measurement 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 Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:

- Note 32: financial instruments

(4) Changes in accounting policies

1) The details of the newly introduced standards and interpretations and the resulting accounting policy changes from the current period are as follows.

- Corporate Accounting Standards No. 1117 'Insurance Contracts' (enacted)

Corporate Accounting Standards No. 1117 'Insurance Contracts', which replaces Corporate Accounting Standards No. 1104 'Insurance Contracts', sets principles for recognition, measurement, presentation, and disclosure of insurance contracts; main contents are measurement of the current performance value of insurance liabilities, recognition of insurance revenue based on the accrual basis, and separate presentation of insurance profit and loss and investment profit and loss.

The consolidated entity does not have any contracts that meet the definition of insurance contracts in Corporate Accounting Standard No. 1117.

- Corporate Accounting Standards No. 1001 'Presentation of Financial Statements' and International Accounting Standards Practice Statement 2 'Judgment on Materiality' (Revised) - Accounting Policy Disclosure

This amendment changes the requirements of Corporate Accounting Standards No. 1001 for disclosure of accounting policies and replaces all terms 'significant accounting policies' with 'significant accounting policy information'. Accounting policy information is important if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence the decisions key users of general-purpose financial statements make based on those financial statements.

This amendment also clarifies the relevant paragraphs of Corporate Accounting Standards No. 1001 that accounting policy information related to immaterial transactions, other events or circumstances is immaterial and does not need to be disclosed. However, accounting policy information may not be material in amount but may be material because of the nature of the transactions, other events or circumstances to which it relates. However, not all accounting policy information that relates to material transactions, other events or circumstances is material in and of itself.

. Additionally, the International Accounting Standards Board has developed guidance and examples to explain and illustrate the application of the ‘four stages of the materiality process’ presented in International Accounting Standards Practice Statement 2.

- Corporate Accounting Standard No. 1001 ‘Financial Statement Presentation’ (Revised) Disclosure of valuation gains and losses on financial liabilities subject to exercise price adjustment conditions

This amendment stipulates that if it is classified as a financial liability when all or part of a financial product with a condition that the exercise price is adjusted according to the issuer’s stock price fluctuations in accordance with Corporate Accounting Standard No. 1032: ‘Financial Products: Presentation’ Paragraph 11 the Financial Debt Definition (2), the valuation gains and losses incurred during the reporting period (limited to cases included in current profit or loss) shall be disclosed for the right to convert or acquire new shares (or financial liabilities including this).

- Definition of accounting estimates in Corporate Accounting Standard No. 1008, ‘Accounting Policies, Changes and Errors in Accounting Estimates’ (Revised)

This amendment replaces ‘Definition of change in accounting estimate’ with ‘Definition of accounting estimate’.

According to the new definition, an accounting estimate is a monetary amount in financial statements that is affected by measurement uncertainty, and the definition of changes in accounting estimates has been deleted.

- Corporate Accounting Standard No. 1012 ‘Corporate Tax’ (Revised) - Deferred corporate tax related to assets and liabilities arising from a single transaction

.This amendment reduces the scope of application of the initial recognition exception. Subject to applicable tax laws, taxable and deductible temporary differences of the same amount may arise upon initial recognition of an asset or liability in a transaction that is not a business consolidation and does not affect accounting profit or taxable income. According to this amendment, the exception to initial recognition shall not be applied to transactions that create temporary differences to be added and temporary differences to be deducted in the same amount, and deferred tax assets and deferred tax liabilities shall be recognized, and the recognition of deferred tax assets shall be carried out by the recoverability requirements of Corporate Accounting Standard No. 1012 ‘Corporate Tax’.

- Corporate Accounting Standards No. 1012 ‘Corporate Tax’ (Revised) - International Tax Reform: Pillar 2 Model Rules

This amendment clarifies that Corporate Accounting Standard No. 1012, ‘Corporate Tax’, applies to corporate taxes arising from tax laws enacted or substantively enacted to implement the Pillar 2 model rules announced by the Organization for Economic Co-operation and Development (OECD).

However, by introducing a temporary exception to the deferred tax accounting requirements of Corporate Accounting Standard No. 1012 'Corporate Tax', deferred tax assets and liabilities related to Pillar 2 corporate tax are not recognized and information about them is not disclosed. In addition, the fact that exception provisions have been applied in accordance with the amendments is disclosed, and the current corporate tax expense (profit) related to Pillar 2 corporate tax is separately disclosed.

3. Significant accounting policies

Significant accounting policies applied by the Group to the preparation of financial statements in accordance with Korean International Accounting Standards are described below. The statements have been prepared by applying the same accounting policy except for changes in accounting policies as explained in Note 2(4).

(1) Connection

① Business combinations

Business combinations are accounted for using the acquisition method, except for combinations of entities or businesses under common control.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Acquisition-related costs are accounted for as expenses in the period in which the costs are incurred and services are provided, excluding the issuance costs of debt securities and equity securities recognized in accordance with IFRS 1032 and IFRS 1109. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

② Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Controlling corporation obtains control over the subsidiary until it loses control.

③ Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquirer's identifiable net assets at the date of acquisition. Changes in the Controlling corporation's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

④ Loss of control

When the Controlling corporation loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

⑤ Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in affiliates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases.

⑥ Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

⑦ Business combination under common control

A combination of entities or businesses under the same control recognizes acquired assets and assumption of liabilities as carrying amounts in the consolidated financial statements of the ultimate controlling corporation. The Group adds or subtracts the difference between the consideration transferred and the carrying amount of the acquired net assets from capital surplus.

(2) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

(3) Cash and cash equivalent

The Group classifies investment assets with maturity within three months from the acquisition date as cash and cash equivalent assets. Equity instruments are excluded from cash equivalents but are included in cash equivalents if they are actually cash equivalents, such as preferred shares with a fixed redemption date and a short period from the acquisition date to redemption date.

(4) Inventory assets

The unit cost of inventories is determined by the moving average method for stored goods, the individual method for unexamined materials, and the total average method for other inventories. The acquisition costs include purchase costs, conversion costs and other costs necessary to prepare inventories for use.

Inventories are measured at the lower of acquisition cost and net realizable value. Inventory assets are recognized as net realizable value reduction. All loss of loss is recognized as an expense during the period of reduction or loss. Reversal of loss on valuation of inventories due to an increase in the net realizable value of inventories is deducted from the cost of sales of inventories recognized as an expense in the period in which the reversal occurred.

(5) Non-derivative financial assets

① Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Unless it is a trade receivable without a significant financing component, a financial asset or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

② Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value other comprehensive income – debt investment; fair value other comprehensive income – equity investment; or fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

– It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

When a debt instrument meets the following two conditions and is not designated as a measurement item at fair value through profit or loss, it is measured at fair value through other comprehensive income:

- A financial asset is held under a business model that achieves its objectives through both the receipt of contractual cash flows and the sale of the financial asset; and
- Cash flows that consist only of principal and interest payments are generated on a specific date, depending on the contract terms of financial assets.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or fair value other comprehensive income as described above are measured at fair value through profit or loss. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at fair value other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal

amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- Terms that limit the Group’s claim to cash flows from specified assets (e.g. non-resource features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

After the initial recognition of a financial asset, the Group measures it as one of the following according to the category of financial asset and recognizes profit or loss.

Financial assets at fair value through profit or loss	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. However, see Note 3.(6) for derivatives designated as hedging instruments.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at fair value other comprehensive income	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.
Equity investments at fair value other comprehensive income	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

③ Elimination

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost changed as a result of interest rate benchmark reform, then the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform.

If the Group transfers an asset recognized in the statement of financial position but retains most of the risks and rewards of ownership of the transferred asset, the transferred asset is not derecognized.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost changed as a result of interest rate benchmark reform, then the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform only if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis

When changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications to the additional changes.

④ Offsetting

The Group offsets financial assets and liabilities against the recognized assets and liabilities and presents them as net amounts in the statement of financial position only if it currently has a legally enforceable right of set-off, intends to settle the net difference, or realizes the asset and settles the liability at the same time.

(6) Derivatives

The Group holds derivative financial instruments to hedge risks exposed to foreign exchange, interest rates, purchase price of stored goods, and transaction amount of sea freight. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

If there is uncertainty in the timing or amount of cash flows based on interest rate indicators, hedged items or hedging instruments designated as hedged risks due to interest rate indicator reform, when evaluating the economic relationship between the hedged item and the hedging instrument, the Group assumes that the interest rate indicator will not change as a result of the interest rate indicator reform.

In addition, when determining whether a forecast transaction is highly probable in relation to a cash flow hedge in a forecast transaction, we assume that the interest rate indicator will not change as a result of the interest rate indicator

reform. To determine whether a forecast transaction previously designated as cash flow hedge accounting but for which cash flow hedge accounting has been discontinued is still expected to occur, the Group assumes that the cash flows of an interest rate indicator designated as a hedge do not change as a result of the interest rate indicator reform.

The Group no longer applies the assumption that no change will occur as a result of such interest rate reform when the following events occur:

- when the uncertainty resulting from the interest rate indicator reform in the hedged item or hedging instrument no longer appears as to the timing and amount of the cash flows of each subject or instrument based on the interest rate indicator; and
- When the hedging relationship ceases.

In relation to the hedged item or hedging instrument, the required change has occurred in the reform of the interest rate indicator, and due to the reform, the Group is no longer designated as a hedged risk. If there are no uncertainties in the timing or amount of cash flows, the Group changes the formal designation of previously documented hedging relationships to reflect such changes

These changes to the documentation are made until the end of the reporting period when the hedged risk, the hedged item or the hedging instrument is changed in accordance with the interest rate indicator reform. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If there is a change made in addition to a change in a financial asset or financial liability designated as a hedging relationship or a change in the designation of a hedging relationship in accordance with the interest rate indicator reform, the Group determines whether hedging accounting should be discontinued as a result of these additional changes. If it is determined that hedging accounting is not discontinued, the Group changes the formal designation of previously documented hedging relationships to reflect the changes required by the interest rate indicator reform.

When the Group amends the description of the hedged item in the hedge accounting document to reflect the change required by the interest rate indicator reform, in accounting for cash flow hedges, the amount accumulated in the cash flow hedge reserve is assumed to be based on the interest rate of the alternative indicator used to determine the hedged future cash flows.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interbank offered rate reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognized in other comprehensive income for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognized.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively

When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

(7) Impairment of financial assets

① Financial instruments and contract assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost
- Other comprehensive income
- debt investments measured at fair value other comprehensive income; and
- contract assets as defined in IFRS 1115

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

② Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

③ Credit –impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at fair value through other comprehensive income are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor
- a breach of contract such as a default or delinquency
- the restructuring of a loan or advance by the Company on terms that the Group would not consider otherwise
- It is probable that the debtor will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

④ Presentation of allowance for expected credit loss in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is charged to profit or loss and is recognized in other comprehensive income.

⑤ Elimination

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a cash flow in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(8) Property, plant and equipment

Property, plant and equipment are initially measured and recognized at cost. The cost of property, plant and equipment includes costs directly attributable to bringing the asset to the location and condition necessary to operate it in the manner intended by management and the estimated cost of dismantling, removing, or restoring the site.

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

Among property, plant and equipment, the property is not depreciated, and for other plant and equipment, the expected consumption pattern of the future economic benefits inherent in the asset over the useful life presented below is calculated by deducting the residual value from the acquisition cost of the asset. The plant and equipment are amortized,

using the straight line depreciation method that best reflects the expected consumption patterns of future economic benefits inherent in the asset.

If the cost of a part of property, plant and equipment is significant compared to the total cost of the property, plant and equipment, that part is separately depreciated.

The gain or loss on the recognition of property, plant and equipment is determined as the difference between the net sale amount and the carrying amount, and the difference is recognized in profit or loss.

The estimated useful lives of property, plant and equipment for current and previous years are as follows:

Division	Estimated Useful Lives	Division	Estimated Useful Lives
Buildings	2~60 years	Equipment	2~30 years
Structures	2~57 years	Delivery equipment	2~15 years
Tools and equipment	2~12 years	Furnishings	2~20 years
Other tangible assets	4~5 years	Ships	3~20 years

The Group reviews depreciation methods, useful lives and residual values at each reporting date and adjusted if appropriate.

(9) Intangible assets

Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing costs, less accumulated amortization and accumulated impairment losses.

Intangible assets are amortized using each amortization method over their useful lives with a residual value of zero (“0”) from the time they are available for use.

Division	Depreciation method	Useful life
Mining rights	Unit-of-production	-
Used revenue contribution assets	Straight-line method or Unit-of-usage	Use contract periods
Development costs	Straight-line method	5 years
Right to use railroad facilities	Straight-line method	within 20 years
Industrial property right	Straight-line method	Within 5~20 years
Other intangible assets (stripping costs)	Unit-of-production	-
Other intangible assets	Straight-line method	5~13 years

The amortization period and amortization method of intangible assets with finite useful lives are reviewed at the end of each reporting period, and if it is deemed appropriate to change them, they are treated as a change in accounting estimates.

① Research and development

Expenditure on research or the research phase of an internal project is recognized as an expense when incurred. Expenditure in the development stage can present all of the technical feasibility to complete the asset, the company's intention and ability to complete the asset and use or sell it, and the availability of necessary resources, and the future economic benefits of the intangible asset. An intangible asset is recognized when it can be measured reliably, and other development-related expenses are recognized as an expense when incurred.

② Subsequent expenditure

Subsequent expenditure is capitalized only if the future economic benefits of the specific asset concerned increase. Other expenditures, including internally generated goodwill and brand names, are expensed as they occur.

(10) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or manufacturing of a qualifying asset are capitalized as part of the cost of the asset, and other borrowing costs are recognized as an expense in the period in which they are incurred.

A qualifying asset is an asset that requires a significant period before it can be used for its intended purpose or ready for sale. Financial assets and inventories manufactured or otherwise produced within a short period of time are not eligible assets. Even if it is available for its intended use at the time of acquisition or is available for sale, the asset is not a qualifying asset.

Limited to funds specifically borrowed for the purpose of acquiring qualified assets, capitalizable borrowing costs are determined by deducting investment income from the temporary operation of the borrowings from the actual borrowing costs incurred from the borrowings during the reporting period. Only when funds are borrowed for general purposes and used to acquire qualifying assets, the borrowing cost that can be capitalized is determined by applying the capitalization rate to the expenditures related to the asset. The capitalization rate is calculated by averaging the borrowing costs incurred from borrowed funds (excluding funds borrowed for specific purposes to acquire qualifying assets) during the reporting period. Borrowing costs capitalized during the reporting period cannot exceed the borrowing costs actually incurred during the current year period.

(11) Government grant

Government grants are recognized only when the Group has reasonable assurance that the Group will receive the grant and comply with the conditions that accompany the grant.

The Group receives government grants subject to the basic condition that it be used to acquire or construct non-current assets. In calculating the carrying amount of the assets, the government grant is deducted and recognized in profit or loss over the useful life of the depreciable asset.

Government grants related to revenue are recognized as revenue over the period on a systematic basis to match expenses for which they are intended to be reimbursed. Government grants received as compensation for expenses or losses already incurred or for immediate financial assistance provided to the Group without incurring future related costs are recognized in profit or loss in the period in which the right to be received arises.

(12) Investment property

Property held to earn rental income, capital appreciation, or both, is classified as investment property. Investment property is measured at cost at the time of initial recognition, including transaction costs incurred at the time of acquisition. After initial recognition, the carrying amount is presented at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are highly likely to inflow future economic benefits arising from the asset. Only if the cost can be measured reliably, it is included in the carrying amount of the asset or, where appropriate, recognized as a separate asset. The carrying amount of the part replaced by subsequent expenditure is derecognized. On the other hand, costs incurred in connection with routine repairs and maintenance are recognized in profit or loss at the time of occurrence.

Land among investment property is not depreciated. Investment property excluding land is amortized by a fixed-rate method by applying 25 to 50 years depending on the economic useful life.

The depreciation method, residual value and useful life of investment property are reviewed at the end of each reporting period. If it is deemed appropriate to change this, it is accounted for as a change in accounting estimate.

(13) Impairment of non-financial assets

Contract assets recognized as revenue from contracts with customers, assets at the cost of entering into or performing contracts with customers, assets arising from employee benefits, inventories, deferred tax assets, investment property at fair value and sale. All non-financial assets, except for non-current assets classified as scheduled, are reviewed for signs of impairment at the end of each reporting period. If there are such indications, the recoverable amount of the asset is estimated. Still, goodwill acquired in a business combination, intangible assets with indefinite useful lives, and intangible assets that are not yet usable are tested for impairment by comparing their recoverable amount with their carrying amount every year, regardless of any indication of impairment.

Recoverable amount is estimated for each individual asset or, if the recoverable amount of an individual asset cannot be estimated, for each cash-generating unit to which the asset belongs. Recoverable amount is determined as the greater of value in use and fair value less costs to sell. Value in use is estimated at an appropriate discount rate reflecting the evaluation of the current market for the specific risk of an unadjusted asset at the time of estimating the time value of money and future cash flows expected to be generated from an asset or cash-generating unit.

An impairment loss is recognized if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount.

Impairment losses are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis. An impairment loss in respect of goodwill is not reversed. At each reporting date, the Company reviews whether there are any indications that impairment losses recognized in prior periods for assets other than goodwill no longer exist or have decreased. The Company reverses the reversal only if there is a change in the estimate used to determine the recoverable amount since the recognition of the immediately preceding impairment loss. The carrying amount increased due to the reversal of the impairment loss cannot exceed the depreciation or amortization balance of the previous carrying amount prior to the recognition of the impairment loss.

(14) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When determining whether a contract transfers control over the use of an identified asset, the Group uses the definition of lease in IFRS 1116.

1) As a lessee

At the commencement or effective date of a contract containing the lease element, the Group allocates the contract consideration to each lease element based on its relative individual price. Still, the Group accounts for the non-lease component related to the lease component as one lease component by applying the practical expedient method that does not separate the non-lease component for real estate leases.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments (deduction of lease incentives received) made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources, makes certain adjustments to reflect the terms of the lease and type of the asset leased and calculate the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate (tariff), initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate (tariff), if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero (0).

The Group presents right-of-use assets that do not meet the definition of investment property in 'investment property' and lease liabilities in 'notes and accounts payable' in the consolidated statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, excluding ships. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group recognizes right-of-use assets and lease liabilities even for short-term leases with a lease term of 12 months or less for ship leases that do not apply the practical expedient ship leases that do not apply the practical expedient.

2) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 1115 to allocate the consideration in the contract.

The Group applies the de-recognition and impairment requirements in IFRS 1109 to the net investment in the lease (see Note 3(7)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight- line basis over the lease term as part of ‘other revenue’.

(15) Non-current Assets Held for Sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount is expected to be recovered principally through a sale transaction rather than through continued use. These conditions are met only when the asset (or disposal group) must be immediately available for sale in its present condition, and it is highly probable that it will be sold. Immediately before an asset (or disposal group) is initially classified as held for sale, it is measured at the lower of the carrying amount and fair value less costs to sell of the asset (or assets and liabilities). If the net fair value of the asset on which the impairment was recognized falls during the initial classification, the impairment loss is immediately recognized in profit or loss. If the net fair value increases, the accumulated impairment loss recognized in the past is recognized as a limit in profit or loss.

Non-current assets are not amortized when they are classified as held for sale or are part of a disposal group that is classified as held for sale.

(16) Non-derivative financial liabilities

The Group classifies financial liabilities into accounting for liabilities and other financial liabilities in accordance with the substance of the contract and the definition of financial liabilities. It is recognized in the statement of financial position when it becomes a party to the contract.

① Accounting for liabilities

Financial liabilities at fair value through profit or loss include financial liabilities that are classified as held-for –trading or designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. On the other hand, transaction expenses incurred in connection with the issuance at initial recognition are recognized in profit or loss immediately upon occurrence.

② Other financial liabilities

Non-derivative financial liabilities that are not classified at fair value through profit or loss are classified as other financial liabilities. Upon initial recognition, other financial liabilities are measured at fair value less transaction costs directly attributable to issuance. Subsequently, other financial liabilities are measured at amortized cost using the effective interest method, and interest expense is recognized using the effective interest method.

③ Elimination of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(17) Employee benefits

① Short-term employee benefits

Short-term employee benefits to be settled within 12 months from the end of the reporting period in which the employee has rendered the relevant service, when the service is provided with the expected amount of payment in exchange for the service, are recognized in profit or loss. Short-term employee benefits are measured at undiscounted amounts.

② Other long-term employee benefits

Other long-term employee benefits that are not paid within 12 months of the end of the reporting period in which the employee provided the relevant service are discounted to the present value of future benefits obtained for the service rendered in the current and previous periods. Changes resulting from re-measurements are recognized in profit or loss in the period in which they occur.

