

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated financial statements
for each of the nine-month periods ended September 30,
2025 and 2024
with the independent auditor's review report

Doosan Bobcat Inc. and
its subsidiaries

Doosan Bobcat Inc. and its subsidiaries
Index
September 30, 2025 and 2024 (Unaudited)

Report on review of interim consolidated financial statements

	Page
Interim consolidated financial statements	
Interim consolidated statements of financial position	3
Interim consolidated statements of profit or loss	4
Interim consolidated statements of comprehensive income	5
Interim consolidated statements of changes in equity	6
Interim consolidated statements of cash flows	7
Notes to the interim consolidated financial statements.....	8



Shape the future
with confidence

Ernst & Young Han Young
2-3F, 7-8F, Taeyoung Building, 111, Yeouigongwon-ro,
Yeongdeungpo-gu, Seoul 07241 Korea

Tel: +82 2 3787 6600
Fax: + 82 2 783 5890
ey.com/kr

Report on review of interim consolidated financial statements (English translation of a report originally issued in Korean)

The Shareholders and Board of Directors Doosan Bobcat Inc.

We have reviewed the accompanying interim consolidated financial statements of Doosan Bobcat Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the interim consolidated statement of financial position as of September 30, 2025, and the related interim consolidated statements of profit or loss, interim consolidated statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2025 and 2024, interim consolidated statements of changes in equity and interim consolidated statements of cash flows for each of the nine-month periods ended September 30, 2025 and 2024, and a summary of material accounting policy information and other explanatory information.

Management's responsibility for the interim consolidated financial statements

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

Auditor's responsibility

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

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

Conclusion

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

Other matters

We have audited the consolidated statement of financial position of the Group as of December 31, 2024, and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended (not presented herein) in accordance with KSA, and our report dated March 14, 2025 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2024, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.



November 11, 2025

This review report is effective as of November 11, 2025, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim consolidated financial statements and may result in modification to this review report.

Doosan Bobcat Inc. and its subsidiaries

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

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

Scott Park
Chief Executive Officer
Doosan Bobcat Inc.

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of financial position
as of September 30, 2025 and December 31, 2024

(in thousands of USD)

	Notes	September 30, 2025 (Unaudited)	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	4,5	\$ 1,400,239	\$ 1,263,123
Short-term financial instruments	4,5	5,523	4,896
Trade and other receivables, net	4,5,6,26,34,35	433,313	358,029
Inventories, net	7,34	1,313,260	1,350,329
Derivative assets	4,5,8	556	560
Other current assets	4,5	111,219	75,329
Total current assets		<u>\$ 3,264,110</u>	<u>\$ 3,052,266</u>
Non-current assets			
Long-term financial instruments	4,5	\$ 771	\$ 759
Long-term financial investments	4,5	9,370	8,312
Long-term other receivables, net	4,5,6,26,35	5,009	17,722
Investment in associates	12	10,478	6,874
Property, plant and equipment, net	9,13,34	1,215,896	1,124,224
Intangible assets, net	10,34	3,988,264	3,800,821
Investment properties	11	78,787	75,879
Deferred tax assets	31	44,758	48,533
Long-term derivative assets	4,5,8	-	1,638
Net defined benefit assets	17	8,173	11,297
Other non-current assets	4,5	22,592	21,479
Total non-current assets		<u>\$ 5,384,098</u>	<u>\$ 5,117,538</u>
Total assets		<u>\$ 8,648,208</u>	<u>\$ 8,169,804</u>
Liabilities			
Current liabilities			
Trade and other payables	4,5,14,26,35	\$ 1,361,774	\$ 1,179,182
Short-term borrowings	4,5,15,33,34,36	64,244	85,290
Current portion of long-term borrowings	4,5,15,33,34,36	108,695	34,467
Income tax payable		13,121	49,421
Derivative liabilities	5,8	-	3,220
Lease liabilities	4,5,13,35,36	37,024	34,808
Provisions	18	81,592	85,647
Sales and leaseback liabilities	4,5,16,36	12,578	12,470
Other current liabilities	4,5,26	223,477	193,561
Total current liabilities		<u>\$ 1,902,505</u>	<u>\$ 1,678,066</u>
Non-current liabilities			
Other non-current payables	4,5,14,35	\$ 13,664	\$ 11,645
Bonds	4,5,15,36	49,747	49,635
Long-term borrowings	4,5,15,33,34,36	1,000,801	1,055,181
Net defined benefit liabilities	17	106,558	104,006
Deferred tax liabilities		305,736	269,434
Long-term derivative liabilities	5,8	1,277	1,240
Non-current lease liabilities	4,5,13,35,36	82,199	89,171
Non-current provisions	18	66,697	79,867
Non-current sales and leaseback liabilities	4,5,16,36	38,102	32,812
Other non-current liabilities	26	123,559	108,608
Total non-current liabilities		<u>\$ 1,788,340</u>	<u>\$ 1,801,599</u>
Total liabilities		<u>\$ 3,690,845</u>	<u>\$ 3,479,665</u>
Equity			
Equity attributable to owners of the Parent Company			
Capital stocks	1,19	\$ 43,096	\$ 43,096
Capital surplus	19	1,479,496	1,479,496
Other equity component	20,21	(181,860)	(223,052)
Accumulated other comprehensive loss	22	(179,581)	(428,974)
Retained earnings	23	3,796,212	3,819,573
Total equity		<u>\$ 4,957,363</u>	<u>\$ 4,690,139</u>
Total liabilities and equity		<u>\$ 8,648,208</u>	<u>\$ 8,169,804</u>

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

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of profit or loss
for each of the three-month and nine-month periods ended September 30, 2025 and 2024
(in thousands of USD)

	Notes	Period Ended September 30			
		2025 (Unaudited)		2024 (Unaudited)	
		Three months	Nine months	Three months	Nine months
Sales	24,25,26,35	\$ 1,529,458	\$ 4,540,475	\$ 1,305,542	\$ 4,737,348
Cost of sales	27	(1,209,266)	(3,510,261)	(1,013,266)	(3,603,965)
Gross profit		320,192	1,030,214	292,276	1,133,383
Selling and administrative expenses	27,28	(222,585)	(649,519)	(200,396)	(622,450)
Operating profit		97,607	380,695	91,880	510,933
Non-operating income (expenses)					
Finance income	5,29	8,965	102,726	15,300	91,590
Finance expenses	5,29	(21,739)	(147,312)	(29,993)	(115,215)
Other non-operating income	30,35	861	2,245	596	1,458
Other non-operating expenses	30,35	(9,839)	(19,101)	(7,915)	(18,605)
Gain (loss) on equity method	12	(117)	(322)	130	154
		(21,869)	(61,764)	(21,882)	(40,618)
Profit before income tax expense		75,738	318,931	69,998	470,315
Income tax expense	31	(16,033)	(94,560)	(23,170)	(145,822)
Profit for the period		<u>\$ 59,705</u>	<u>\$ 224,371</u>	<u>\$ 46,828</u>	<u>\$ 324,493</u>
Profit attributable to:					
Owners of the Parent Company		\$ 59,705	\$ 224,371	\$ 46,828	\$ 324,493
Earnings per share	32				
attributable to the owners of the Parent Company					
Basic earnings per share		\$ 0.62	\$ 2.34	\$ 0.47	\$ 3.24
Diluted earnings per share		\$ 0.62	\$ 2.34	\$ 0.47	\$ 3.24

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of comprehensive income
for each of the three-month and nine-month periods ended September 30, 2025 and 2024
(in thousands of USD)

	Period Ended September 