③ Retirement benefits: defined contribution plans

In relation to defined contribution plans, when an employee has provided service for a certain period of time, the contribution to the defined contribution plans in exchange for the service is recognized in profit or loss, excluded in the cost of an asset. The contribution to be paid is recognized as a liability (unpaid expense) after deducting contributions already paid. In addition, if the contribution already paid exceeds the contribution due for service rendered before the end of the reporting period, the extent that future payments are reduced or cash is refunded is recognized as an asset (prepaid expense)

④ Retirement benefits: defined benefit plans

As at the end of the reporting period, defined benefit liabilities related to defined benefit plans are recognized by deducting the fair value of plan assets from the present value of the defined benefit obligation.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets and the effect of the asset ceiling, are recognized immediately in other comprehensive income. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, considering any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs

⑤ Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(18) Provisions

A provision is a present obligation (legal or constructive obligation) that exists as a result of past events and is highly likely to outflow resources with economic benefits to fulfill their obligations. It is recognized when the amount required to settle the obligation can reliably be estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, considering the unavoidable risks and uncertainties about the events and circumstances involved. When the time value effect of money is important, a provision is measured at the present value of the expenditure expected to settle the obligation.

If it is expected that a third party will pay some or all expenses necessary to settle the provision, the reimbursement amount is recognized and accounted for as a separate asset only when it is almost certain that reimbursement will be received.

The Company reviews the balance of the provision at the end of each reporting period, reflects and adjusts the best estimates as at the end of the reporting period. Where the possibility of outflow of resources embodying economic benefits is no longer high to fulfill obligation, the related provisions are reversed.

The Group reviews the balance of the provision at the end of each reporting period, reflects and adjusts the best estimates as at the end of the reporting period. Where the possibility of outflow of resources embodying economic benefits is no longer high to fulfill obligation, the related provisions are reversed.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly.

If the unavoidable costs of the contractual obligations exceed the benefits expected to arise under the contract for the current fiscal year, the provision for a loss-bearing contract is measured as the smaller of the cost required to fulfill the contract and the compensation or penalty to be paid when the contract is not completed. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. A provision is used only for expenses related to initial recognition.

(19) Greenhouse gas emission certificates

Greenhouse gas emission certificates and emission liabilities arising from the enforcement of the 'Act on Allocation and Transaction of Greenhouse Gas Emission Rights' are accounted for as follows.

① Greenhouse gas emissions certificates

Greenhouse gas emission rights consist of emission rights received free of charge from the government and purchase emissions certificates.

Emissions certificates are directly related to the acquisition of the purchase cost and are recognized as cost by adding other costs that occur normally.

The Group classifies the emissions certificates held for the purpose of fulfilling its obligations as other assets and the emissions certificates held for short-term trading profit as current assets. Emission certificates classified as intangible assets are carried at cost less accumulated impairment losses after initial recognition. Emission certificates held for short-term trading profit are measured at fair value at the end of each reporting period after acquisition, and changes in fair value are recognized in profit or loss.

Greenhouse gas emissions certificates are derecognized when future economic benefits are no longer expected from the fact that they are not available for submission, sale or use to the government.

② Emission liabilities

Emission liabilities are the current obligation to submit emission certificates to the government for greenhouse gas emission. Emission liabilities are recognized when the possibility of resources outflow is high and when the amount required to perform the obligation can reliably be estimated.

Emission liabilities are measured by adding the carrying amount of allowances held for the relevant performance year to be submitted to the government and the expenditure expected to meet the emission obligations in excess of the number of allowances held. Emission liabilities are derecognized when they are submitted to the government.

(20) Foreign currency

In preparing consolidated financial statements, transactions made in a currency other than the functional currency (foreign currency) are translated into the respective functional currencies at the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

(21) Incorporated into capital

Ordinary shares are classified as equity, and incremental costs directly related to capital transactions are deducted from equity in a net amount reflecting tax effects.

Preferred shares are classified as equity if they do not have to be redeemed or if they are redeemed only at our option, and if the payment of dividends is at our discretion. Dividends are recognized when dividends are approved at the general meeting of shareholders. Preference shares for which shareholders can claim or are obligated to pay a fixed or determinable amount on or after a specific date are classified as liabilities. Relevant dividends are recognized in profit or loss as interest expense at the time of occurrence.

When the Group reacquires treasury equity instruments, these equity instruments are directly deducted from equity as treasury shares. Profit or loss from the purchase, sale, issuance or cancellation of the equity instrument are not recognized in profit or loss. When the Group acquires and holds treasury shares, the consideration paid or received is recognized directly in equity.

(22) Stock based compensation

If the fair value of the good or services received for the stock or stock options granted to the employee cannot reliably be measured for the stock-settled stock-based payment transaction, the Group indirectly measures the fair value of goods or services based on the fair value of the equity instruments granted, and recognizes the amount as employee benefits (current expense) and equity over the vesting period. When the vesting condition of the stock option is a vesting condition rather than a service provision or a market condition, the employee expense recognized is adjusted to be determined based on the actual number of stock options that ultimately vest.

For cash-settled share-based payment transactions in which cash is paid in exchange for goods or services received, the goods or services received and the liabilities for the goods or services are measured at fair value and recognized as employee benefit expenses and liabilities during the vesting period. In addition, until liabilities are settled, fair value of liabilities is re-measured at the end of each reporting period and the final settlement date. Changes in fair value are recognized as employee benefits.

(23) Revenue from contracts with customers

The Group recognizes revenue by applying the 5-step model for revenue recognition (① Identify the contract → ② Identify performance obligations → ③ Determine the transaction price → ④ Allocate the transaction price to performance obligation → ⑤ Recognize revenue when performance obligation is fulfilled) to all types of contracts do.

1) Cement sector

The consolidated entity recognizes cement sales as revenue when it produces and supplies cement, that is, when control of the asset is transferred to the customer. When exporting under CFR terms, the transportation obligation is identified as a separate performance obligation, and revenue is recognized for the transportation obligation as principal or agent.

2) Environment sector

The Group recognizes revenue at the time of acquisition when control of circulating resources is transferred.

3) Limestone business sector

The Group recognizes revenue when the limestone is supplied (when shipment is complete).

4) Shipping business sector

The Group recognizes revenue for the term charter of a vessel over the contract period.

5) Aggregate sector

The Group recognizes revenue when the aggregate is produced and delivered to the buyer.

6) Leases business sector

The Group recognizes revenue as the rental period elapses.

(24) Finance income and finance costs

Financial income includes interest income and dividend income. Interest income is recognized in profit or loss during the current year by applying the effective interest rate method over time, and dividend income is recognized when the right to receive dividends as a shareholder is determined.

Financial expenses include interest expenses, amortization of provisions. Interest expense is recognized in profit or loss during the current year over time using the effective interest rate method.

(25) Tax

Tax expenses consist of current tax and deferred tax, and are recognized as profit or loss, excluding taxes on transactions, events or business combinations recognized directly in equity or other comprehensive income.

① Current tax

Current tax is calculated based on taxable income for the current period. Current tax excludes income and non-taxable items or non-deductible items to be added or deducted in other taxable periods from net income before income tax on the consolidated statement of income. Hence, current tax is different from profit or loss on the consolidated statement of income. The Group calculates accrued income tax related to current income tax using the enacted or substantively enacted tax rate.

② Deferred tax

Measurement of deferred tax assets and deferred tax liabilities reflect the tax effect of the way the Group is expected to recover or settle the carrying amount of the relevant assets and liabilities at the end of the reporting period. For temporary differences to be added on investment shares of subsidiaries, affiliates, and joint ventures, the Group may control the timing of the extinction of temporary differences. Deferred tax is recognized as a liability except when it is probable that the temporary difference will not resolve in the foreseeable future.

In addition, when temporary differences are likely to dissipate in the predictable future and when taxable income is likely to occur during the period in which the temporary difference can be used, deferred tax assets arising from deductible temporary differences are recognized.

The Company reviews deferred tax assets at the end of each reporting period and reduces the carrying amount of deferred tax assets when it is no longer probable that sufficient taxable income will be generated to use the benefits from the deferred tax assets.

Deferred tax assets and liabilities are measured using tax rates that are expected to be applied in the reporting period when the assets are realized or the liabilities are paid based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are taxes levied by the same taxation authority and are offset only when the Group has the legal right to offset the recognized amount and intends to settle the current tax liabilities and assets on a net basis.

Any additional tax expenses incurred arising from the payment of dividends are recognized when liabilities related to the payment of dividends are recognized.

(26) Earnings per share

The Group calculates basic earnings per share and diluted earnings per share against continuing operating profit or loss profit or loss for the period and presents them in the consolidated statement of income. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the reporting period. The calculation of diluted earnings per share is based on adjusting the profit or loss attributable to common stock and the weighted average number of ordinary shares outstanding, considering the effects of all dilutive potential ordinary shares, including convertible bonds and share-based payments to employees.

(27) Standards issued but not yet effective

Corporate Accounting Standard No. 1001 'Financial Statement Presentation' (Revised in 2020) - Current/non-current classification of liabilities

This amendment clarifies that the classification of current and non-current liabilities is based on the entity's rights existing at the end of the reporting period and emphasizes that it is independent of expectations as to whether the entity will exercise its right to defer settlement of its liabilities. Additionally, it explains that the right exists if the borrowing covenant is in compliance at the end of the reporting period and clarifies the definition of settlement as transferring cash, equity instruments, or other assets or services to the counterparty.

This amendment shall be applied retroactively to the beginning of the first fiscal year beginning on or after January 1, 2024, with early application permitted. If this amendment is applied early, the 2023 amendment shall also be applied early.

- Non-current liabilities with covenants in Corporate Accounting Standards No. 1001 'Financial Statement Presentation' (revised in 2023)

This amendment provides that only certain conditions of borrowing arrangements (hereinafter referred to as Covenants) that must be complied with before the end of the reporting period affect an entity's right to postpone payment of its liabilities for more than 12 months after the reporting period. Although compliance with the Covenants is assessed only after the reporting period, these Covenants affect whether rights exist at the end of the reporting period.

It also provides that Covenants that must be complied with only after the reporting period do not affect the right to defer payment. However, if an entity's right to postpone payment of its liabilities is dependent on Covenants to be complied with within 12 months after the reporting period, information shall be provided to help users of financial statements understand the risk that the liabilities may be repaid within 12 months of the reporting period and shall be disclosed. This information includes information about the Covenants (including the nature of the Covenants and when the entity must comply with the covenants), the carrying amount of the liabilities involved, and facts and circumstances that indicate that compliance with the Covenants may be difficult.

This amendment shall be applied retroactively to the beginning of the first fiscal year beginning on or after January 1, 2024, with early application permitted. If this amendment is applied early, the 2020 amendment shall also be applied early.

- Corporate Accounting Standard No. 1007 'Cash Flow Statement' and Corporate Accounting Standard No. 1107 'Financial Product Disclosure' (Revised) Supplier Financing Agreement

This amendment requires disclosure of information on supplier financing arrangement so that users of financial statements can evaluate the impact of supplier financing arrangement on the company's liabilities and cash flow for the purpose of disclosure of Corporate Accounting Standard No. 1007 'Cash Flow Statement'. In addition, this amendment revises Corporate Accounting Standards No. 1107, 'Financial Product Disclosure', and adds supplier financing agreement as an example of a requirement to disclose information related to exposure to liquidity risk intensity.

The term 'Supplier Financing Agreement' is not defined. Instead, this amendment sets out the characteristics of the arrangement for which information must be provided.

In order to achieve the purpose of disclosure, the following information regarding supplier financing agreement must be integrated and disclosed.

- Terms of agreement

- The carrying amount of financial liabilities corresponding to supplier financing agreement and the items shown in the statement of financial position in relation to such financial liabilities.

- Among the financial liabilities corresponding to the supplier financing agreement, the book value corresponding to the portion that the supplier has already received from the financial provider and the items displayed in the statement of financial position in relation to the financial liabilities

- The range of payment due dates for financial liabilities that fall under the supplier financing agreement and the range of payment due dates for comparable trade payables that do not fall under the supplier financing agreement.

- Types and effects of non-cash changes in the carrying amount of financial liabilities corresponding to supplier financing arrangements

- Liquidity risk information

This amendment is effective for the first fiscal year beginning on or after January 1, 2024, and includes specific transition provisions for the first fiscal year in which it is applied. Early application is also permitted.

- Corporate Accounting Standards No. 1116 'Lease' (Revised) – Lease liabilities arising from post-sale sale-and-lease

This amendment adds follow-up measurement requirements for post-sale leases that are accounted for as sales by applying Corporate Accounting Standard No. 1115, Revenue from contracts with customers. This amendment requires that the 'lease fee' or 'modified lease fee' be calculated in a way that the seller-lessee does not recognize any gain or loss for the right of use that the seller-lessee continues to hold after the lease commencement date.

This amendment is effective for fiscal years beginning on or after January 1, 2024, with early application permitted.

- Corporate Accounting Standard No. 1001 'Financial Statement Presentation' (Revised in 2023) Virtual Asset Disclosure

In addition to the disclosure requirements required by other standards for virtual asset-related transactions, this amendment stipulates the matters to be disclosed in each case: 1) holding virtual assets, 2) holding virtual assets on behalf of customers, and 3) issuing virtual assets.

When holding virtual assets, general information on virtual assets, applied accounting policies, acquisition paths and acquisition costs for each virtual asset and fair value at the end of the current year shall be disclosed. When issuing virtual assets, the entity shall disclose the obligations and performance status of the obligations related to the issued virtual assets, the timing and amount of revenue recognition of the sold virtual assets, the quantity of virtual assets held after issuance, and important contract details, etc.

This amendment is effective for the first fiscal year beginning on or after January 1, 2024, but early application is permitted.

The consolidated entity believes that the impact of the enactments and amendments listed above on the financial statements will not be significant.

4. Sector information

(1) Identification of reporting sectors

The Group classifies operating sectors based on the goods or services provided and uses financial information of each sector for internal management purposes. As of 31 December 2021, the reporting operating segments are as follows:

Sector	Nature of business
Cement sector	Major clients: ready-mixed concrete companies, construction companies To sell cement, slag cement
Environment sector	To develop circulating resources that can replace fuels and raw materials such as bituminous coal
Other sectors	To rent the office building To mine and sell gravel and sand To transport and unload cement, Clinker , etc. by sea To mine and sell limestone

There were no other operating divisions integrated into the above reported operating divisions during the current period, and the ready-mixed concrete division was excluded from the reporting operating divisions due to the sale of SsangYong Remicon Co., Ltd., a subsidiary of the parent company.

(2) The sales and division profits and losses of the consolidated entity's operating divisions for the current and previous year are as follows.

(Current year)

(Unit: Thousand KRW)

Division	Revenue(*1)			Sector operating profit (*2)
	External	Internal	Total	
Cement sector	1,489,017,302	129,389,672	1,618,406,974	182,018,590
Environment sector	121,501,818	73,682,542	195,184,360	27,951,742
Other sectors (*3)	258,887,293	19,943,197	278,830,490	4,921,432
Sub total	1,869,406,413	223,015,411	2,092,421,824	214,891,764
Common sectors	-	-	-	(30,894,610)
Adjustment and elimination	-	(223,015,411)	(223,015,411)	115,974
Subtotal of continuing operations division	1,869,406,413	-	1,869,406,413	184,113,128
Discontinued Sales Division (*4)	212,915,452	-	212,915,452	22,961,958
Total	2,082,321,865	-	2,082,321,865	207,075,086

(*1) External transaction sales are sales in accordance with Korea International Financial Reporting Standards, and internal sales are prepared for the purpose of internal profit and loss management.

(*2) Since the performance of each business division is evaluated based on operating profit and loss, the division profit was changed to division operating profit and loss.

(*3) Lime business sector, shipping business sector, and lease business sector are presented as other sectors according to quantitative standards.

(*4) The discontinued operations division is the ready-mix concrete division in which 76.85% of the shares were sold during the current period (see Note 38).

(Previous year)

(Unit: Thousand KRW)

Division	Revenue(*1)			Sector operating profit (*2)
	External	Internal	Total	
Cement sector	1,263,197,089	117,211,516	1,380,408,605	108,495,581
Environment sector	172,424,219	93,505,825	265,930,044	83,622,164
Other sectors (*3)	270,285,436	18,774,917	289,060,353	28,166,701
Sub total	1,705,906,744	229,492,258	1,935,399,002	220,284,446
Common sectors	-	-	-	(26,956,170)
Adjustment and elimination	-	(229,492,258)	(229,492,258)	(1,305,915)
Subtotal of continuing operations division	1,705,906,744	-	1,705,906,744	192,022,361
Discontinued Sales Division (*4)	259,135,879	-	259,135,879	28,848,974
Total	1,965,042,623	-	1,965,042,623	220,871,335

(*1) External transaction sales are sales in accordance with Korea International Financial Reporting Standards, and internal sales are prepared for the purpose of internal profit and loss management.

(*2) Since the performance of each business division is evaluated based on operating profit and loss, the division profit was changed to division operating profit and loss.

(*3) Lime business sector, shipping business sector, and lease business sector are presented as other sectors according to quantitative standards.

(*4) The discontinued operations division is the ready-mix concrete division in which 76.85% of the shares were sold during the current period (see Note 38).

(3) Current status of tangible · intangible assets (including investment property) and right-of-use assets of the Group as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Cement sector	2,153,469,657	2,274,580,094
Environment sector	281,331,047	264,436,912
Other sector (*1)	222,255,775	250,700,540
Subtotal of continuing operations division	2,657,056,479	2,789,717,546
Discontinued Sales Division (*2)	-	181,073,898
Common sectors	66,761,706	45,120,350
Total	2,723,818,185	3,015,911,794

(*1) Limestone business sector, shipping business sector, aggregate sector, and leases business sector are classified and indicated as other sectors according to quantitative sectors.

(*2) The discontinued operating segment is the ready-mixed concrete segment in which a 76.85% stake was sold during the current period (see Note 38).

As the amount of liabilities in the reportable sector is not provided to the chief operating decision maker on a regular basis, the notes on sector liabilities are omitted.

(4) Cost of sales by region are as follows during the current year and the previous year.

(Unit: Thousand KRW)

Division	Current year	Previous year
Domestic	1,594,902,770	1,409,494,113
Overseas	274,503,643	296,412,631
Total	1,869,406,413	1,705,906,744

The above cost of sales information is classified based on the customer's location.

(5) There is no single major customer that accounts for more than 10% of the Group's sales during the current year and previous year.

5. Financial assets

(1) The composition details of financial assets as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year			End of the previous year		
	Cash and cash equivalents	Short-term financial assets	Long-term financial assets	Cash and cash equivalents	Short-term financial assets	Long-term financial assets
Sundry money deposited	84,972,135	53,391,992	32,768	4,851,580	9,978,000	92,631
Equity securities	-	-	1,512,863	-	-	1,617,046
Derivative assets	-	2,263,974	28,774	-	2,579,148	1,756,030
Total	84,972,135	55,655,966	1,574,405	4,851,580	12,557,148	3,465,707

(2) As of the end of the current year and the previous year, financial assets that are limited in use or provided as collateral are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year	Note
Short-term financial assets	49,950,000	9,950,000	Provision of collateral and establishment of pledge right
Long-term financial assets	32,768	38,768	Current open margin
Total	49,982,768	9,988,768	

6. Trade receivables and other receivables

(1) Details of trade receivables and other receivables as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Trade receivables				
Trade receivables	384,788,588	220,028	420,644,161	713,990
Unclaimed construction	708,877	-	283,693	-
Loan-loss provisions	(4,573,321)	(220,028)	(4,231,221)	(266,696)
Sub total	380,924,144	-	416,696,633	447,294
Other receivables				
Loans	-	7,977,312	82,291	8,426,502
Account receivables	67,197,380	5,623,171	19,069,755	3,995
Receivable income	468,619	2,409,451	401,122	2,191,851
Equity conversion receivables	-	-	-	66,448
Deposits	80,000	25,074,646	1,652,459	25,289,811
Lease receivables	711,032	1,672,795	369,934	939,032
Loan-loss provisions	(1,125,337)	(4,666,937)	(3,670,810)	(1,645,868)
Present value discount	-	(291,924)	-	(345,567)
Sub total	67,331,694	37,798,514	17,904,751	34,926,204
Total	448,255,838	37,798,514	434,601,384	35,373,498

(2) Summary of credit risk exposure of trade receivables and other receivables as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Not credit-impaired assets	Credit-impaired assets	Not credit-impaired assets	Credit-impaired assets
Trade receivables	382,539,964	2,468,651	417,673,152	3,684,999
Unclaimed construction	708,877	-	283,693	-
Loans	6,400,912	1,576,400	6,932,393	1,576,400
Account receivables	66,870,186	5,950,366	13,115,586	5,958,164
Receivable income	2,593,502	284,568	2,308,405	284,568
Equity conversion receivables	-	-	-	66,448
Deposits	25,154,645	-	26,942,270	-
Lease receivables	2,383,828	-	1,308,966	-
Total carrying amount	486,651,914	10,279,985	468,564,465	11,570,579
Loan-loss provisions	(3,242,826)	(7,342,796)	(2,530,315)	(7,284,280)
Present value discount	(291,924)	-	(345,567)	-
Total	483,117,164	2,937,189	465,688,583	4,286,299

(3) Details of age analysis of impaired trade receivables and other receivables as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Within 6 months	More than 6 months	Total
Trade receivables	178,054	2,290,597	2,468,651
Loans	-	1,576,400	1,576,400
Account receivables	-	5,950,366	5,950,366
Receivable income	-	284,568	284,568
Loan-loss provisions	-	(7,342,796)	(7,342,796)
Total	178,054	2,759,135	2,937,189

(End of the previous year)

(Unit: Thousand KRW)

Division	Within 6 months	More than 6 months	Total
Trade receivables	-	3,684,999	3,684,999
Loans	-	1,576,400	1,576,400
Account receivables	-	5,958,164	5,958,164
Receivable income	-	284,568	284,568
Equity conversion receivables	-	66,448	66,448
Loan-loss provisions	-	(7,284,280)	(7,284,280)
Total	-	4,286,299	4,286,299

(4) Details of age analysis of overdue but non-impaired trade receivables and other receivables as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Within 6 months	More than 6 months	Total
Trade receivables	25,171,141	2,535,929	27,707,070

(End of the previous year)

(Unit: Thousand KRW)

Division	Within 6 months	More than 6 months	Total
Trade receivables	19,197,498	4,196,943	23,394,441

(5) Details of changes loan-loss provisions for trade receivables and other receivables during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Trade receivables	Loans	Account receivables	Receivable income	Equity conversion receivables	Deposits
Beginning of the period	4,497,917	1,576,400	3,388,434	284,637	66,448	759
Loan-loss provision set	998,219	-	691,930	2,970	-	-
Loan-loss provisions return	(163,958)	-	(143,658)	(2,801)	-	(44)
Reduced current value discount	(3,388)	-	(5,597)	-	-	-
Change in scope of consolidation	(535,441)	-	(41)	-	(66,448)	(715)
Total	4,793,349	1,576,400	3,931,068	284,806	-	-

(Previous year)

(Unit: Thousand KRW)

Division	Trade receivables	Loans	Account receivables	Receivable income	Equity conversion receivables	Deposits
Beginning of the period	4,784,679	1,576,401	3,527,488	284,568	520,468	261
Loan-loss provision set	771,121	-	2,847	69	-	498
Loan-loss provisions return	(561,303)	-	(135,297)	-	(227,010)	-
Elimination	(501,731)	(1)	(267)	-	(227,010)	-
Recovery of written-off accounts	9,611	-	-	-	-	-
Reduced current value discount	(4,460)	-	(6,337)	-	-	-
Total	4,497,917	1,576,400	3,388,434	284,637	66,448	759

When determining the recoverability of trade receivables, etc., the consolidated entity considers changes in the credit rating of trade receivables from the start date of credit extension to the end of the reporting period. Since there are many customers and they are not interrelated, the concentration of credit risk is limited.

7. Long-term financial assets

Details of long-term financial assets as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Acquisition cost	Fair value	Carrying amount
Other comprehensive income-Fair value measurement financial product	4,782,410	533,697	533,697
Profits and losses - Fair value measurement financial product	1,729,089	979,166	979,166
Total	6,511,499	1,512,863	1,512,863

(End of the previous year)

(Unit: Thousand KRW)

Division	Acquisition cost	Fair value	Carrying amount
Other comprehensive income-Fair value measurement financial product	5,467,380	637,880	637,880
Profits and losses - Fair value measurement financial product	979,089	979,166	979,166
Total	6,446,469	1,617,046	1,617,046

Meanwhile, equity securities do not have a market price announced in an active market, and their fair value cannot be measured reliably, so the equivalent amount of equity securities among net assets is measured at book value.

8. Inventory assets

Details of inventory assets as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Merchandises	604,188	318,709
Finished goods	6,401,155	6,313,878
Half-finished goods	71,222,235	50,467,085
Work in process	3,649,728	4,847,083
Raw materials	22,775,377	24,791,906
Supplies	127,908,087	154,051,449
Unexamined materials	8,787,316	37,515,969
Total	241,348,086	278,306,079

9. Current status of subsidiaries

(1) Details of each subsidiary as of the end of the current year are as follows:

Name of subsidiary	Major operating activities	Share capital (KRW million)	Number of issued shares (shares)	Number of invested shares(shares)			Equity rate (%)	Location
				Controlling corporation	Subsidiaries	Total		
Ssangyong Slag & Materials Co., Ltd.	Manufacture and sales of slag cement	9,223	1,844,578	1,844,578	-	1,844,578	100.00	Gunsan
Hankook Slag & Materials Co., Ltd.	Manufacture and sales of slag cement	31,250	6,250,000	6,250,000	-	6,250,000	100.00	Incheon
Hankook Logistics Co., Ltd.	Fright transport	2,800	560,000	-	560,000	560,000	100.00	Incheon
Ssangyong Logistics Co., Ltd.	Harbor loading and unloading	2,238	360,000	360,000	-	360,000	100.00	Donghae
Daehan Cement Co., Ltd.	Manufacture and sales of slag cement	6,078	1,215,565	1,215,565	-	1,215,565	100.00	Gwangyang
Daehan Slag Co., Ltd	Slag disposal processing	11,039	2,207,800	-	2,207,800	2,207,800	100.00	Gwangyang
Green Eco Solution Co., Ltd	Management of subsidiaries engaged in recycling resource processing	26,250	5,250,000	5,250,000	-	5,250,000	100.00	Seoul
Green Eco Cycle Co., Ltd.	Recycling resource disposal processing	5,350	1,070,000	-	1,070,000	1,070,000	100.00	Pyeongtaek
Green Eco Cycle Co., Ltd	Recycling resource disposal processing	2,360	472,001	-	472,001	472,001	100.00	Yongin
Green Eco Logics Co., Ltd	Recycling resource disposal processing	55	11,000	-	11,000	11,000	100.00	Pyeongtaek
Ssangyong DHS Co., Ltd. (*1)	Heavy machinery operation business	50	10,000	10,000	-	10,000	10,000	Donghae

(*1) During the current period, we invested 100% of the equity amount and established a new subsidiary whose main business activity is heavy machinery operation business.

(2) The summarized financial position of each subsidiary and the shares of controlling and non-controlling interests as of the end of the current year and previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division (*1)	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Controlling interests	Non-controlling interests
Ssangyong Slag & Materials Co., Ltd.	27,794,737	20,451,323	22,421,386	2,767,065	23,057,609	-
Hankook Slag & Materials Co., Ltd.	24,303,472	61,217,810	26,082,995	5,336,408	54,101,879	-
Hankook Logistics Co., Ltd.	1,611,918	3,663,874	2,894,046	657,091	1,724,655	-
Ssangyong Logistics Co., Ltd.	7,198,427	21,045,205	18,509,986	4,312,224	5,421,423	-
Daehan Cement Co., Ltd.	66,433,448	153,630,371	65,196,951	72,602,196	82,264,672	-
Daehan Slag Co., Ltd	19,505,325	44,422,889	35,932,051	1,910,431	26,085,732	-
Green Eco Solution Co., Ltd.	21,821,900	156,797,542	3,539,049	34,200,000	140,880,392	-
Green Eco Cycle Co., Ltd	8,162,696	107,043,691	26,676,599	63,890,661	24,639,127	-
Green Eco Nexus Co., Ltd.	8,107,282	104,586,828	30,863,994	34,564,524	47,265,591	-
Green Eco Logics Co., Ltd	454,004	606,673	280,080	72,412	708,186	-
Ssangyong DHS Co., Ltd.	355,537	10,019	191,636	3,168	170,751	-

(*1) Summarized financial information is the amount before the elimination of internal transactions.

(End of the previous year)

(Unit: Thousand KRW)

Division (*1)	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Controlling interests	Non-controlling interests
Ssangyong Remicon Co., Ltd. (*2)	101,982,540	223,278,493	106,484,808	88,726,315	130,049,910	-
Ssangyong Slag & Materials Co., Ltd.	24,405,686	20,402,281	23,394,053	1,977,534	19,436,380	-
Hankook Slag & Materials Co., Ltd.	20,243,457	61,733,070	27,461,831	4,803,605	49,711,091	-
Hankook Logistics Co., Ltd.	2,180,795	4,715,677	2,936,768	1,961,446	1,998,258	-
Ssangyong Logistics Co., Ltd.	6,049,390	30,179,305	24,304,058	2,849,842	9,074,795	-
Daehan Cement Co., Ltd.	61,814,950	146,577,379	71,559,929	67,450,390	69,382,010	-
Daehan Slag Co., Ltd	13,858,106	44,143,679	11,128,028	25,843,638	21,030,119	-
Green Eco Solution Co., Ltd.	22,042,635	117,613,310	10,385,480	37,000,000	92,270,465	-
Green Eco Cycle Co., Ltd	11,585,168	114,004,585	38,218,177	65,812,407	21,559,169	-
Green Eco Nexus Co., Ltd.	6,331,981	120,787,840	30,545,345	34,079,360	62,495,116	-
Green Eco Logics Co., Ltd	626,369	868,459	448,589	258,444	787,795	-

(*1) Summarized financial information is the amount before the elimination of internal transactions.

(*2) During the current period, it was reclassified from investment in subsidiaries to investment in associates.

(3) Summarized operating performance and non-controlling interest share of each subsidiary during the current year and previous year are as follows.

(Current year)

(Unit: Thousand KRW)

Division (*1)	Cost of sales	Operating profit or loss	Net income for the period	Total comprehensive income	Non-controlling interests attribution		
					Net income for the period	Total comprehensive income	Dividend
Ssangyong Remicon Co., Ltd. (*2)	329,762,548	22,684,323	18,335,080	18,430,928	-	-	-
Ssangyong Slag & Materials Co., Ltd.	92,348,482	9,319,101	6,824,135	6,621,229	-	-	-
Hankook Slag & Materials Co., Ltd.	85,959,748	15,343,890	11,542,418	11,390,788	-	-	-
Hankook Logistics Co., Ltd.	5,003,327	145,741	(273,604)	(273,604)	-	-	-
Ssangyong Logistics Co., Ltd.	34,045,812	27,077	(1,291,430)	(1,172,138)	-	-	-
Daehan Cement Co., Ltd.	216,065,410	37,315,690	36,439,520	35,882,663	-	-	-
Daehan Slag Co., Ltd.	57,704,231	14,448,583	10,243,777	10,055,612	-	-	-
Green Eco Solution Co., Ltd.	-	(341,372)	(1,352,139)	(1,352,139)	-	-	-
Green Eco Cycle Co., Ltd.	48,623,735	(7,802,164)	(16,913,166)	(16,914,002)	-	-	-
Green Eco Nexus Co., Ltd.	29,088,026	(3,754,096)	(34,907,516)	(35,223,484)	-	-	-
Green Eco Logics Co., Ltd.	2,175,708	(120,939)	(127,597)	(79,610)	-	-	-
Ssangyong DHS Co., Ltd.	658,013	143,991	120,751	120,751	-	-	-

(*1) Summarized operating performance is the amount before the elimination of internal transactions.

(*2) This is business performance before being excluded from the scope of consolidation.

(Previous year)

(Unit: Thousand KRW)

Division (*1)	Cost of sales	Operating profit or loss	Net income for the period	Total comprehensive income	Non-controlling interests attribution		
					Net income for the period	Total comprehensive income	Dividend
Ssangyong Remicon Co., Ltd. (*2)	392,400,440	28,748,343	18,398,912	20,558,155	-	-	-
Ssangyong Slag & Materials Co., Ltd.	79,056,711	7,220,302	5,289,096	5,635,172	-	-	-
Hankook Slag & Materials Co., Ltd.	75,882,499	13,212,540	10,356,441	10,654,031	-	-	-
Hankook Logistics Co., Ltd.	5,744,975	(522,147)	(1,008,640)	(1,008,640)	-	-	-
Ssangyong Logistics Co., Ltd.	35,113,834	2,717,156	1,410,220	1,689,854	-	-	-
Daehan Cement Co., Ltd.	198,966,659	33,732,907	33,165,248	33,886,962	-	-	-
Daehan Slag Co., Ltd.	48,287,549	8,994,270	5,823,360	6,100,214	-	-	-
Green Eco Solution Co., Ltd.	-	(1,212,138)	(14,638,337)	(14,638,337)	-	-	-
Green Eco Cycle Co., Ltd.	46,077,294	(2,363,482)	(6,330,178)	(6,330,178)	-	-	-
Green Eco Gimhae Co., Ltd. (*3)	1,433,686	(452,643)	(825,490)	(825,490)	-	-	-
Green Eco Nexus Co., Ltd.	34,207,929	(789,073)	(1,910,138)	(1,910,138)	-	-	-
Green Eco Logics Co., Ltd.	3,170,754	123,558	(49,805)	(49,805)	-	-	-
Samho Environment Technology Co., Ltd. (*3)	8,164,243	(2,300,068)	(2,685,072)	(2,685,072)	-	-	-

(*1) Summarized operating performance is the amount before the elimination of internal transaction.

(*2) During the current period, it was reclassified from investment in subsidiaries to investment in associates.

(*3) This is management performance before extinction due to merger.

(4) Summarized cash flows of each subsidiary during the current year are as follows:

(Current year)

(Unit: Thousand KRW)

Division (*1)	Operating activities	Investment activities	Financial activities
Ssangyong Slag & Materials Co., Ltd.	7,184,800	(794,842)	(1,565,469)
Hankook Slag & Materials Co., Ltd.	9,991,301	(1,913,739)	(8,134,095)
Hankook Logistics Co., Ltd.	2,620,332	(622,540)	(1,997,033)
Ssangyong Logistics Co., Ltd.	12,199,752	(862,924)	(11,271,963)
Daehan Cement Co., Ltd.	39,779,284	(2,011,674)	(31,576,497)
Daehan Slag Co., Ltd	14,520,661	(3,549,493)	(7,082,239)
Green Eco Solution Co., Ltd.	1,280,541	(39,400,000)	37,898,762
Green Eco Cycle Co., Ltd	6,108,330	(4,360,615)	(1,849,498)
Green Eco Nexus Co., Ltd.	3,448,261	(16,582,053)	16,387,124
Green Eco Logics Co., Ltd	77,550	(58,349)	(67,500)
Ssangyong DHS Co., Ltd.	238,807	(5,857)	49,602

(*1) Summarized operating performance is the amount before the elimination of internal transactions.

(Previous year)

(Unit: Thousand KRW)

Division (*1)	Operating activities	Investment activities	Financial activities
Ssangyong Remicon Co., Ltd.	35,141,120	(16,028,801)	(18,010,129)
Ssangyong Slag & Materials Co., Ltd.	3,925,495	(1,392,451)	(5,812,594)
Hankook Slag & Materials Co., Ltd.	10,845,846	(1,497,800)	(9,277,681)
Hankook Logistics Co., Ltd.	2,988,503	(343,050)	(3,273,389)
Ssangyong Logistics Co., Ltd.	14,471,970	(454,427)	(13,948,542)
Daehan Cement Co., Ltd.	33,445,396	(4,538,401)	(28,378,817)
Daehan Slag Co., Ltd	6,242,116	(964,191)	(5,279,073)
Green Eco Solution Co., Ltd.	(1,266,053)	(7,513,430)	8,649,455
Green Eco Cycle Co., Ltd	(11,019,997)	(41,311,961)	53,150,164
Green Eco Gimhae Co., Ltd.(*2)	(145,033)	(1,855,390)	2,312,591
Green Eco Nexus Co., Ltd.	(3,902,263)	(9,390,773)	12,981,348
Green Eco Logics Co., Ltd	355,904	(19,600)	(83,733)

Samho Environment Technolgy Co., Ltd. (*3).	2,630,015	(265,393)	(1,627,977)
---	-----------	-----------	-------------

(*1) Summarized operating performance is the amount before the elimination of internal transactions.

(*2) This is the details until it merged with Green Eco Cycle Co., Ltd. on May 31, 2022 and disappeared.

(*3) This is the details until it was merged with Green Eco Nexus Co., Ltd. on September 30, 2022 and disappeared.

10. Associates and joint ventures

(1) Details of each of associate and joint venture as of the end of the current year and previous year are as follows:

(Unit: Thousand KRW)

Name of company	Major operating activities	Location	End of the current year			End of the previous year			Settlement date
			Equity rate (%)	Acquisition cost	Carrying amount	Equity rate (%)	Acquisition cost	Carrying amount	
Hankook Remicon Co., Ltd.	Ready-mixed concrete sales	Goryeong	40.00	798,657	1,746,960	40.00	798,657	1,058,564	12.31
Youngil Remicon Co., Ltd.	Ready-mixed concrete sales	Pohang	40.00	1,057,535	406,310	40.00	1,057,535	377,016	12.31
Ssangyong Remicon Co., Ltd.	Ready-mixed concrete sales	Seoul	23.15	(*1)	(*1)	-	-	-	12.31
Total				1,856,192	2,153,270		1,856,192	1,435,580	

(*1) Although it has significant influence depending on the shareholding ratio, it does not have actual current ownership that can access the profits associated with the ownership stake, so it is accounted for in the same way as a sale of shares, taking into account the ultimate exercise of the contract (put options, call options) between shareholders.

(2) Changes in the current year of associates and joint ventures during the current year and previous year are as follows.

(Current year)

(Unit: Thousand KRW)

Name of company	Beginning of the year	Equity method income	End of the year
Hankook Remicon Co., Ltd.	1,058,564	688,396	1,746,960
Youngil Remicon Co., Ltd.	377,016	29,295	406,311
Ssangyong Remicon Co., Ltd.	-	-	-
Total	1,435,580	717,691	2,153,271

(Previous year)

(Unit: Thousand KRW)

Name of company	Beginning of the year	Equity method income	Impairment	End of the year
Hankook Remicon Co., Ltd.	884,028	174,536	-	1,058,564
Youngil Remicon Co., Ltd.	469,534	(7,465)	(85,053)	377,016
Total	1,353,562	167,071	(85,053)	1,435,580

(3) Summarized financial position of each associate and joint venture as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Name of company	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Hankook Remicon Co., Ltd.	4,471,753	1,888,108	1,992,460	-
Youngil Remicon Co., Ltd.	49,235	971,584	5,043	-
Ssangyong Remicon Co., Ltd.	111,182,405	366,571,116	216,889,085	140,468,985

(End of the previous year)

(Unit: Thousand KRW)

Name of company	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Hankook Remicon Co., Ltd.	4,292,277	1,973,214	3,619,080	-
Youngil Remicon Co., Ltd.	88,912	1,008,597	154,970	-

(4) Operating performances of each associate and joint venture during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Name of company	Sales	Operating profit or loss	Other comprehensive profits and loss	Total comprehensive income
Hankook Remicon Co., Ltd.	22,284,582	2,270,445	-	1,720,991
Youngil Remicon Co., Ltd.	120,000	76,521	-	73,237
Ssangyong Remicon Co., Ltd. (*1)	444,359,407	22,160,029	(1,292,455)	9,347,599

(*1) This is business performance after the sale of shares.

(Previous year)

(Unit: Thousand KRW)

Name of company	Sales	Operating profit or loss	Other comprehensive profits and loss	Total comprehensive income
Hankook Remicon Co., Ltd.	20,999,231	937,490	-	436,340
Youngil Remicon Co., Ltd.	80,000	(762,003)	-	(812,633)

11. Property, plant, and equipment

(1) Details of composition of property, plant, and equipment as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Government grant	Accumulated damage loss	Carrying amount
Land	434,082,986	-	-	-	434,082,986
Buildings	459,844,123	(237,033,361)	(511,732)	(251,958)	222,047,072
Structures	1,347,848,978	(743,451,689)	(168,337)	(5,252,543)	598,976,409
Equipment	2,313,303,161	(1,514,312,612)	(754,224)	(1,737,417)	796,498,908
Ships	132,435,667	(99,240,093)	-	-	33,195,574
Vehicle carriers	81,622,900	(70,098,910)	-	(289,610)	11,234,380
Tools and implements	18,446,519	(16,531,589)	-	-	1,914,930
Furniture and fixtures	22,024,898	(16,363,277)	-	-	5,661,621
Timbers	1,609,281	-	-	-	1,609,281
Other property, plant, and equipment	2,268,035	(1,696,172)	-	-	571,863
Assets under construction	61,209,758	-	-	-	61,209,758
Total	4,874,696,306	(2,698,727,703)	(1,434,293)	(7,531,528)	2,167,002,782

(End of the previous year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Government grant	Accumulated damage loss	Carrying amount
Land	685,423,339	-	-	-	685,423,339
Buildings	459,043,275	(229,036,743)	(348,281)	(270,358)	229,387,893
Structures	1,365,841,917	(722,766,606)	(128,820)	(5,604,620)	637,341,871
Equipment	2,219,249,975	(1,435,994,510)	-	(1,102,334)	782,153,131
Ships	139,010,221	(102,803,660)	-	-	36,206,561
Vehicle carriers	79,203,324	(66,579,503)	-	(386,430)	12,237,391
Tools and implements	25,893,247	(23,142,075)	-	(48,653)	2,702,519
Furniture and fixtures	23,993,190	(16,932,111)	-	-	7,061,079
Timbers	1,609,281	-	-	-	1,609,281
Other property, plant, and equipment	3,421,110	(2,445,740)	-	-	975,370
Assets under construction	57,783,473	-	(5,228,219)	-	52,555,254
Total	5,060,472,352	(2,599,700,948)	(5,705,320)	(7,412,395)	2,447,653,689

(2) Details of changes in the carrying amount of property, plant and equipment during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the period	Acquisition (*1)	Elimination	Depreciation	Impairment loss(*2)	Replacement (*3)	Excluding the scope of consolidation (*4)	End of the year
Land	685,423,339	1,377,097	(88,116,497)	-	-	(15,410,634)	(149,190,319)	434,082,986
Building	229,387,893	363,152	(1,301,446)	(12,588,392)	(432,147)	15,758,023	(9,140,011)	222,047,072
Structures	637,341,871	904,369	(624,614)	(32,983,309)	(39,517)	9,113,420	(14,735,811)	598,976,409
Equipment	782,153,131	8,226,319	(2,080,450)	(121,511,455)	(754,224)	146,065,827	(15,600,240)	796,498,908
Ships	36,206,561	768,363	(1,459,794)	(3,830,464)	-	1,510,908	-	33,195,574
Vehicle carriers	12,237,391	3,658,883	(359,634)	(4,406,964)	-	201,372	(96,668)	11,234,380
Tools and implements	2,702,519	527,041	(14,283)	(862,399)	-	136,752	(574,700)	1,914,930
Furniture and fixtures	7,061,079	2,213,082	(136,014)	(1,963,311)	-	(570,196)	(943,019)	5,661,621
Timbers	1,609,281	-	-	-	-	-	-	1,609,281
Other property, plant, and equipment	975,370	109,900	-	(463,358)	-	-	(50,049)	571,863
Assets under construction(*5)	52,555,254	167,885,943	-	-	-	(158,073,747)	(1,157,692)	61,209,758
Total	2,447,653,689	186,034,149	(94,092,732)	(178,609,652)	(1,225,888)	(1,268,275)	(191,488,509)	2,167,002,782

(*1) Includes acquisition of individual assets and capitalized assets during the current period.

(*2) During the current period, an impairment loss of KRW 1,225,888,000 was recognized for assets that were not in operation other than the Gunsan business office and Incheon SC shipping plant.

(*3) During the current period, this includes the donation of KRW 13,344,893,000 of land to Donghae City, the replacement of assets under construction with the main account, and the replacement with investment real estate.

(*4) Due to the sale of Ssangyong Remicon Co., Ltd., it was excluded from consolidation at the end of the current period.

(*5) Borrowing costs of KRW 2,675,823,000 were capitalized as tangible assets during the current period, and the capitalization interest rate was 4.11%.

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the period	Acquisition	Elimination (*1)	Depreciation	Replacement (*2)	End of the year
Land	680,542,012	7,284,390	(3,479,683)	-	1,076,620	685,423,339
Building	223,919,389	3,371,614	(1,259,629)	(12,304,145)	15,660,664	229,387,893
Structures	645,880,673	1,560,892	(575,828)	(32,914,674)	23,390,808	637,341,871
Equipment	670,274,438	16,105,076	(11,205,749)	(92,134,364)	199,113,730	782,153,131
Ships	38,738,191	456,041	(1,134,858)	(5,181,161)	3,328,348	36,206,561
Vehicle carriers	13,573,963	3,177,669	(288,563)	(4,267,664)	41,986	12,237,391
Tools and implements	2,591,927	777,200	(10,781)	(909,986)	254,159	2,702,519
Furniture and fixtures	4,185,311	3,845,225	(79,074)	(1,343,406)	453,023	7,061,079
Timbers	1,609,281	-	-	-	-	1,609,281
Other property, plant, and equipment	1,208,755	107,720	-	(478,918)	137,813	975,370
Assets under construction(*3)	74,594,885	222,432,171	-	-	(244,471,802)	52,555,254
Total	2,357,118,825	259,117,998	(18,034,165)	(149,534,318)	(1,014,651)	2,447,653,689

(*1) Disposition and disposal of disused assets due to land sale and renovation construction during the current year are included.

(*2) This includes the transfer of assets under construction to the main account.

(*3) Borrowing cost of KRW 2,631,711,000 was capitalized as tangible asset, and the capitalization rate was 3.14%.

12. Leases

(1) Details of composition of right-of-lease assets as of the end of the current year and the previous year are as follows:

(End of the current year) (Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Carrying amount
Land	48,914,489	(18,091,084)	30,823,405
Buildings	18,195,312	(5,318,760)	12,876,552
Structures	3,464,963	(1,767,854)	1,697,109
Equipment	976,984	(528,555)	448,429
Ships	194,807,162	(67,660,272)	127,146,890
Vehicle carriers	43,532,505	(18,571,626)	24,960,879
Used profit donation assets	51,854,212	(51,221,442)	632,770
Total	361,745,627	(163,159,593)	198,586,034

(End of the previous year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Carrying amount
Land	49,687,183	(15,423,042)	34,264,141
Buildings	20,322,132	(4,394,503)	15,927,629
Structures	3,411,777	(1,441,207)	1,970,570
Equipment	3,323,667	(752,269)	2,571,398
Ships	202,370,047	(79,177,650)	123,192,397
Vehicle carriers	37,954,283	(16,555,595)	21,398,688
Total	317,069,089	(117,744,266)	199,324,823

(2) Details of changes in the carrying amount of right-of-lease assets during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Decrease	Change	Depreciation	Replacement	Excluding the scope of consolidation (*1)	End of the year
Land	34,264,141	548,438	(3,230)	(374,193)	(3,785,803)	220,575	(46,523)	30,823,504
Buildings	15,927,629	259,005	(22)	757,893	(2,746,388)	109,976	(1,431,541)	12,876,552
Structures	1,970,570	-	-	104,340	(377,801)	-	-	1,697,109

Equipment	2,571,398	976,984	(2,330,141)	-	(769,812)	-	-	448,429
Ships	123,192,397	102,868,606	(340,568)	3,010,128	(101,583,673)	-	-	127,146,890
Vehicle carriers	21,398,688	19,624,016	(770,840)	1,150,279	(14,109,648)	(29,967)	(2,301,649)	24,960,879
Used profit donation assets	-	-	-	-	(48,241)	700,945	(19,934)	632,770
Total	199,324,823	124,277,049	(3,444,801)	4,648,447	(123,421,366)	1,001,529	(3,799,647)	198,586,034

(*1) Following the disposition of Ssangyong Remicon Co., Ltd., it was excluded from consolidation at the end of the current period.

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Decrease	Change	Depreciation	End of the year
Land	36,666,546	409,823	(2,845)	953,699	(3,763,082)	34,264,141
Buildings	18,749,217	150,892	(15,625)	(279,228)	(2,677,627)	15,927,629
Structures	2,345,190	-	-	2,086	(376,706)	1,970,570
Equipment	1,966,100	1,324,294	-	-	(718,996)	2,571,398
Ships	37,876,805	150,908,267	(167,157)	17,845,089	(83,270,607)	123,192,397
Vehicle carriers	21,949,312	13,445,569	(1,662,473)	195,684	(12,529,404)	21,398,688
Total	119,553,170	166,238,845	(1,848,100)	18,717,330	(103,336,422)	199,324,823

(3) Details of changes of lease receivables during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Dispos.	Change(Net amount)	Interest income	Acquisition	Changes in scope of consolidation	End of the year
Lease receivables	1,308,966	-	-	46,600	32,340	(452,269)	1,448,191	2,383,828

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Disposal	Change (Net amount)	Interest income	Acquisition	End of the year
Lease receivables	1,565,950	93,110	-	-	31,336	(381,430)	1,308,966

(4) Details of changes of lease receivables during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Decrease	Change (Net amount)	Replacement	Interest expense	Payment	Changes in scope of consolidation	End of the year
Lease liabilities	194,813,070	124,247,962	(1,797,392)	4,648,447	654,668	8,495,334	(130,149,845)	(3,723,759)	197,188,485

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase	Decrease	Change (Net amount)	Replacement	Interest expense	Payment	End of the year
Lease liabilities	114,130,032	166,199,137	(1,786,067)	18,717,330	109,087	4,146,261	(106,702,710)	194,813,070

(5) Details of changes of cash outflow from lease during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Cash outflows from lease liabilities	130,149,845	106,702,710
Short-term lease related expenses	779,582	1,217,242
Small asset lease related expenses	147,379	522,526
Expenses related to variable lease payments not included in lease assets and liabilities	488,671	1,051,381
Total cash outflow	131,565,477	109,493,859

(6) Details of maturity analysis of lease receivables as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Maturity analysis – Undiscounted contractual cash flows	End of the current year	End of the previous year
Within 1 year	673,147	381,430
More than 1 year ~ within 2 years	712,078	381,430
More than 2 year ~ within 3 years	518,328	381,430
More than 3 year ~ within 4 years	301,492	209,801
More than 4 year ~ within 5 years	274,647	-
More than 5 years	17,311	-
Total undiscounted lease payments of 31 December	2,497,003	1,354,091
Unrealized financial income	(113,176)	(45,125)
Net lease investment	2,383,828	1,308,966

(7) Details of maturity analysis of lease liabilities as of the end of the current year and the previous year are as follows:
(Unit: Thousand KRW)

Maturity analysis – Undiscounted contractual cash flows	End of the current year	End of the previous year
Within 1 year	84,036,641	72,007,448
More than 1 year ~ within 5 years	95,997,101	88,380,860
More than 5 years	39,749,617	52,920,124
Undiscounted lease liabilities as of 31 December	219,783,359	213,308,432
Lease liabilities recognized in the statement of financial position as of December 31	197,188,485	194,813,070
Current lease liabilities	69,527,038	69,770,294
Non-current lease liabilities	127,661,447	125,042,776

13. Investment property

(1) Details of composition of investment property as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Carrying amount
Land	10,137,416	-	-	10,137,416
Buildings	4,348,104	(2,793,685)	(268,696)	1,285,723
Structures	772,579	(360,537)	-	412,042
Total	15,258,099	(3,154,222)	(268,696)	11,835,181

(End of the previous year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated depreciation	Carrying amount
Land	9,754,981	-	9,754,981
Buildings	3,288,972	(2,227,725)	1,061,247
Total	13,043,953	(2,227,725)	10,816,228

(2) Details of changes in the carrying amount of investment property as of the end of the current year and the previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Acquisition	Elimination	Amortization	Replacement (*1)	Excluding the scope of consolidation (*2)	End of the year
Land	9,754,981	-	-	-	905,153	(522,718)	10,137,416
Buildings	1,061,247	-	-	(137,935)	1,153,644	(791,233)	1,285,723
Structures	-	-	-	(30,903)	442,945	-	412,042
Total	10,816,228	-	-	(168,838)	2,501,742	(1,313,951)	11,835,181

(*1) Includes substitution from tangible assets to investment properties.

(*2) Due to the sale of Ssangyong Remicon Co., Ltd., it was excluded from consolidation at the end of the current period.

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Acquisition	Elimination	Amortization	Replacement (*1)	End of the year
Land	10,900,552	-	(169,560)	-	(976,011)	9,754,981
Buildings	1,125,807	96,228	-	(106,286)	(54,502)	1,061,247
Total	12,026,359	96,228	(169,560)	(106,286)	(1,030,513)	10,816,228

(*1) Replacements of property, plant, and equipment with investment property, etc. are included.

(3) Details of profits and losses recognized in relation to investment property during the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Rental income from investment property	2,131,263	2,264,576
Direct operating expenses related to rental income	(1,680,375)	(935,540)
Total	450,588	1,329,036

(4) The fair value of investment property was determined based on the official land price of the relevant region.

Meanwhile, the fair value of investment property as of the end of the current year and the previous year, does not differ materially from the carrying amount.

(5) All investment property of the Group is directly owned.

14. Intangible assets

(1) Details of composition of intangible assets as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Goodwill	293,671,199	-	(40,335,993)	253,335,206
Industrial property rights	197,924	(145,576)	-	52,348
Membership	7,624,224	-	(202,650)	7,421,574
Development costs	4,757,187	(4,757,187)	-	-
Right to use railroad facilities	8,916,977	(8,497,021)	-	419,956
Mining right	37,694,117	(19,084,558)	-	18,609,559
Other intangible assets	130,756,243	(68,706,958)	-	62,049,285
Emissions certificates	4,506,260	-	-	4,506,260
Total	488,124,131	(101,191,300)	(40,538,643)	346,394,188

(End of the previous year)

(Unit: Thousand KRW)

Division	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Goodwill	292,205,702	-	(32,398,362)	259,807,340
Industrial property rights	167,095	(132,179)	-	34,916
Membership	9,208,921	-	(202,650)	9,006,271
Development costs	4,757,187	(4,757,187)	-	-
Usable and profitable donation assets	51,985,916	(51,284,971)	-	700,945
Right to use railroad facilities	8,916,977	(8,469,078)	-	447,899
Mining right	36,001,687	(17,248,926)	-	18,752,761
Other intangible assets	126,372,981	(57,164,774)	-	69,208,207
Emissions certificates	158,716	-	-	158,716
Total	529,775,182	(139,057,115)	(32,601,012)	358,117,055

(2) Details of changes in the carrying amount of intangible assets during the current year and the previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Acquisition	Elimination	Amortization	Impairment (*2)	Replacement (*3)	Excluded the scope of consolidation (*4)	End of the year
Goodwill	259,807,340	-	-	-	(8,087,250)	1,615,116	-	253,335,206
Industrial property rights	34,916	34,108	-	(12,652)	-	-	(4,024)	52,348
Membership	9,006,271	61,710	(55,000)	-	-	-	(1,591,407)	7,421,574
Usable and profitable donation assets	700,945	-	-	-	-	(700,945)	-	-
Right to use railroad facilities	447,899	-	-	(27,943)	-	-	-	419,956
Mining right	18,752,761	-	(721)	(142,481)	-	-	-	18,609,559
Other intangible assets	69,208,207	830,569	-	(10,026,675)	-	2,037,184	-	62,049,285
Emissions certificates (*1)	158,716	4,519,000	-	-	-	(171,456)	-	4,506,260
Total	358,117,055	5,445,387	(55,721)	(10,209,751)	(8,087,250)	2,779,899	(1,595,431)	346,394,188

(*1) Emission rights acquired through swap transactions (403,000 tons) during the current period are included, and the portion of the emissions rights to be submitted to the government within one year from the end of the reporting period has been replaced with other current assets.

(*2) As a result of conducting a goodwill impairment test with the help of an independent external evaluation agency at the end of the current period, the value in use of Green Eco Solution Co., Ltd., a subsidiary, fell below the book value subject to comparison, and an impairment loss was recognized. The discount rates used in the evaluation range from 12.49% to 14.93%.

(*3) It includes replacement from assets under construction.

(*4) Excluded from consolidation due to the sale of Ssangyong Remicon Co., Ltd.

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Acquisition	Elimination	Amortization	Impairment	Replacement (*1)	End of the year
Goodwill	259,956,959	-	-	-	(149,619)	-	259,807,340
Industrial property rights	14,177	21,288	(88)	(5,223)	-	4,762	34,916
Membership	8,546,371	9,900	-	-	-	450,000	9,006,271
Usable and profitable donation assets	749,226	-	-	(48,281)	-	-	700,945
Right to use railroad facilities	475,841	-	-	(27,942)	-	-	447,899
Mining right	18,914,138	-	(22,252)	(139,125)	-	-	18,752,761
Other intangible assets	76,862,154	151,801	(383)	(9,724,634)	-	1,919,269	69,208,207
Emissions certificates (*2)	-	28,512,500	(82,178)	-	-	(28,271,606)	158,716
Total	365,518,866	28,695,489	(104,901)	(9,945,205)	(149,619)	(25,897,575)	358,117,055

(*1) Includes replacement from assets under construction and replacement with other current assets

(*2) Emission rights acquired through swap transactions during the previous year are included, and the portion of the emissions rights to be submitted to the government within one year from the end of the reporting period has been replaced with other current assets. Meanwhile, it decreased due to the submission of greenhouse gas emissions rights to the government.

(3) Carrying amount of goodwill allocated to the Group's cash-generating unit group and the cash-generating unit as of the end of the current year and the previous year is as follows:

(Unit: Thousand KRW)

Cash generation unit	End of the current year				End of the previous year
	Evaluation method	Permanent growth rate	Discount rate	Amount	
Daehan Cement Co., Ltd. (*1)	Discounted cash flows	1%	10.49%, 11.03%	164,213,392	164,213,390
Hankook Slag & Materials Co., Ltd.	Discounted cash flows	1%	11.03%	26,968,897	26,968,897
Ssangyong Slag & Materials Co., Ltd.	Discounted cash flows	1%	11.58%	12,059,175	10,444,059
Green Eco Division(*2)	Discounted cash flows	1%	12.49%, 12.85%, 14.93%	3,429,252	11,516,503
Environmental Business Division(*2)	Discounted cash flows	1%	8.62%	46,664,490	46,664,490
Total				253,335,206	259,807,339

(*1)The recoverable amount of Daehan Cement Co., Ltd., a subsidiary, is determined based on value-in-use calculations with the help of an independent external evaluation agency. The value in use was estimated as the sum of the present value of Daehan Cement Co., Ltd. and Daehan Slag Co., Ltd. by discounting the future cash flows of Daehan Cement Co., Ltd. and Daehan Slag Co., Ltd. over the next five years, respectively, based on the management's business plan. No impairment loss was recognized because the recoverable amount calculated based on the value in use of the relevant cash-generating unit exceeded its carrying amount.

(*2)The recoverable amounts of the Green Eco Division, a cash-generating unit among subsidiaries, and the Environmental Division of the Parent Company are determined based on value-in-use calculations with the help of an independent external evaluation agency. The value in use was estimated as the sum of the present value of each discounted future cash flow for the next five years based on the management's business plan. As a result of the impairment test, the carrying amount significantly exceeded the recoverable amount, and an impairment loss of KRW 8,236,870,000 was recognized.

15. Other assets

Details of composition of other assets as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Prepayment	607,458	857,853	5,210,217	12,476,939
Advanced expenses	7,367,900	515,466	5,436,257	675,031
Emissions certificates	105	-	28,301,892	-
Other	768,608	-	392,305	-
Total	8,744,071	1,373,319	39,340,671	13,151,970

16. Trade and other payables

Details of trade and other payables as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Trade payables	117,348,017	-	165,401,184	-
Other payables				
Account payables	134,978,526	-	108,493,187	32,700
Unpaid expenses	5,254,263	-	13,002,549	2,394,465
Deposits received	109,000	682,185	163,000	1,362,854
Rental deposits	-	546,500	-	-
Derivatives liabilities	20,234	1,910,199	13,854	2,914
Lease liabilities	69,527,037	127,661,447	69,760,121	125,052,949
Sub total	209,889,060	130,800,331	191,432,711	128,845,882
Total	327,237,077	130,800,331	356,833,895	128,845,882

17. Derivative transaction

(1) Details of derivative assets and liabilities as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Derivative assets	2,263,974	28,774	2,579,148	1,756,030
Derivatives liabilities	20,234	1,910,199	13,854	2,914

(2) Details of derivatives transactions to which cash flow hedge accounting is applied as of the end of the current year are as follows:

1) Swap trading

(KRW unit: KRW thousand, Foreign currency unit: USD)

Division	Details
Derivative types	Currency swap
Trading purpose	Exchange rate risk and interest rate risk hedging
Trading financial institution	Woori bank
Items subject to hedging	Exchange rate risk and interest rate risk hedging
Face value	USD 30,000,000
Contract periods	2023.08.30 ~ 2025.08.29
Accumulated valuation gains and losses at the end of current year	(405,390)
Accumulated other comprehensive income (before tax)	(405,390)
Derivatives valuation gains or losses (other comprehensive income) for the current year	(405,390)
Derivatives valuation gains for the current year	(911,851)

During the current period, a trading profit of KRW 740,000 thousand was recognized following the liquidation of currency swap transaction derivatives, and in the previous year, a trading profit of KRW 2,271,317 thousand was recognized

2) Currency forward trading

(KRW unit: KRW thousand, Foreign currency unit: USD)

Division	Details
Derivative types	Currency swap (current)
Trading purpose	Risk of exchange fluctuations
Trading financial institution	Shinhan Bank
Items subject to hedging	Exchange rate fluctuation risk and interest rate fluctuation risk
Face value	USD 20,000,000
Contract periods	2023.10.26 ~ 2024.06.28
Accumulated valuation gains and losses at the end of current year	1,184,804
Accumulated other comprehensive income (before tax)	1,184,804
Derivatives valuation gains or losses (other comprehensive income) for the current year	1,184,804
Derivatives valuation gains for the current year (current profit or loss)	-

During the current period, a trading profit of KRW 367,991 thousand, a trading loss of KRW 192,172 thousand, a sale of KRW 390,372 thousand, and a deduction from raw materials were recognized due to the liquidation of currency forward derivatives for the expected sales of imported coal ash, expected sales of export cement, purchase price of raw materials, and expected sales of export slag powder. Due to this transaction, a transaction profit of KRW 570,815 thousand and a transaction loss of KRW 599,384 thousand were recognized in the previous year, and KRW 4,779,709 thousand was recognized as a deduction from sales.

3) Future trading

(KRW unit: KRW thousand, Foreign currency unit: USD)

Division	Details
Derivative types	Futures trading (current)
Trading purpose	Charter rate change risk hedging
Trading financial institution	Hana Financial Investment
Items subject to hedging	Charter fee (ships)
Face value	USD 266,580
Contract periods	2023.12.18 ~ 2024.01.31
Accumulated valuation gains and losses at the end of current year	343,728
Accumulated other comprehensive income (before tax)	343,728
Derivatives valuation gains or losses (other comprehensive income) for the current year	343,728
Derivatives valuation gains for the current year (current profit or loss)	-

During the current period, KRW 1,669,292 thousand was recognized as a deduction from the amortization of right-of-use assets following the liquidation of charterage (ship) futures trading derivatives, and in the previous year, KRW 4,928,394 thousand was recognized as an addition to the amortization of right-of-use assets.

(3) Details of composition of derivatives for trading as of the end of the current year and details of profit or loss from trading of trading derivatives during the current year and previous year are as follows:

1) Composition details

(KRW unit: KRW , Foreign currency unit: USD, JPY)

Division	Contractor	Contract date	Due date	Contract amount				Contract exchange rate(KRW)
				Sales amount	Purchase amount			
Currency forward trading	Shinhan Bank	2023-03-27	2024-03-29	KRW	10,162,400,000	USD	8,000,000	1,270.30
Currency forward trading	Shinhan Bank	2023-06-29	2024-07-01	KRW	6,387,500,000	USD	5,000,000	1,277.50
Currency forward trading	Shinhan Bank	2023-12-11	2024-01-09	USD	1,114,000	KRW	1,462,782,260	1,313.09
Currency forward trading	Shinhan Bank	2023-12-11	2024-01-18	USD	1,886,000	KRW	2,475,318,420	1,312.47
Currency forward trading	Shinhan Bank	2023-12-27	2024-01-31	JPY	12,877,000	KRW	116,755,759	9.07
Currency forward trading	Shinhan Bank	2023-12-15	2024-01-31	JPY	26,665,000	KRW	242,478,177	9.09
Currency forward trading	Shinhan Bank	2023-12-06	2024-01-31	JPY	24,751,000	KRW	220,382,904	8.90
Currency forward trading	Shinhan Bank	2023-12-27	2024-01-31	JPY	22,795,000	KRW	206,682,265	9.07
Currency forward trading	Shinhan Bank	2023-12-11	2024-01-31	JPY	18,912,000.00	KRW	171,437,280	9.07

2) Related profit or loss

(Unit: Thousand KRW)

Division	Current year	Previous year
Derivatives valuation profit	171,258	129,288
Derivatives valuation loss	(149,522)	(5,527)
Derivatives trading profit	3,207,307	2,553,124
Derivatives trading loss	(333,011)	(1,131,580)
Total	2,896,032	1,545,305

18. Borrowings and bonds

(1) Details of composition of borrowings and bonds as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Short-term borrowings	337,172,616	-	231,941,454	-
Long-term borrowings	118,412,575	224,790,856	302,140,094	293,824,716
Short-term bonds	24,982,716	-	99,685,983	-
Corporate bonds	199,780,125	328,038,769	175,214,659	347,014,274
Total	680,348,032	552,829,625	808,982,190	640,838,990

(2) The details of short-term borrowings as of the end of current and previous year are as follows

(Unit: Thousand KRW)

Division	Borrower	End of the current year		End of the previous year
		Annual interest rate (%)	Amount	
Bank overdraft	Korea Development Bank, etc	5.00 ~ 5.19	1,700,000	8,104,033
Discount draft	IBK Capital	-	-	7,975,294
USANCE	Shinhan Bank, etc.	5.34 ~ 5.88	43,434,594	25,664,315
Revolving facility	Korea Development Bank, etc.	2.79 ~ 7.64	51,218,000	60,197,812
Bank overdraft	Korea Development Bank, etc.	5.29 ~ 6.44	240,820,021	130,000,000
Total			337,172,615	231,941,454

(3) The details of short-term bonds as of the end of current and previous year are as follows.

(Unit: Thousand KRW)

Division	Date of issuance	Due date	End of the current year		End of the previous year
			Annual interest rate (%)	KRW amount	
#317Non-guaranteed public bonds	2022.09.06	2023.09.06	-	-	80,000,000
#318Non-guaranteed public bonds	2022.11.23	2023.11.23	-	-	20,000,000
#322Non-guaranteed public bonds	2023.09.06	2024.09.06	5.23	25,000,000	
Deduction: Bond discount issuance difference				(17,284)	(314,017)
Total				24,982,716	99,685,983

(4) The details of long-term borrowings as of the end of current and previous year are as follows.

(Unit: Thousand KRW)

Division	Borrower	End of the current year		End of the previous year
		Annual interest rate (%)	Amount	
General loan	Korea Mine Reclamation and Mining Co., Ltd. etc.	2.81 ~ 7.84	25,631,558	242,005,260
Energy use rationalization fund loan	Korea Development Bank, etc.	2.27 ~ 5.79	260,972,779	277,248,150
Facility loan	Korea Mine Reclamation and Mining Co., Ltd. etc.	2.5 ~ 5.65	56,599,094	76,711,400
Sub total			343,203,431	595,964,810
Deduction: current long-term borrowings			(118,412,575)	(302,140,094)
Total			224,790,856	293,824,716

(5) The repayment plan of long-term borrowings as of the end of the current year is as follows.

(Unit: Thousand KRW)

Year	Amount
01 January 2024~31 December 2024	118,412,575
01 January 2025~31 December 2025	42,242,762
01 January 2026~31 December 2026	38,888,092
After 01 January 2027	143,660,003
Total	343,203,432

(6) Details of long-term bonds as of the end of the current year and the previous year are as follows:

(KRW unit: KRW thousand, Foreign currency unit: USD)

Division	Date of issuance	Due date	End of the current year			End of the previous year
			Annual interest rate (%)	Foreign currency amount	KRW amount	
#313-2 Non-guaranteed public bonds	2019.09.11	2024.09.11	2.93	-	100,000,000	100,000,000
#314 Overseas floating rate private equity bonds	2020.06.29	2023.06.29	-	-	-	25,346,000
#315 Non-guaranteed public bonds	2020.09.25	2023.09.25	-	-	-	150,000,000
#316-1 Non-guaranteed public bonds	2021.09.16	2024.09.13	2.24	-	30,000,000	30,000,000
#316-2 Non-guaranteed public bonds	2021.09.16	2026.09.16	2.96	-	100,000,000	100,000,000
#319 Non-guaranteed public bonds	2022.12.27	2024.06.27	7.90	-	30,000,000	30,000,000
#320-1 Non-guaranteed public bonds	2023.04.14	2024.10.14	5.10	-	40,000,000	-
#320-2 Non-guaranteed public bonds	2023.04.14	2025.04.14	5.14	-	60,000,000	-
FRN Overseas floating rate private equity bonds (*1)	2023.08.30	2025.08.30	Compounded SOFR +0.9	USD 30,000,000	38,682,000	-
#323 Non-guaranteed public bonds	2023.09.21	2025.03.21	5.50	-	80,000,000	-
#1 Non-guaranteed public bonds	2022.05.26	2024.08.26	-	-	-	40,000,000
#2 Non-guaranteed public bonds	2022.05.26	2025.05.22	4.09	-	28,000,000	28,000,000
#3 Non-guaranteed public bonds	2022.05.30	2025.05.30	4.40	-	22,000,000	22,000,000
Sub total					528,682,000	525,346,000
Deduction: Current bonds(*2)					(200,000,000)	(175,346,000)
Sub total					328,682,000	350,000,000
Deduction: Bond discount issuance difference					(643,231)	(2,985,726)
Total					328,038,769	347,014,274

(*1) The consolidated entity has signed a currency swap contract with Woori Bank to avoid the risk of exchange rate fluctuations and interest rate fluctuations in relation to overseas floating rate private equity bonds, and pays 0.61% of the annual guarantee fee in relation to the principal and interest payment guarantee.

(*2) This is the amount before deduction of liquid bond discount issuance gap (end of current period: KRW 219,875 thousand, end of previous year: KRW 131,341 thousand).

(7) Assets provided as collateral for borrowings

As of the end of the current year, the Group provides property, plant, and equipment to financial institutions and others as collateral in relation to the above short- and long-term borrowings (see Note 36).

19. Retirement benefit plans

The Group operates defined benefit retirement benefit plans and defined contribution plans for qualified employees. Under the defined benefit retirement plan, employees receive lump sum benefits by applying the average salary of the last three months to the service period provided at the time of retirement. With this system, the Group is exposed to investment risk, interest rate risk, and wage risk.

The most recent actuarial evaluation of plan assets and defined benefit obligations was performed by NH Investment & Securities Co., Ltd. in January 2023. The present value of the defined benefit obligation and related current service cost and past service cost have been measured, using the projected unit credit method.

(1) Constituent items in the consolidated statement of financial position arising from the Group's obligations in relation to defined benefit retirement benefit plans as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Present value of defined benefit obligation	203,961,699	206,713,201
Fair value of plan assets	(14,921,071)	(21,914,429)
Net defined benefit liabilities	189,040,628	184,798,772

(2) Estimates used for actuarial evaluation as of the end of the current year and the previous year are as follows:

(Unit: %)

Division	End of the current year	End of the previous year
Discount rate	4.06~5.04	5.30~5.76
Expected wage growth rate	3.10~5.00+ promotion rate	2.00~3.00+ promotion rate

(3) Changes in net defined benefit liability during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning of the period	206,713,201	(21,914,429)	184,798,772
Amount recognized in profit or loss:			
Service cost in the current year	12,781,901	-	12,781,901
Interest expense (interest income)	10,397,225	(799,730)	9,597,495
Sub total	23,179,126	(799,730)	22,379,396
Re-measurement factors:			
Earnings on plan assets (excluding amounts included in interest above)	-	304,977	304,977
Actuarial profit or loss arising from changes in financial assumptions	11,986,493	-	11,986,493
Actuarial profit or loss arising from empirical adjustments	7,396,163	-	7,396,163
Sub total	19,382,656	304,977	19,687,633
Contributions	-	-	-
Contributions paid by the company	-	(300,000)	(300,000)
Payment due to settlement	-	-	-

Amount paid by the system	(33,305,482)	1,419,038	(31,886,444)
Changes in scope of consolidation	(12,007,802)	6,357,883	(5,649,919)
Others	-	11,190	11,190
End of the year	203,961,699	(14,921,071)	189,040,628

(Previous year)

(Unit: Thousand KRW)

Division	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning of the period	241,082,628	(23,771,482)	217,311,146
Amount recognized in profit or loss:			
Service cost in the current year	16,019,549	-	16,019,549
Interest expense (interest income)	7,921,137	(713,168)	7,207,969
Past service cost	1,328,773	-	1,328,773
Sub total	25,269,459	(713,168)	24,556,291
Re-measurement factors:			
Earnings on plan assets (excluding amounts included in interest above)	-	380,036	380,036
Actuarial profit or loss arising from changes in financial assumptions	(36,113,568)	-	(36,113,568)
Actuarial profit or loss arising from empirical adjustments	(4,138,176)	-	(4,138,176)
Sub total	(40,251,744)	380,036	(39,871,708)
Amount paid by the system	(19,387,142)	2,190,185	(17,196,957)
End of the year	206,713,201	(21,914,429)	184,798,772

(4) Details of retirement benefits during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Cost of sales	18,581,051	18,138,087
Selling and administrative expenses	6,240,213	6,673,940
Construction cost	-	132,981
Current development expenses	-	62,608
Total	24,821,264	25,007,616

(5) Details of recognized expenses for each retirement benefit plan during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Defined benefit plans	22,379,396	24,556,292
Defined contribution plans	335,375	362,001
Total	22,714,771	24,918,293

Meanwhile, severance benefits incurred during the current period include KRW 1,503 million in severance compensation, KRW 4 million in severance pay for those who retired less than one year, and KRW 599 million in other benefits. During the previous year, severance compensation amounted to KRW 81 million, and severance pay for those who retired less than 1 year amounted to KRW 8 million.

(6) Components of the fair value of external reserve assets as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Cash and cash equivalent assets	14,644,104	21,587,183
National pension conversion	276,967	327,246
Total	14,921,071	21,914,429

The actual profits of the plan assets during the current and previous periods are KRW 494,753 thousand and KRW 333,132 thousand, respectively.

(7) When all other assumptions are maintained as of the end of the current year, significant actuarial assumptions may fluctuate within a reasonable range that may occur. In those cases, the impacts on defined benefit obligations are as follows:

(Unit: Thousand KRW)

Division	Increase	Decrease
Change of 100 basis points in discount rates	(11,480,352)	12,929,119
Change of 100 basis point in expected wage growth rate	12,806,182	(11,582,312)

Since there is a correlation between the actuarial assumptions, the sensitivity analysis above will not represent the actual change in the defined benefit obligation because changes in the assumptions will not occur independently. In addition, the present value of defined benefit obligations in the sensitivity analysis above was measured using the predictive unit accumulation method used to measure defined benefit obligations in the consolidated financial statement.

20. Provisions

(1) Details of provisions as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Emissions liabilities	19,880	-	28,271,605	-
Restoration provisions	-	32,986,705	1,325,034	31,853,590
Provision for litigation	-	1,832,133	-	-
Waste provision liabilities	305,529	-	92,114	-
Total	325,409	34,818,838	29,688,753	31,853,590

(2) Details of changes in provisions during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Setting	Paid	Discount on amortization	Excluding the scope of consolidation (*4)	End of the year
Emissions liabilities(*1)	28,271,605	19,880	(28,271,605)	-	-	19,880
Restoration provisions (*2,3)	33,178,624	490,797	(1,546,606)	1,179,294	(315,404)	32,986,705
Provision for litigation (*5)	-	1,832,133	-	-	-	1,832,133
Waste provision liabilities	92,114	305,529	(92,114)	-	-	305,529
Total	61,542,343	2,648,339	(29,910,325)	1,179,294	(315,404)	35,144,247

(*1) The Company has established emission liabilities to comply with the obligation to submit carbon credits (see Note 35).

(*2) The consolidated entity set forest restoration provisions of KRW 388,132,000 during the current period. The forest restoration provision is the present value obtained by discounting the best estimate of future restoration costs for the damaged area among the permitted mining areas as of the end of the current period at an appropriate discount rate, and the expenditure is scheduled to occur at the end of mining at each mine. Meanwhile, in relation to provisions, the consolidated entity deposited KRW 20,115,546,000 as a forest restoration obligation performance deposit with the Korea Mine Rehabilitation and Mineral Resources Corporation, and this amount is recorded as other receivables (long-term deposit).

(*3) During the current period, the consolidated entity set an additional recovery cost of KRW 102,665,000 due to restoration of contaminated land, etc., to the recovery provision.

(*4) Following the disposition of Ssangyong Remicon Co., Ltd., it was excluded from consolidation at the end of the current period.

(*5) The consolidated entity established a provision of KRW 1,832,133,000 due to lawsuits filed and pending during the current period.

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Setting	Returns	Paid	Discount on amortization	End of the year
Emissions liabilities(*1)	190,137	28,271,605	(5,969)	(184,168)	-	28,271,605
Restoration provisions (*2,3)	33,447,498	7,339,100	(203,202)	(7,490,862)	86,090	33,178,624
Waste provision liabilities	20,803	77,544	-	(6,233)	-	92,114
Total	33,658,438	35,688,249	(209,171)	(7,681,263)	86,090	61,542,343

(*1) The Company has established emission liabilities to comply with the obligation to submit carbon credits (see Note 35).

(*2) The consolidated entity set an additional forest restoration provision of KRW 3,632,900,000 in the previous fiscal year. The forest restoration provision is the present value obtained by discounting the best estimate of future restoration costs for the damaged area among the permitted mining areas as of the end of the previous year at an appropriate discount rate, and the expenditure is scheduled to occur at the end of mining at each mine. Meanwhile, in relation to provisions, the consolidated entity deposited KRW 18,108,746,000 as a forest restoration obligation performance deposit with the Korea Mine Rehabilitation and Mineral Resources Corporation, and this amount is recorded as other receivables (long-term deposit).

(*3) During the previous year, the consolidated entity added KRW 3,429,000,000 of the consolidated entity's expected future recovery costs due to restoration of contaminated land, etc. to the recovery provision.

21. Other liabilities

Details of other liabilities as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	Current	Non-current	Current	Non-current
Advances received	4,608,461	7,967,613	5,589,461	7,967,613
Prepaid income	4,521,701	-	12,863,222	934,127
Deposits	16,165,773	-	9,773,175	-
Others	15,194,820	2,055,339	1,030,536	-
Total	40,490,755	10,022,952	29,256,394	8,901,740

(*1) Advances received is a contract liability that includes the portion where the consolidated entity has not fulfilled its obligation for cement to be provided but has received payment in advance.

(*2) Prepaid income at the end of the current and previous year includes amounts received in advance for shipping services and leases to be provided by the consolidated entity even though the consolidated entity has not fulfilled its obligations.

22. Share capital

(1) Details of the number of issued shares and share capital as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
	Ordinary shares	Ordinary shares
Number of issued shares	498,696,968 share	503,859,595 share
Share capital	50,385,960	50,385,960

(2) During the current period, the parent company canceled its own shares (book value of KRW 28,228,498,000) as profit, resulting in a decrease in the number of issued shares by 5,162,627 shares, and there was no change in the number of issued shares during the previous year.

23. Share-based payment

(1) Conditions and grant details of stock options

Division	Details
Types of stocks to be issued as stock options	Registered ordinary share
Granted method	① Issuance of new shares ② During treasury share issuance, it is decided by a resolution of the board of directors at the time of exercise or prior.
Granted date	31 August 2020
Granted quantity(share)(*1)	2,355,000
Exercise price(KRW)	5,500
Period of exercise of right	1 September 2022~ 31 August 2030
Conditions for exercising rights	- Without a separate resolution by the board of directors, the grantee cannot exercise the stock option for the exercisable stock until five years have elapsed from the date of change of management right or the date of grant. - If the grantee has not served in the affiliated company for more than two years from the grant date, the grantee cannot exercise the stock option in this issue. Still, except for cases in which the grantee dies within 2 years from the grant date or leaves office for reasons other than attributable to the person) Transfers between SsangYong C&E and its affiliates are also considered to be in the company.

(*1) The initial number of shares granted is 2,475,000 shares, excluding the amount of stock option cancellation (120,000 shares).

(2) The compensation cost of stock options granted to the Controlling corporation was calculated by applying the fair value approach using the binomial model. All assumptions and variables for calculating the compensation cost are as follows.

(Unit: KRW)

Division	Details	Note
Fair value of options granted	923.54	
Closing price on grant date	5,640	Closing price on August 31 2020
Discount rate/risk-free rate of return	1.53%	SPOT RATE CURVE value of KTB on the valuation base date corresponding to the remaining maturity of stock options
Share price volatility	33.04%	Application of average volatility as of the business day immediately prior to the base date of assessment
Dividend rate	7.80%	Market dividend rate for one year immediately prior to the evaluation base date divided by the share price at the time of evaluation
Effective date	After 5 years	Assumed to be available for 5 years. This is because the stock option cannot be exercised unless 5 years have elapsed from the date of grant or otherwise allowed by the board of directors.

(3) The quantity and weighted average exercise price of options not exercised at the end of the current year and the previous year are as follows.

(Unit: shares, KRW)

Division	End of the current year		End of the previous year	
	Quantity	Exercise price	Quantity	Exercise price
Non-exercised at the beginning of the term	2,445,000	5,500	2,475,000	5,500
Lost during the term(*1)	(90,000)	5,500	(30,000)	5,500
Non-exercised portion at the end of the term	2,355,000	5,500	2,445,000	5,500
Exercisable quantity as of end of the term	2,355,000	5,500	2,445,000	5,500

(*1) The cancellation of stock options for 30,000 shares and 90,000 shares was approved at the Board of Directors meetings on February 10, 2023, and February 7, 2024, respectively.

(4) The stock-based compensation recognized in the previous year due to the grant of stock options was KRW 760,877,000.

24. Other components of equity

Details of other components of equity as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Capital surplus		
Profit from disposal of treasury shares	25,997,358	25,997,358
Capital adjustments		
Treasury shares(*1)	(36,683,197)	(8,207,827)
Stock option	2,285,762	2,285,762
Other capital adjustments	(59,762,839)	(59,762,839)
Total	(94,160,274)	(65,684,904)
Accumulated other comprehensive income		
Other comprehensive income - profit or loss after tax on equity instruments measured at fair value	(3,301,224)	(3,790,236)
Cash flow hedging derivatives valuation profit or loss	863,702	380,448
Total	(2,437,522)	(3,409,788)
Retained earnings		
Voluntary reserve	59,282,647	59,282,647
Reserved surplus earnings	38,000,000	38,000,000
Unappropriated retained earnings	1,501,874,275	1,488,569,675
Total	1,599,156,922	1,585,852,322

(*1) The parent company decided to acquire treasury stocks worth KRW 20 billion at the board of directors on April 20, 2023, July 26, 2023, and October 17, 2023, respectively, and acquired about KRW 56.7 billion (10,114,000 shares) of treasury stocks during the current period, of which 5,162,627 shares (about KRW 28.2 billion) were cancelled as profits.

25. Sales and cost of sales

(1) Source and classification of revenue

The divided details of revenue from contracts with customers based on major geographic markets, major product and service lines and timing of revenue recognition are as follows.

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Major geographic market		
Domestic	1,594,902,770	1,409,494,113
Overseas	274,503,643	296,412,631
Total	1,869,406,413	1,705,906,744
Major product and service lines		
Cement	1,489,017,302	1,263,197,089
Circulating resources	121,501,818	172,424,219
Ready-mixed concrete	212,915,453	259,135,879
Other businesses	258,887,293	270,285,436
Adjustment of discontinued operations	(212,915,453)	(259,135,879)
Total	1,869,406,413	1,705,906,744
Revenue recognition time		
Implement at a point in time	1,676,778,106	1,505,539,282
Fulfillment over time	192,628,307	200,367,462
Total	1,869,406,413	1,705,906,744

(2) Contract balance

Receivables and contract assets arising from contracts with customers as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Receivables included in trade receivables and other receivables	380,215,267	416,860,234
Contract assets(*1)	708,877	283,693
Contract liabilities(*2)	4,623,902	11,521,565

(*1) Contract assets are assets for unclaimed amounts as of the end of the reporting period for rights to unloading services provided by the consolidated entity.

(*2) Contract liabilities are the portion for which the consolidated entity has not fulfilled its obligations for cement, shipping services, and leases, but has received payment in advance, and the amount of contract liabilities recognized as sales during the current period is KRW 17,095,579 thousand.

(3) Details of sales during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Commodity sales	73,080,911	79,389,454
Product sales	1,487,074,978	1,250,335,197
Other sales	318,250,524	376,182,093
Total	1,869,406,413	1,705,906,744

(4) Classification of sales during the current year and previous year is as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Revenue from the sale of goods	1,554,578,345	1,367,537,325
Revenue from the provision of services	314,828,068	338,369,419
Total	1,869,406,413	1,705,906,744

(5) Details of cost of sales during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Cost of commodity sales	33,805,010	42,648,710
Cost of product sales	1,174,820,907	1,038,957,124
Cost of other sales	296,931,104	269,786,898
Total	1,505,557,021	1,351,392,732

26. Selling and administrative expenses

(1) Details of selling and administrative expenses during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Benefits	32,903,559	28,221,900
Retirement benefits	5,775,385	4,484,533
Share compensation	-	760,877
Welfare benefits	6,853,019	6,536,746
Rental fee	1,398,837	1,616,916
Depreciation cost	1,433,011	1,144,713
Amortization of right-of-use assets	3,812,453	4,034,540
Bad debt expenses	686,751	35,823
Taxes and duties	1,951,518	2,165,419
Fees	10,936,576	10,270,177
Advertising cost	259,794	860,275
Reception expenses	2,918,267	2,961,927
Education and training expenses	1,164,735	1,202,273
Research expenses	3,969,850	4,229,917
Travel expenses	835,510	718,822
Communication cost	401,838	424,549
Vehicle expenses	981,966	830,936
Supply expenses	238,566	222,608
Repair expenses	348,980	330,546
Book budget	110,444	75,873
Printing cost	124,070	112,646
Premium	459,196	274,777
Transport charges	91,114,505	80,369,513
Water and light cost	65,376	69,651
Amortization of intangible assets	7,861,849	7,663,929
Contract fees	1,179,379	1,003,885
Miscellaneous expenses	1,950,829	1,867,879
Total	179,736,263	162,491,650

(2) The details of selling and administrative expenses incurred for discontinued operations during the current and previous years are as follows.

Division	Current Year	Previous Year
Benefits	13,837,836	15,192,276
Retirement benefits	1,289,475	1,720,342
Welfare benefits	4,252,860	2,390,748
Rental fee	32,897	52,379
Depreciation cost	99,724	134,380
Amortization of right-of-use assets	565,675	929,881
Bad debt expenses	147,509	173,994
Taxes and duties	784,136	945,817
Fees	508,778	606,106
Advertising cost	15,644	15,228
Reception expenses	1,365,198	1,784,889
Education and training expenses	59,946	42,032
Research expenses	652,057	762,722
Travel expenses	209,183	223,121
Communication cost	154,533	200,074
Vehicle expenses	389,742	412,098
Supply expenses	43,544	54,202
Repair expenses	1,804	8,611
Book budget	2,442	9,274
Printing cost	9,073	29,460
Premium	7,100	13,231
Transport charges	190,636	251,616
Water and light cost	2,695	3,447
Contract fees	402,801	506,107
Miscellaneous expenses	453,904	592,509
Total	25,479,192	27,054,544

27. Finance income and finance costs

(1) Details of finance income and finance costs during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Finance income		
Interest income	2,392,354	812,362
Dividend income	231,342	607,610
Total	2,623,696	1,419,972
Finance expenses		
Interest expenses	64,305,279	39,610,092

(2) The details of financial income and financial expenses incurred from discontinued operations during the current and previous years are as follows.

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Finance income		
Interest income	51,984	90,827
Dividend income	-	289
Total	51,984	91,116
Finance expenses		
Interest expenses	2,905,195	3,628,189

28. Other income and other expenses

(1) Details of other income and other expenses during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Other income		
Reversal of other bad debt expenses	146,441	135,296
Gains on disposal of property, plant and equipment	27,505,892	21,320,696
Gains on investment property disposal	-	137,134
Gains from disposal of right-of-use assets	8,332	(7,478)
Foreign currency translation profit	2,071,847	3,890,522
Foreign exchange profit	5,102,938	5,973,147

Division	Current year	Previous year
Derivatives valuation profit	176,786	1,762,613
Derivatives trading profit	4,315,298	5,395,256
Miscellaneous profit	3,640,116	3,280,917
Total	42,967,650	41,888,103
Other expenses		
Contributions	23,381,018	8,383,420
Other bad debt expenses	694,900	2,832
Loss on disposal of trade receivables	32,773	2,186
Loss on disposal of property, plant, and equipment	2,975,834	11,101,853
Losses on disposal of intangible assets	721	22,723
Impairment loss on intangible assets	8,087,251	149,619
Impairment loss on property, plant and equipment	1,225,888	-
Profit or loss - Impairment loss on fair value measurement financial instruments	-	750,000
Loss on disposal of government bonds	13,552	47,289
Losses on impairment of investment stocks of related companies	-	85,054
Foreign currency translation loss	997,924	3,027,596
Foreign exchange loss	8,073,684	8,762,660
Derivatives trading loss	525,183	1,730,964
Derivatives valuation loss	1,061,373	5,527
Loss on disposal of right-of –use assets	61,726	883
Loss on valuation of financial instruments measured at fair value through profit or loss	-	4,329
Miscellaneous loss	7,048,906	14,860,244
Total	54,180,733	48,937,179

(2) Details of other income and other expenses incurred from discontinued operations during the current and previous years are as follows.

Division	Current year	Previous year
Other income		
Reversal of other bad debt expenses	62	227,010
Gains on disposal of property, plant and equipment	58,894	-
Gains from disposal of right-of-use assets	1,941,995	16,710
Gains on disposal of subsidiary	180,957,335	-
Derivatives valuation profit	1,395,000	1,472,400

Division	Current year	Previous year
Miscellaneous profit	166,716	(24,139)
Total	184,520,002	1,691,981
Other expenses		
Contributions	110,110	113,206
Other bad debt expenses	-	582
Loss on disposal of trade receivables	21,096	137,307
Loss on disposal of property, plant, and equipment	89,430	13,137
Foreign currency translation loss	1,395,000	1,472,400
Loss on disposal of right-of-use assets	-	324
Miscellaneous loss	358,774	1,041,481
Total	1,974,410	2,776,437

29. Corporate tax expenses

(1) Major components of corporate tax expenses for the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Current tax burden	91,254,584	53,081,414
Additional corporate tax payment (refund amount)	4,656,877	(487,517)
Changes in deferred tax due to temporary differences	(5,488,320)	795,160
Deferred tax added directly to equity	4,430,889	(9,991,497)
Corporate tax expenses	94,854,030	43,397,560
Corporate tax expense from continuing operations	43,936,307	37,496,355
Corporate tax expense from discontinued operations	50,917,723	5,901,205

(2) The relationship between accounting profit and corporate tax expenses for the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Net income before tax	314,590,493	171,177,682
Net income before income tax from continuing operations	111,936,154	146,950,236
Net income before income tax expenses from discontinued operations	202,654,339	24,227,446
Tax expense according to applicable tax rate(*1)	87,351,724	61,575,366
Adjustments:		
Effects of non-taxable income/non-deductible expenses	(9,771,259)	(7,780,456)
Unrecognized deferred tax effect	14,858,550	(9,591,648)

Division	Current year	Previous year
Basic deferred corporate tax effect	167,984	-
Tax credit	(729,811)	(1,942,055)
Additional tax payment (refund amount)	4,656,877	(487,515)
Others (effects of changes in tax rates, etc.)	(1,680,035)	1,623,868
Corporate tax expense	94,854,030	43,397,560
Corporate tax expense from continuing operations	43,396,307	37,496,355
Corporate tax expense from discontinued operations	50,917,723	5,901,205
Effective tax rate (income tax expense/net income before corporate tax expense)	30.15%	25.35%

(*1) The applicable tax rate takes into account the corporate tax rate (9% for KRW 200 million or less, 19% for more than KRW 200 million and less than KRW 20 billion, 21% for more than KRW 20 billion) and local income tax rate (corporation tax equivalent) (10% of corporate tax).

(3) Details of changes in deferred tax during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase or decrease	End of the year	Deferred tax assets (liabilities)
Receivable income	(2,849,659)	124,789	(2,724,870)	(629,445)
Temporary filling-up depreciation	(2,129,930)	298,661	(1,831,269)	(423,023)
Advanced depreciation provisions	(22,274,994)	1,610,315	(20,664,679)	(4,773,541)
Loan-loss provisions	62,089,636	472,296	62,561,932	14,451,806
Securities	83,851,653	50,811,674	134,663,327	31,107,229
Property, plant, and equipment	39,550,209	24,444,758	63,994,967	14,782,837
Intangible assets	22,218	5,793,306	5,815,524	1,343,386
Defined benefit liabilities	171,777,379	6,858,492	178,635,871	41,264,886
Foreign currency translation profits and losses	(514)	-	(514)	(118)
Long-term deposit cash installment	345,567	(53,643)	291,924	67,434
Land and investment property revaluation	(125,581,694)	45,469,426	(80,112,268)	(18,505,934)
Long-term prepaid expenses	(431,007)	-	(431,007)	(99,562)
Accrued expenses	6,986,334	1,130,285	8,116,619	1,874,939
Others	70,324,813	(61,875,240)	8,449,573	1,951,851
Accumulated temporary difference Subtotal	281,680,011	75,085,119	356,765,130	82,412,745
Total				82,412,745

Division	Beginning of the year	Increase or decrease	End of the year	Deferred tax assets (liabilities)
Deduction: unrecognized deferred tax assets				(49,496,925)
Deferred tax assets after deduction(liabilities)				32,915,820
Deferred tax assets(liabilities) of subsidiaries				(15,974,032)
Deferred tax assets(liabilities)				16,941,788

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Increase or decrease	End of the year	Deferred tax assets (liabilities)
Receivable income	(2,258,851)	(590,808)	(2,849,659)	(661,121)
Temporary filling-up depreciation	(2,429,566)	299,636	(2,129,930)	(494,144)
Advanced depreciation provisions	(22,621,386)	346,392	(22,274,994)	(5,167,799)
Loan-loss provisions	64,664,428	(2,574,792)	62,089,636	14,404,796
Securities	104,067,927	(20,216,274)	83,851,653	19,453,584
Property, plant, and equipment	43,698,393	(4,148,184)	39,550,209	9,175,649
Intangible assets	71,003	(48,785)	22,218	5,154
Defined benefit liabilities	199,882,662	(28,105,283)	171,777,379	39,852,352
Foreign currency translation profits and losses	(514)	-	(514)	(119)
Long-term deposit cash installment	395,642	(50,075)	345,567	80,172
Land and investment property revaluation	(131,007,257)	5,425,563	(125,581,694)	(29,134,953)
Long-term prepaid expenses	(431,007)	-	(431,007)	(99,994)
Accrued expenses	5,818,142	1,168,192	6,986,334	1,620,829
Others	43,139,536	27,185,277	70,324,813	16,315,357
Accumulated temporary difference Subtotal	302,989,152	(21,309,141)	281,680,011	65,349,763
Total				65,349,763
Deduction: unrecognized deferred tax assets				(34,528,105)
Deferred tax assets after deduction(liabilities)				30,821,658
Deferred tax assets(liabilities) of subsidiaries				(14,118,269)
Deferred tax assets(liabilities)				16,703,389

(4) Income tax effects related to each component of other comprehensive income during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year			Previous year		
	Before reflection	Tax effect	After reflection	Before reflection	Tax effect	After reflection
Re-measurement factors for defined benefit plans	(19,687,633)	4,416,992	(15,270,641)	39,871,708	(9,795,207)	30,076,501
Other comprehensive income- Re-measurement gains on equity instruments measured at fair value	10,814	(3,036)	7,778	(588,389)	95,633	(492,756)
Profit or loss on valuation of cash flow hedging derivatives	(116,980)	27,872	(89,108)	786,159	(291,924)	494,235
Total	(19,793,799)	4,441,828	(15,351,971)	40,069,478	(9,991,498)	30,077,980

(5) Temporary differences that do not recognize tax effects are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year	Due date
Unrecognized temporary differences	328,162,214	149,351,486	-

30. Breakdown of expenses by nature

(1) The breakdown by nature of continuing operations expenses incurred during the current and previous years is as follows.

(Unit: Thousand KRW)

Division	Current year	Previous year
Purchase and change of inventory assets, etc.	530,836,049	506,910,092
Employee benefits	181,561,125	166,666,110
Depreciation	303,524,772	256,578,423
Utility cost	218,221,603	159,952,511
Transport cost	195,324,986	187,951,908
Contract fees	124,730,779	108,888,422
Commission fee	18,283,453	15,776,437
Rental fee	5,680,999	4,415,345
Research expenses	834,837	871,055
Advertising cost	259,794	868,775
Other expenses	106,034,888	105,005,304
Total	1,685,293,285	1,513,884,382

(2) The breakdown by nature of discontinued operations expenses incurred during the current and previous years is as follows:

Division	Current year	Previous year
Purchase and change of inventory assets, etc.	83,390,792	98,473,241
Employee benefits	27,023,151	27,263,677
Depreciation	7,305,349	10,993,148
Utility cost	2,353,347	2,561,268
Transport cost	6,957,141	11,444,215
Contract fees	52,220,806	68,724,736
Commission fee	837,842	1,112,510
Rental fee	403,012	603,519
Research expenses	93,321	100,066
Advertising cost	15,644	15,228
Other expenses	9,353,090	8,995,297
Total	189,953,495	230,286,905

31. Earnings per share

(1) Calculation details of basic earnings per share of the Group during the current year and previous year are as follows:
(Ordinary shares) (Unit: KRW)

Division	Continuing operations	Discontinued operations	Total
Net profit attributable to shareholders of the parent company	67,999,847,391	151,736,615,705	219,736,463,096
Net income from ordinary shares	67,999,847,391	151,736,615,705	219,736,463,096
Weighted-average number of ordinary shares outstanding	498,679,977 share	498,679,977 share	498,679,977 share
Basic earnings per share	136	304	440

(Previous year) (Unit: Share)

Division	Continuing operations	Discontinued operations	Total
Net profit attributable to shareholders of the parent company	109,453,880,686	18,326,242,022	127,780,122,708
Net income from ordinary shares	109,453,880,686	18,326,242,022	127,780,122,708
Weighted-average number of ordinary shares outstanding	502,281,805 share	502,281,805 share	502,281,805 share

Basic earnings per share	218	36	254
--------------------------	-----	----	-----

2) Calculation details of weighted-average number of ordinary shares outstanding for the current year and previous year are as follows:

(Current year)

(Unit: Share)

Division(*1)	Number of shares	Weighted value	Weighted-average number of ordinary shares outstanding
Number of shares outstanding	503,859,595	365/365	503,859,595
Number of treasury shares	(1,577,790)	365/365	(1,577,790)
Acquisition of treasury stock (#1)	(3,585,724)	208/365	(2,039,717)
Acquisition of treasury stock (#2)	(3,663,784)	121/365	(1,219,479)
Acquisition of treasury stock (#3)(*2)	(2,864,475)	44/365	(342,632)
Total of ordinary shares	492,167,822		498,679,977

(*1) During the current period, 5,162,627 shares of treasury stock were canceled as profit.

(*2) As of the end of the current period, the acquisition of treasury stocks is in progress.

(Previous year)

(Unit: Share)

Division	Number of shares	Weighted value	Weighted-average number of ordinary shares outstanding
Number of shares outstanding	503,859,595	365/365	503,859,595
Number of treasury shares	(1,577,790)	365/365	(1,577,790)
Total of ordinary shares	502,281,805		502,281,805

(2) Diluted earnings per share

Diluted earnings per share are calculated by applying the weighted average number of common shares in circulation adjusted assuming that all dilute potential common shares are converted to common shares. The calculation details of earnings per share of common stock during the current and previous year are as follows.

(Current year)

(Unit: Share)

Division	Continuing operations	Discontinued operations	Total
Common stock net income	67,999,847,391	151,736,615,705	219,736,463,096
Net income used to calculate diluted earnings per share	67,999,847,391	151,736,615,705	219,736,463,096
Weighted average number of common shares in circulation used in calculating diluted earnings per share	498,748,141 share	498,748,141 share	498,748,141 share
Diluted earnings per share	136	304	440

(Previous year) (Unit: Share)

Division	Continuing operations	Discontinued operations	Total
Common stock net income	109,453,880,686	18,326,242,022	127,780,122,708
Net income used to calculate diluted earnings per share	109,453,880,686	18,326,242,022	127,780,122,708
Weighted average number of common shares in circulation used in calculating diluted earnings per share	502,281,805 share	502,281,805 share	502,281,805 share
Diluted earnings per share	218	36	254

(*1) As of the end of the prior year, the Company does not have any potential common stock with dilution effect, so diluted earnings per share is the same as basic earnings per share.

Meanwhile, the weighted average number of shares to calculate diluted earnings per share is calculated by adjusting the following from the weighted average number of common shares in circulation used in the calculation of basic earnings per share.

(Current year) (Unit: Share)

Subjects	Current year	Previous year
Weighted average number of common shares in circulation used in the calculation of basic earnings per share	498,679,977	502,281,805
Stock option incremental stock	68,164	-
Weighted average number of common shares in circulation used in calculating diluted earnings per share	498,748,141	502,281,805

32. Financial instruments

(1) Capital risk management

The capital management of the Group aims to maintain our ability to continue as a continuing company and to maximize shareholder returns by minimizing the cost of raising capital. The executives in the Group periodically review the capital structure and maintains an optimal capital structure through long-term and short-term borrowings.

The Group's capital structure consists of net liabilities after deducting cash and cash equivalents from borrowings and equity. The Group's overall capital risk management policy is the same as in the previous year. Meanwhile, details of items the Group manages as capital as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Liabilities(A)	2,060,600,861	2,281,205,119
Capital(B)	1,578,942,444	1,593,140,947
Cash and cash equivalents(C)	138,396,895	14,922,211
Borrowings(D)	1,234,058,046	1,453,252,264

Liability ratio(A/B)	130.51%	143.19%
Net borrowing ratio(D-C)/B	69.39%	90.28%

- (2) The major accounting policies and methods (including recognition and measurement standards, and revenue and expense recognition standards) adopted for each category of financial assets, financial liabilities and equity are the same as in the previous year.
- (3) Carrying amount by category of financial assets and net profit or loss by category

1) Carrying amounts of financial assets by category as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Fair value-current profit or loss financial instruments	Amortized cost measurement financial instrument	Fair value-other comprehensive income	Fair value-hedging instrument derivatives
Cash and cash equivalents	-	84,972,135	-	-
Short-term financial assets	171,258	53,391,992	-	2,092,716
Long-term financial assets	979,166	32,768	533,697	28,774
Trade receivables	-	380,924,143	-	-
Other receivables	-	105,130,209	-	-
Total	1,150,424	624,451,247	533,697	2,121,490

(End of the previous year)

(Unit: Thousand KRW)

Division	Fair value-current profit or loss financial instruments	Amortized cost measurement financial instrument	Fair value-other comprehensive income	Fair value-hedging instrument derivatives
Cash and cash equivalents	-	4,851,580	-	-
Short-term financial assets	129,288	9,978,000	-	2,449,860
Long-term financial assets	1,004,166	92,631	612,880	1,756,030
Trade receivables	-	417,143,927	-	-
Other receivables	-	52,830,955	-	-
Total	1,133,454	484,897,093	612,880	4,205,890

2) Carrying amounts of financial liabilities by category as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Financial liabilities recognized in profit or loss	Amortized cost measurement financial liabilities	Hedging instrument derivatives
Purchase liabilities	-	117,348,017	-
Other payables	20,234	338,645,741	1,910,199
Short-term borrowings	-	337,172,615	-
Long-term borrowings	-	343,203,431	-
Short-term bonds	-	24,982,716	-

Long-term bonds	-	527,818,895	-
Total	20,234	1,689,171,415	1,910,199

(End of the previous year)

(Unit: Thousand KRW)

Division	Financial liabilities recognized in profit or loss	Amortized cost measurement financial liabilities	Hedging instrument derivatives
Purchase liabilities	-	165,401,185	-
Other payables	5,527	320,261,825	11,241
Short-term borrowings	-	231,941,454	-
Long-term borrowings	-	595,964,810	-
Short-term bonds	-	99,685,983	-
Long-term bonds	-	522,228,932	-
Total	5,527	1,935,484,189	11,241

3) Net profit or loss by category of financial assets and financial liabilities during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Revenue			Expenses			Net profit or loss	Other comprehensive profits and loss
	Financial revenue	Other revenue	Sub total	Financial revenue	Other revenue	Sub total		
Financial assets								
Fair value-financial liabilities recognized in profit or loss	4,245	3,105,951	3,110,196	-	(482,534)	(482,534)	2,627,662	7,778
Amortized cost measured financial instruments	1,480,990	5,261,981	6,742,971	-	(3,573,757)	(3,573,757)	3,169,214	-
Fair value-hedging instruments derivatives	-	963,436	963,436	-	(1,028,193)	(1,028,193)	(64,757)	(93,844)
Sub total	1,485,235	9,331,368	10,816,603	-	(5,084,484)	(5,084,484)	5,732,119	(86,066)
Financial liabilities								
Financial liabilities recognized in profit or loss	-	272,614	272,614	-	-	-	272,614	-
Amortized cost measured financial liabilities	-	2,174,923	2,174,923	(64,171,400)	(5,337,477)	(69,508,877)	(67,333,954)	-
Hedge designated derivatives	-	150,079	150,079	-	(75,830)	(75,830)	74,249	4,736
Sub total	-	2,597,616	2,597,616	(64,171,400)	(5,413,307)	(69,584,707)	(66,987,091)	4,736
Total	1,485,235	11,928,984	13,414,219	(64,171,400)	(10,497,791)	(10,497,791)	(61,254,972)	(81,330)

(Previous year)

(Unit: Thousand KRW)

Division	Revenue			Expenses			Net profit or loss	Other comprehensive profits and loss
	Financial revenue	Other revenue	Sub total	Financial revenue	Other revenue	Sub total		
Financial assets								
Fair value-financial liabilities recognized in profit or loss	-	2,317,196	2,317,196	-	(925,274)	(925,274)	1,391,922	-
Amortized cost measured financial instruments	414,539	3,927,893	4,342,432	-	(4,947,061)	(4,947,061)	(604,629)	-

Fair value-Other comprehensive income financial assets	289	-	289	-	-	-	289	(492,756)
Fair value-hedging instruments derivatives	-	5,400,426	6,659,917	-	(414,461)	(414,461)	4,985,965	569,521
Sub total	414,828	11,645,515	12,060,343	-	(6,286,796)	(6,286,796)	5,773,547	76,765
Financial liabilities								
Financial liabilities recognized in profit or loss	-	365,216	365,216	-	(966,162)	(966,162)	(600,946)	-
Amortized cost measured financial liabilities	-	6,632,168	6,632,168	(43,213,299)	(9,064,819)	(52,278,118)	(45,645,950)	-
Hedge designated derivatives	-	547,430	547,430	-	(184,923)	(184,923)	362,507	(75,286)
Sub total	-	7,544,814	7,544,814	(43,213,299)	(10,215,904)	(53,429,203)	(45,884,389)	(75,286)
Total	414,828	19,190,329	19,605,157	(43,213,299)	(16,502,700)	(59,715,999)	(40,110,842)	1,479

(4) Financial risk management

The consolidated entity is exposed to various financial risks such as market risk (foreign exchange risk, interest rate risk, price risk), credit risk, and liquidity risk in relation to financial products. The purpose of risk management of the consolidated entity is to identify potential risks that affect the financial performance of the consolidated entity and reduce, eliminate and avoid them to an acceptable level. The consolidated entity uses derivative financial products to avoid specific risks such as foreign exchange risk.

1) Market risk

The Group is exposed to market risk in which the fair value of financial instruments or future cash flows may fluctuate due to fluctuations in market prices. Market risk consists of foreign exchange risk, interest rate risk and other price risk.

A. Foreign exchange risk

The Group is exposed to exchange rate fluctuations because its transactions are denominated in foreign currencies.

① Foreign currency amounts of major monetary assets and liabilities denominated in foreign currencies as of the end of the current year and the previous year are as follows:

(Foreign currency unit: USD, JPY, AUD)

Division	Foreign currency assets		Foreign currency liabilities	
	End of the current year	End of the previous year	End of the current year	End of the previous year
USD	30,351,042	36,556,557	49,264,771	64,874,702
JPY	150,351,720	215,467,530	21,881,649	48,886,894
EUR	-	-	1,964,961	4,352,453
AUD	-	114,764	-	7,825

② When the KRW exchange rate for each foreign currency fluctuates by 10% as of the end of the current year and the previous year, the effect of exchange rate fluctuations on net income and capital before tax expense is as follows:

(Unit: Thousand KRW)

Division	Foreign currency assets		Foreign currency liabilities	
	10% increase	10% decrease	10% increase	10% decrease
Net profit increase(decrease)	(2,601,806)	2,601,806	(4,008,901)	4,008,901
Increase(decrease) of capital	(2,601,806)	2,601,806	(4,008,901)	4,008,901

The above sensitivity analysis is based on monetary assets and liabilities denominated in a foreign currency other than the functional currency as of the end of the reporting period.

B. Interest rate risk

The Group is exposed to cash flow interest rate risk due to borrowings issued at variable interest rate. The Group internally measures interest rate risk based on a 1% change in the interest rate, and the above rate of change reflects executives' assessment of reasonably possible interest rate change risk.

① Floating rate borrowings of the Group as of the end of the current year and the previous year are as follows:

(Unit: Thousand KRW)

Division	End of the current year	End of the previous year
Short-term borrowings	64,522,615	234,341,454
Long-term borrowings	191,792,044	261,207,610
Total	256,314,659	495,549,064

② The effect of 1% of change in interest rates on net income and capital before deducting tax expenses in relation to variable interest rate loans and bonds as of the current year and the previous year is as follows:

(Unit: Thousand KRW)

Division	End of the current year		End of the previous year	
	1% increase	1% decrease	1% increase	1% decrease
Net profit increase(decrease)	(2,563,147)	2,563,147	(4,955,491)	4,955,491
Increase(decrease) of capital	(2,563,147)	2,563,147	(4,955,491)	4,955,491

Meanwhile, the Group maintains an appropriate balance between fixed and variable interest rate borrowings to manage interest rate risk.

D. Other price risk

The Group is exposed to price fluctuation risk arising from equity instruments. Equity instruments are held for strategic rather than trading purposes. The Group does not actively trade the investment assets.

2) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. The Group transacts with clients with a certain level or higher as a means of mitigating financial loss caused by default and adopts a policy of receiving sufficient collateral. The Group only transacts with companies with credit ratings that are above the investment grade. Such credit information is provided by an independent credit rating agency. When the information provided by the credit rating agency is not available, the Group uses other financial information and transactions that are officially announced and available to determine credit ratings for major clients. The Group is continuously reviewing credit risk exposure and credit ratings of the Company for the clients, and the total amount of these transactions is evenly distributed among approved clients.

Financial assets exposed to the Group credit risk best represent maximum exposure in carrying amount.

3) Liquidity risk

In order to manage liquidity risk, the Group establishes short-term and medium-term fund management plans, continuously analyzes and reviews cash outflow budgets and actual cash outflows to respond to the maturity structure of financial liabilities and financial assets.

Separately, in preparation for liquidity risk, the Group secures trade finance and overdraft limits. In addition, liquidity risk is minimized by matching the procurement period through the use of internal reserves or long-term borrowing when investing in large-scale facilities.

The amount of the contract that has not been discounted as repayment plan for each financial liability as of the end of the current year and the previous year is as follows:

(End of the current year) (Unit: Thousand KRW)

Division	Within 3 months	3months~1year	1year~5years	More than 5years	Total
Trade and other payables	281,785,663	57,761,189	101,926,093	39,360,022	480,832,967
Short-term borrowings	22,520,363	314,652,253	-	-	337,172,616
Short-term bonds	-	25,000,000	-	-	25,000,000
Corporate bonds	-	200,000,000	328,682,000	-	528,682,000
Long-term borrowings	6,958,543	99,959,352	204,751,703	31,533,833	343,203,431
Financial expenses related to borrowings	14,004,592	30,545,968	34,293,601	6,282,985	85,127,146
Total	325,269,161	727,918,762	669,653,397	77,176,840	1,800,018,160

(End of the previous year) (Unit: Thousand KRW)

Division	Within 3 months	3months~1year	1year~5years	More than 5years	Total
Trade and other payables	317,315,135	43,558,141	83,429,457	65,359,031	509,661,764
Short-term borrowings	29,220,327	202,721,127	-	-	231,941,454
Short-term bonds	-	100,000,000	-	-	100,000,000
Corporate bonds	-	173,710,000	350,000,000	-	523,710,000
Long-term borrowings	10,072,990	283,608,636	204,884,324	97,398,860	595,964,810

Financial expenses related to borrowings	13,320,847	26,197,075	40,576,120	4,006,826	84,100,868
Total	369,929,299	829,794,979	678,889,901	166,764,717	2,045,378,896

(5) Transferred financial assets

There are no transferred financial assets that have been transferred but have not been completely derecognized as of the end of the current year and the previous year

(6) Fair value

1) Details of the breakdown of the fair value of financial instruments that are subsequently measured at fair value by level of the fair value hierarchy in the consolidated statement of financial position as of the end of the current year and the previous year are as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Level 1	Level 2	Level 3	Total
Fair value measurement assets				
Derivative assets	-	2,292,748	-	2,292,748
Fair value measurement liabilities				
Derivatives liabilities	-	(1,930,433)	-	(1,930,433)
Total	-	362,315	-	362,315

(End of the previous year)

(Unit: Thousand KRW)

Division	Level 1	Level 2	Level 3	Total
Fair value measurement assets				
Derivative assets	-	4,335,178	-	4,335,178
Fair value measurement liabilities				
Derivatives liabilities	-	(16,768)	-	(16,768)
Total	-	4,318,410	-	4,318,410

There is no significant shift between level 1 and level 2 during the current year and previous year.

2) The executives judge that the carrying amounts of financial assets and financial liabilities measured at amortized cost in the consolidated financial statements are similar to their fair values.

3) The following table describes the valuation techniques used in Level 2 and Level 3 fair value measurement, significant but unobservable inputs, and the relationship between unobservable inputs and fair value measurements.

Division	Fair value				Levels in affair value hierarchy	Valuation Techniques	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement periods
	End of the current year		End of the previous year					
Financial instruments measured at fair value in the consolidated statement of financial position								
Currency swap	Assets	592,958	Assets	3,356,323	Level 2	Discounted cash flows Currency swap is evaluated by calculating the difference between the present value of future cash flows received and the present value of future cash flows paid. The discount rate and forward interest rate used to measure the fair value of currency swaps are determined based on applicable yield curves derived from interest rates announced in the market as of the end of the reporting period.. The fair value of currency swaps is measured by discounting the future cash flows of currency swaps estimated based on the forward interest rate derived by the above method at an appropriate discount rate.	Not applicable.	Not applicable.
	Liabilities	(1,910,199)	Liabilities	(5,082)				
Interest rate swaps	Assets	-	Assets	849,567	Level 2	Discounted cash flows The discount rate and forward interest rate used to measure the fair value of interest rate swaps are determined based on the applicable yield curve derived from the interest rates announced in the market as of the end of the reporting period. The fair value of interest rate swaps is measured by discounting and offsetting the future cash flows of interest rate swaps estimated based on the forward interest rates derived by the above method at an appropriate discount rate.	Not applicable.	Not applicable.
	Liabilities	-	Liabilities	-				
Currency forwards	Assets	1,356,062	Assets	129,288	Level 2	Discounted cash flows The discount rate and forward interest rate used to measure the fair value of currency forwards are determined based on the applicable yield curve derived from the interest rates announced in the market as of the end of the reporting period. The fair value of a currency forward is measured by discounting the future cash flows of a currency forward measured based on the forward interest rate derived by the above method at an appropriate discount rate.	Not applicable.	Not applicable.
	Liabilities	(20,234)	Liabilities	(5,527)				
Futures trading (ship charter fees)	Assets	343,728	Assets	-	Level 2	Discounted cash flows The discount rate and forward interest rate used to measure the fair value of ship charter futures transactions are determined based on the applicable yield curve derived from the interest rates announced in the market as of the end of the reporting period.. The fair value of ship charter futures transactions is measured by discounting the future cash flows of currency forwards estimated based on the forward interest rate derived by the above method at an appropriate discount rate.	Not applicable.	Not applicable.
	Liabilities	-	Liabilities	(6,158)				

4) There are no changes in the financial instruments classified as Level 3 in the consolidated financial statements during the current year and previous year.

5) The Group recognizes movement between levels when an event or change in circumstances occurs that results in the movement between levels. In addition, there was no change in the valuation technique used to measure the fair value of financial instruments classified as Level 2 and Level 3 fair value measurement during the current year.

6) The fair value of financial assets or financial liabilities, which are subject to subsequent measurement at fair value, cannot be measured reliably as of the end of the current year and the previous year. Details of financial assets and financial liabilities for which fair value information has not been disclosed and related carrying amounts are as follows:

(Unit: Thousand KRW)

Division	Details	End of the current year	End of the previous year
Equity securities	Unlisted shares (*1)	1,512,863	1,617,046

(*1) There is no market price disclosed in the active market and fair value cannot be measured reliably.

(7) Reclassification of financial assets

No financial assets have been reclassified due to changes in purpose or use during the current year.

33. Related party transactions

(1) Current status of the Group and its related parties as of the end of the current year is as follows:

Division	Name of company
The largest shareholder	Han&Co Cement Holdings(L.L.C)
Associates	Hankook Remicon Co., Ltd.
	Youngil Remicon Co., Ltd.
	Ssangyong Remicon Co., Ltd.

Transactions between the parent company and its subsidiaries are removed upon consolidation and are not disclosed in the notes.

(2) Details of related party transactions (see separate notes below for fund transactions and equity transactions) during the current year and previous year are as follows:

(Current year)

(Unit: Thousand KRW)

Division	Name of company	Sales	Other sales	Disposal of fixed assets (*2)	Dividend income	Purchase of raw materials	Other purchases
Associates	Hankook Remicon Co., Ltd.	4,880,494	-	-	-	-	-
	Ssangyong Remicon Co., Ltd. (*1)	37,480,965	-	155,664,330	-	-	185,364

(*1) This is the transaction details after the sale of shares.

(*2) Related gains and losses were reflected in income from discontinued operations.

(Previous year)

(Unit: Thousand KRW)

Division	Name of company	Sales	Other sales	Other purchases
Associates	Hankook Remicon Co., Ltd.	3,700,040	-	-

(3) The balance of receivables and liabilities (excluding borrowings and loans) as of the end of the current year and the previous year is as follows:

(End of the current year)

(Unit: Thousand KRW)

Division	Name of company	Receivables		Payables	
		Trade receivables	Other receivables	Trade receivables	Other receivables
Associates	Hankook Remicon Co., Ltd.	380,537	-	-	-
	Ssangyong Remicon Co., Ltd.	50,427,071	210,367	312,450	296,500

(End of the previous year)

(Unit: Thousand KRW)

Division	Name of company	Receivables		Payables	
		Trade receivables	Other receivables	Trade receivables	Other receivables
Associates	Hankook Remicon Co., Ltd.	1,008,437	-	-	-

- (4) During the current year and previous year, there is no details of renal transaction with related parties.
- (5) During the current year and previous year, there is no details of borrowing transactions and equity transactions from related parties
- (6) As of the end of the current year, there are no details of payment guarantees provided by the Group to related parties.
- (7) As of the end of the current year, there are no details of payment guarantees provided by the Group from related parties.
- (8) As of the end of the current year, there are no details of collateral provided to related parties.
- (9) The main executives of the consolidated entity are registered executives who have important authority and responsibility for planning, operating, and controlling the corporate activities of the consolidated entity. The compensation details for the main executives for the current and previous years are as follows.

(Unit: Thousand KRW)

Division	Current year	Previous year
Benefits	1,853,500	4,229,488
Retirement benefits	169,633	368,209
Share-based compensation	-	594,867
Total	2,023,133	5,192,564

34. Consolidated statement of cash flows

- (1) Cash in the consolidated statement of cash flows is the same as cash and cash equivalents in the consolidated statement of financial position.
- (2) Details of income and expenses without cash flow during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Retirement benefits	22,379,396	24,556,292
Depreciation	302,199,856	257,905,342

Division	Current Year	Previous Year
Amortization of intangible assets	10,209,749	9,945,205
Loss on disposal of property, plant, and equipment	3,065,265	11,114,990
Impairment loss on property, plant, and equipment	(27,564,785)	(21,320,696)
Gains on disposal of intangible assets	721	22,723
Gains on disposal of investment property	-	(137,134)
Loss on disposal of right-of-use assets	61,726	1,207
Gains on disposal of right-of-use assets	(1,950,327)	(9,232)
Bad debt expenses	834,260	209,817
Other bad debt expenses	694,900	3,414
Reversal of other bad debt expenses	(146,504)	(362,306)
Loss on disposal of trade receivables	53,869	137,493
Loss on disposal of government bonds	13,552	47,289
Profit or loss - Loss on valuation of financial instruments measured at fair value	-	4,329
Profit or loss - Impairment loss on fair value measurement financial instruments	-	750,000
Impairment loss on property, plant, and equipment	1,225,888	-
Impairment loss on intangible assets	8,087,251	149,619
Interest expenses	67,210,474	43,238,280
Interest income	(2,444,338)	(903,189)
Dividend income	(231,342)	(607,899)
Derivatives valuation loss	1,061,373	5,527
Derivatives valuation profit	(1,571,786)	(3,235,013)
Derivatives trading loss	525,183	1,730,964
Derivatives trading profit	(4,315,298)	(5,395,256)
Foreign currency translation loss	2,392,924	4,499,529
Foreign currency translation profit	(2,071,847)	(3,890,522)
Foreign currency exchange loss	-	2,291,635
Reversal of impairment loss on investment in associates	-	85,054
Gains on disposal of subsidiary	(180,957,335)	-
Operating profit from discontinued operations of subsidiaries	(151,736,616)	-
Recovery Provision Transfer Amount	2,220,265	-
Donation	13,344,893	-
Welfare benefits	662,869	27,329
Share compensation	-	760,877

Division	Current Year	Previous Year
Miscellaneous loss	545,516	22,635
Miscellaneous profit	-	(279,583)
Loss on equity method	-	7,465
Gains on equity method	(717,691)	(174,536)
Tax expenses	94,854,030	43,397,559
Total	157,936,091	364,599,208

(3) Changes in assets and liabilities due to business activities during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current Year	Previous Year
Decrease(Increase) of trade receivables	(57,658,124)	(100,826,295)
Decrease(Increase) of account receivables	2,785,884	3,144,030
Decrease(Increase) of accrued receivables	647,094	309
Decrease(increase) of short-term deposits	-	(355,446)
Decrease(Increase) of derivative assets	5,521,558	1,735,281
Decrease(Increase) of prepayment	2,960,983	(3,954,700)
Decrease(Increase) of prepaid expenses	(172,382)	5,241,709
Decrease (Increase) of prepaid corporate income tax	-	2,132
Decrease(increase) of prepaid value added taxes	-	1,697,404
Decrease(Increase) of other property, plant, and equipment liabilities	1,329,547	247,182
Recovery of lease receivables	419,929	350,095
Decrease(Increase) of inventory assets	24,805,452	(133,002,892)
Decrease(increase) of long-term trade receivables	3,330	121,461
Decrease(increase) of long-term account receivables	-	(49,500)
Decrease(Increase) of long-term deposits	(13,487)	(30,000)
Decrease(Increase) of long-term prepaid expenses	-	24,451
Decrease(Increase) of other non-current assets	-	48,092
Increase(Decrease) of trade payables	25,396,423	41,624,913
Increase(Decrease) of account payables	37,867,693	(28,192,117)
Increase(Decrease) of unpaid expenses	(7,100,591)	(1,014,864)
Increase(Decrease) of value added tax deposit received	1,331,141	259,742
Increase(Decrease) of deposit received	7,620,479	2,805,175
Increase(Decrease) of deposits	(54,000)	(4,372,640)
Increase(Decrease) of lease deposits	-	(1,141,204)

Division	Current Year	Previous Year
Increase(Decrease) of provision liabilities	(15,883)	28,313,083
Increase(Decrease) of derivative liabilities	3	-
Decrease(Increase)emissions certificate	30,181	(52,514)
Increase(Decrease) of advances received	454,952	2,172,949
Increase(Decrease) of prepaid income	(6,849,580)	(17,097,692)
Increase(Decrease) of other long-term liabilities	(60,129)	-
Increase(Decrease) of other property, plant, and equipment liabilities	16,647,496	(1,678,254)
Increase (Decrease) of long-term accounts payable	(1,456)	(8,700)
Increase(Decrease) of long-term unpaid expenses	-	(34,805)
Increase(Decrease) of long term deposits	(324,670)	(71,890)
Increase (Decrease) of other non-current liabilities	(114,719)	-
Increase (Decrease) of net defined benefit liability	(32,186,444)	(14,758,080)
Total	23,270,680	(218,853,585)

(4) Major non-cash transactions that are not included in the consolidated statement of cash flows in the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Liquidity replacement of long-term borrowings	97,401,430	245,025,894
Liquidity replacement of bonds	238,312,395	173,511,694
Main account transfer of assets under construction	158,073,746	244,471,804
Replacement of account payables as property, plant, and equipment	344,256	1,928,290
Replacement of payment of retirement benefits as account payables	-	2,482,891
Increase in right-of-use assets and lease liabilities	125,480,694	164,542,406
Replacement of investment real estate for tangible assets	1,891,989	-
Changes in receivables and payables related to sale of subsidiary stock	51,517,847	-
Replacement of other current assets such as intangible assets	171,456	-
Cancellation of treasury stocks	28,228,498	-
Replacement of donations for tangible assets	13,344,893	-

(5) Reconciliation of liabilities arising from financing activities during the current year and previous year is as follows.

(Current year)

(Unit: Thousand KRW)

Division	Beginning of the year	Cash flow	Non-cash changes				End of the year
			Exchange rate fluctuations	Liquidity replacement	Interest expenses depreciation	Others	
Short-term borrowings	231,941,454	(70,221,003)	(782,116)	-	-	176,234,280	337,172,615
Short-term bonds	99,685,983	(75,025,270)	-	-	322,003	-	24,982,716
Current long-term borrowings	302,140,094	(40,363,323)	1,395,000	97,401,430	-	(242,160,626)	118,412,575
Current bonds	293,824,716	159,200,610	-	(97,401,430)	-	(130,833,040)	224,790,856
Long-term borrowings	175,214,659	(175,346,000)	-	238,312,395	286,559	(38,687,488)	199,780,125
Corporate bonds	347,014,274	218,784,685	(911,851)	(238,312,395)	1,464,056	-	328,038,769
Lease liabilities	194,813,070	(130,149,845)	-	-	8,495,334	124,029,926	197,188,485
Total	1,644,634,250	(113,120,146)	(298,967)	-	10,567,952	(111,416,948)	1,430,366,141

(Previous year)

(Unit: Thousand KRW)

Division	Beginning of the year	Cash flow	Non-cash changes				End of the year
			Exchange rate fluctuations	Liquidity replacement	Interest expenses depreciation	Others	
Short-term borrowings	32,221,081	201,637,403	(1,917,030)	-	-	-	231,941,454
Short-term bonds	-	99,606,260	-	-	79,723	-	99,685,983
Current long-term borrowings	87,538,173	(33,423,973)	-	248,025,894	-	-	302,140,094
Current bonds	450,195,710	90,182,500	1,472,400	(248,025,894)	-	-	293,824,716
Long-term borrowings	173,568,311	(176,008,000)	1,633,324	173,511,694	211,330	2,298,000	175,214,659
Corporate bonds	442,867,779	79,632,124	-	(173,511,694)	1,590,940	(3,564,876)	347,014,273
Derivatives Liabilities	94,410	2,536,266	-	-	(69,272)	(2,561,404)	-
Lease liabilities	114,130,032	(106,702,710)	-	-	4,146,261	183,239,487	194,813,070
Total	1,300,615,496	157,459,870	1,188,694	-	5,958,982	179,411,207	1,644,634,249

35. Greenhouse gas emissions liabilities

(1) Greenhouse gas emissions certificate

1) Greenhouse gas emissions certificate held for the purpose of performance of obligation

① The quantity of free quota emissions certificate for the third planning period (2021~2025) is as follows:

(Unit: ton (tCO₂-eq))

Division	For 2021	For 2022	For 2023	For 2024	For 2025	Total
Free allocation emissions certificate	10,789,419	10,789,419	10,789,419	10,688,369	10,688,369	53,744,995

② Details of emissions certificate and carrying amount during the current year and previous year are as follows:

(Current year)

(Unit: ton (tCO₂-eq)) (Unit: Thousand KRW)

Division	For 2022		For 2023	
	Quantity	Carrying amount	Quantity	Carrying amount
Basic and free allocation	10,789,419	-	10,789,419	-
Carryover from previous year	1,372,732	28,430,608	405,793	4,506,365
Additional allocation	964,061	-	-	-
Swap(purchase)	300,000	3,180,000	-	-
Swap(Disposal)	(1,375,000)	-	(300,000)	-
Purchase	105,000	1,369,000	-	-
Disposal	(982,600)	(30,181)	(203,000)	-
Government submission	(10,767,819)	(28,443,062)	-	-
Carried forward to the next year	(405,793)	(4,506,365)	-	-
End of the year	-	-	10,692,212	4,506,365

(Previous year)

(Unit: ton (tCO₂-eq)) (Unit: Thousand KRW)

Division	For 2022		For 2023	
	Quantity	Carrying amount	Quantity	Carrying amount
Basic and free allocation	10,789,419	-	10,789,419	-
Carryover from previous year	785,273	80,712	1,372,732	28,430,608
Additional allocation	783,961	-	-	-
Swap(purchase)	1,375,000	28,512,500	-	-
Swap(Disposal)	(850,000)	-	(1,375,000)	-
Purchase	2,000	38,200	2,000	30,000
Disposal	(794,515)	-	(980,400)	-
Government submission	(10,718,406)	(200,804)	-	-
Carried forward to the next year	(1,372,732)	(28,430,608)	-	-
End of the year	-	-	9,808,751	28,460,608

③ There are no emissions certificates provided as collateral as of the end of the current year.

2) Greenhouse gas emissions certificate held for short-term trading gains

There are no emissions certificates held for short-term trading gains as of the end of the current year and the previous year.

(2) Emissions liabilities

① The estimated greenhouse gas emission for the current implementation year is 10,756,637 tons (tCO₂-eq).

② Details of the increase or decrease in emission liabilities during the current year and previous year are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Beginning of the year	28,271,606	190,137
Increase (*1)	19,880	28,271,606
Decrease (*2)	(28,271,606)	(190,137)
End of the year	19,880	28,271,606

(*1) . The increase for the current period is the amount recognized as an emissions liability for the shortfall in KAU23 submission obligations.

(*2) The decrease for the current period is due to the submission of KAU22 to the government.

36. Contingent Liabilities and Agreements

(1) Pending litigation

As of the end of the current period, the consolidated entity has been sued and there is a pending litigation case, and a provision of KRW 1,832 million due to the litigation case was recognized.

The consolidated entity plans to respond appropriately to minimize damage as a result of pending litigation.

(2) Guarantees that the Group was provided from others as of the end of the current year are as follows:

(Unit: Thousand KRW, Foreign currency unit: USD)

Guarantee provider	Guarantee amount	Note	Beneficiary
Seoul Guarantee Insurance Co., Ltd.	242,990,660	Contract guarantee and others	Controlling corporation
	417,318		Ssangyong Slag & Materials Co., Ltd.
	100,057		Hankook Slag & Materials Co., Ltd.
	452,873	Waste disposal performance guarantee, etc.	Ssangyong Logistics Co., Ltd.
	-		Daehan Cement Co., Ltd.
	1,768,253		Green Eco cycle Co., Ltd.

	206,520		Green Eco Nexus Co., Ltd.
Korea Mine Rehabilitation and Mineral Resources Corporation	20,115,546	Guarantee for performance of forest restoration obligations	Controlling corporation
KB Kookmin Bank	USD 30,600,000	FRN Floating interest rate bonds	Controlling corporation

(3) As at the end of the current period, there are no details of payment guarantees provided by the Group for others.

(4) Key agreements

1) Agreements with financial institutions

As of the end of the current year, details of the financing agreements that the Group signed with are as follows:

(FKRW unit: KRW thousand, Foreign currency unit: USD, EUR, JPY)

Division	Financial institutions	Limited amount	Used amount
Overdraft agreement	Korea Development Bank etc.	39,500,000	1,700,000
Discount on commercial bill	Shinhan bank, etc.	40,570,000	2,344,800
Revolving facility	Korea Development Bank etc.	23,000,000	820,021
General loans	Korea Development Bank etc.	854,520,098	634,421,431
Trade finance			USD 48,329,578
	Korea Development Bank etc.	USD 90,000,000	EUR 6,810,781
			JPY 7,141,000

2) Sales related agreements

The consolidated entity has entered into a cement supply contract with Ssangyong Remicon Co., Ltd., etc. In addition, the consolidated entity has entered into a contract with Kyungdong Freight Car Co., Ltd., etc. related to cement transportation and packaging, and has obtained and uses a cement-only pier with the Korea Railroad Corporation and the Korea Maritime Port Authority, etc., and is paying usage fees.

3) Other agreements

The Group recorded KRW 54.4 billion in land acquired from Sampyo Cement Co., Ltd. as a long-term loan in accordance with the contract resale agreement, and 4% interest per year is recorded as long-term receivables and financial income according to the contract details.

Furthermore, in accordance with the mine joint development agreement signed with Sampyo Cement Co., Ltd., the Group accounts for limestone mining rights in the joint mining area and the land to be relocated after 2027 are recorded as other intangible assets and long-term advances received, respectively.

The consolidated entity signed a stock pledge establishment contract (6,122,000 shares) for Ssangyong Remicon Co., Ltd. held by Jangwon Remicon Co., Ltd. and seven other companies on September 25 to ensure the fulfillment of the stock purchase claim (23.15%, 3,936,000 shares) for the remaining shares of Ssangyong Remicon Co., Ltd.

Meanwhile, the Company has entered into shareholder agreements (put options, call options) for the remaining 23.15% of shares with Jangwon Remicon and 7 other companies.

(5) Collateral assets

Assets that the Group is providing as collateral to financial institutions in relation to long-term and short-term borrowings as of the end of the current year are as follows:

(Unit: Thousand KRW)

Division	Book amount	Maximum amount of receivables	Financial institutions
Term deposit	49,950,000	1,353,329,131	Korea Development Bank Korea Mine Rehabilitation and Mineral Resources Corporation Nonghyup Bank Co., Ltd Hana Bank Co., Ltd Kookmin Bank Co., Ltd Woori Bank Co., Ltd Shinhan Bank Co., Ltd Industrial Bank of Korea Co., Ltd Hyundai Commercial Co., Ltd
Investment shares in subsidiaries	66,201,055		
Land	356,889,646		
Buildings	197,566,921		
Structure	545,923,904		
Machinery and equipment	637,137,724		
Delivery equipment or vehicles	602,719		
Ships	10,489,467		
Mining rights	3,692,049		
Total	1,868,453,485		

As of the end of the current year, in relation to the provision for forest restoration, a long-term deposit of KRW 20,116 million has been provided to the Korea Mine Rehabilitation and mineral Resources Corporation as a security deposit for forest restoration (see Note 20).

37. Assets held for sale and liabilities

(1) Details of non-current assets held for sale as of the end of the current year and the previous year are as follows.

(2) The changes in the book value of non-current assets held for sale during the previous year are as follows:

(Previous year) (Unit: Thousand KRW)

Division	Beginning of the period	Disposal (*1)	End of the year
Lands held for sale	16,858,415	(16,858,415)	-

(*1)The initial book value of KRW 16,858,415,000 was the Namyangju site, and the appraisal was completed on January 27, 2022, by two appraisal corporations selected by the Central Land Expropriation Committee in accordance with the application for expropriation decision, and based on the decision of the Central Land Expropriation Committee's Expropriation Decision Deliberation Committee on May 12, 2022, land compensation of KRW 32,899,147,000 was received on June 7, '22, and through an objection decision, KRW 546,709,000 of objection decision compensation was received on December 16, 2022, and, on November 23, 2023, it was concluded with the receipt of additional appeal compensation of KRW 2,097,251,000.

38. Discontinued operations

1) Ssangyong Remicon Co., Ltd

On July 28, 2023, the parent company decided to sell 76.85% of its stake in Ssangyong Remicon Co., Ltd., a subsidiary held by the parent company, to improve its financial structure and reorganize its business structure to focus on cement and environmental resource projects, and completed the sale on September 25, 2023.

The previous year's consolidated income statement for comparison has been rewritten to show discontinued operations separated from continuing operations.

(2) Profit and loss from discontinued operations

Details of profit and loss from discontinued operations included in the consolidated income statement for the current and previous years of the consolidated entity are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Revenue	212,915,453	259,135,879
Cost of sales	164,474,303	203,232,361
Selling and administrative expenses	25,479,192	27,054,544
Operating profit	22,961,958	28,848,974
Non-operating profit and loss	179,692,381	(4,621,528)
Profit and loss on disposal of subsidiaries, tangible assets, investment properties	180,926,798	-
Others	(1,234,417)	(4,621,528)
Corporate tax cost	(50,917,723)	(5,901,204)
Corporate taxes related to disposal of subsidiaries,	(47,626,434)	-

tangible assets, and investment properties		
Others	(3,291,289)	(5,901,204)
Profit from discontinued operations	151,736,616	18,326,242
Owner's shares of the controlling company	151,736,616	18,326,242
Non-controlling shares	-	-

3) Cash flow from discontinued operations

The consolidated entity's cash flows related to discontinued operations for the current and previous years are as follows:

(Unit: Thousand KRW)

Division	Current year	Previous year
Net cash flow from operating activities	23,026,269	35,141,120
Net cash flow from investing activities	(158,488,631)	(16,028,801)
Net cash flow from financing activities	133,980,442	(18,010,129)
Total	(1,481,920)	1,102,190

39. Events after the reporting period

At the board of directors meeting on February 2, 2024, the parent company decided to make a stock tender offer with Han & Co. Cement Holdings Co., Ltd., the largest shareholder, for the purpose of incorporation of the largest shareholder into a full subsidiary and voluntary delisting.

The number of stocks subject to the tender offer is 100,254,756, and from February 5, 2024 to March 6, 2024, the parent company plans to purchase up to 47,857,142 shares of common stock, and if the number of applications exceeds this amount, Han & Co Cement Holdings, the largest shareholder, plans to purchase 52,397,614 shares of the remaining tender offer shares. The purchase price per share is KRW 7,000.

As of the base date of March 8, 2024, the parent company purchased 47,857,142 shares, and Han & Co Cement Holdings Ltd. purchased 17,652,862 shares.

For the tender offer, the parent company raised KRW 155 billion in cash and limited borrowings and borrowed KRW 180 billion as a bridge loan from NH Investment & Securities.

Consolidated internal accounting management system audit or review opinion

SsangYong C&E Co., Ltd.

To shareholders and board of directors

Audit opinion on the consolidated internal accounting management system

We have audited the consolidated internal accounting management system of SsangYong C&E Co., Ltd. and its subsidiaries (hereinafter referred to as the “Consolidated Company”) based on the 「Conceptual Framework for Design and Operation of the Internal Accounting Management System」 as of December 31, 2023.

In our opinion, the Consolidated Company’s consolidated internal accounting management system is effectively designed and operated from a materiality perspective in accordance with the 「Conceptual Framework for Design and Operation of the Internal Accounting Management System」 as of December 31, 2023.

We also audited the Consolidated Company’s consolidated statement of financial position as of December 31, 2023 and the consolidated income statement, consolidated income statement, consolidated comprehensive income statement, consolidated capital change statement, and consolidated cash flow statement for the reporting period ending on the same date and notes on consolidated financial statements including important accounting policy information in accordance with the accounting auditing standards of the Republic of Korea, and we expressed an unqualified opinion in the audit report dated March 20, 2024.

Basis for audit opinion on consolidated internal accounting management system

We conducted the audit in accordance with the accounting auditing standards of the Republic of Korea. Our responsibilities under these standards are described in the Auditor’s Responsibilities for the Audit of Consolidated Internal Financial Reporting System section of this auditor’s report. We are independent from the Company in accordance with the ethical requirements of the Republic of Korea related to the audit of the consolidated internal accounting management system and have fulfilled other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to form a basis for our audit opinion.

Responsibility of management and governance body for the consolidated internal accounting management system

Management is responsible for designing, implementing, and maintaining an effective consolidated internal accounting control system, and is responsible for evaluating the effectiveness of the consolidated internal accounting control system included in the consolidated internal accounting control system operation status report. The governance body is responsible for monitoring the consolidated internal accounting management system of the Consolidated Company.

Auditor’s responsibility for auditing the consolidated internal accounting management system

Our responsibility is to express an opinion on the Consolidated Company’s consolidated internal accounting management system based on our audit. We conducted the audit in accordance with the accounting auditing standards of the Republic of Korea. These standards require that we plan and perform the audit to obtain reasonable assurance about whether, in all material respects, the consolidated internal accounting control system is maintained effectively.

An audit of the consolidated internal accounting control system includes performing procedures to obtain audit evidence regarding whether material weaknesses exist. The choice of procedures depends on the auditor’s judgment, including a risk assessment of whether material vulnerabilities exist. The audit includes obtaining an understanding of the consolidated internal accounting control system and testing and evaluating the design and operation of the consolidated internal accounting control system based on the assessed risks.

Definition and inherent limitations of the consolidated internal accounting management system

The Consolidated Company’s consolidated internal accounting management system is implemented by the governance body, management, and other employees, and is a process designed to provide reasonable assurance in preparing reliable consolidated financial statements in accordance with Korean International Financial Reporting Standards. The Consolidated

Company's consolidated internal accounting management system (1) maintains records that accurately and fairly reflect the transactions and disposition of the assets of the company and its subsidiaries at a reasonable level, (2) ensures that transactions are recorded so that consolidated financial statements are prepared in accordance with Korean International Financial Reporting Standards, and provides reasonable assurance that expenditures will be incurred only with the approval of the management and board of directors of the company and its subsidiaries, and (3) includes policies and procedures that provide reasonable assurance in timely preventing and detecting inappropriate acquisition, use and disposition of the assets of the company and its subsidiaries that may have a significant impact on the consolidated financial statements.

The consolidated internal accounting control system may not be able to detect or prevent material misstatements in the consolidated financial statements due to the inherent limitations of the consolidated internal accounting control system. In addition, when estimating the contents of the future period for effectiveness evaluation, there is a risk that the evaluation and estimation contents for the future period may change due to changes in the situation or the consolidated internal accounting management system becoming inadequate due to a change in the situation or failure to comply with the procedure or policy.

The engagement partner who performed the audit that formed the basis of this independent auditor's consolidated internal accounting management system audit report is Seongho Park.

10 Gukjegeumyung-ro, Youngdeungpo-gu, Seoul, Republic of Korea

Deloitte Anjin LLC

CEO Jong Sung Hong

20 March, 2024

This audit report is valid as of the audit report date (March 20, 2024). Therefore, between the date of the audit report and the time of reading this report, events or situations that may have a significant impact on the company's internal accounting management system may occur, and this audit report may be revised as a result.

Internal Accounting Management System Operation Status Report (separate) 2023

External Audit Report

According to 「Act on External Audit of Corporation」 Article 18 Clause 3, external audit report is executed and attached.

1. Audit Target

Company name	FLOTRON CORPORATION LTD.			
Business years of audit target	From	January 1 st , 2023	To	December 31 st , 2023

2. Audit Participants Headcount and Time

Audit attendees No. and time		Quality management reviewer (Psychology, etc.)		Audit work accountant						System audit Taxation Value evaluation Specialist		Experts of winning contracts of construction contracts, etc.		Total	
				Manager (Manager in charge of duty)		Registered CPA		CPA under probation							
				Current term	Previous term	Current term	Previous term	Current term	Previous term						
Input headcount		6	5	1	1	6	9	4	4	14	16	-	-	31	35
Input time	Quarterly Half yearly review	34	11	99	147	766	1,154	686	500	7	18	-	-	1,592	1,830
	Audit	103	99	315	151	3,422	2,858	2,158	1,518	382	239	-	-	6,380	4,865
	Total	137	110	414	298	4,188	4,012	2,844	2,018	389	257	-	-	7,972	6,695

3. Major Audit Contents

Classification	Contents															
Overall audit plan (Audit process stages)	Execution period		2023.04.12~2023.04.14						3	Days						
	Main contents		Determine the scope and timing of audit procedures based on an overall understanding of the Company and industry.													
Field audit main contents	Execution period			Inputted workforce				The performance content of major audit task								
				Settled		Unsettled										
	2023.06.12~2023.07.21		30	days	8	Person	2	Person	Internal accounting management system design evaluation							
	2023.09.11~2023.09.22		10	days	8	Person	2	Person	Operational evaluation #1 of the internal accounting management system							
	2023.11.27~2023.12.22		20	days	8	Person	2	Person	Operational evaluation #2 of the internal accounting management system and interim audit							
2023.04.17~2023.03.13		21	days	8	Person	2	Person	Review and audit of separate and consolidated financial statements, internal accounting audit								
Inventory asset conduction (session)	Conduction (session) period		2023.12.27~29						3	Days						
	Conduction (session) location		Donghae Plant, Yeongwol Plant, and Bukpyeong Plant													
	Conduction (session) target		Inventory assets held by the company, such as products, semi-finished products, raw materials, and stored goods													

Financial asset conduction (session)	Conduction period (session)	2023.12.28, 12.29~2024.01.02		3	day	
	Conduction location (session)	Donghae Plant, Yeongwol Plant, Company Headquarter				
	Conduction target (session)	Confirmation of securities held by the company, such as cash and membership				
External inquiry	Financial transaction inquiry	O	Claim-obligation inquiry	O	Lawyer inquiry	X
	Other inquiry	-				
Communication with dominating organization	No. of communication	4	times			
	Performance period	2023.06.22, 2023.09.27, 2023.12.14, 2024.03.20				
Utilization of external specialist	Content for the utilization of audit	-				
	Performance time	-	-	day		

4. Communication with the Auditor (Audit Committee)

Classification	Date	Participant	Method	Content of major discussion
1	June 22, 2023	Audit Committee: 3 audit committee members Auditor: 1 person other than the executive director	Face-to-face meeting	Matters related to audit contract and audit plan
2	September 27, 2023	Audit Committee: 3 audit committee members Auditor: 1 person other than the executive director	Written meeting	Matters related to audit contract and audit plan
3	December 14, 2023	Audit Committee: 3 audit committee members Auditor: 1 person other than the executive director	Face-to-face meeting	Matters related to audit contract and audit plan
4	March 20, 2023	Audit Committee: 3 audit committee members Auditor: 1 person other than the executive director	Written meeting	Matters related to audit closing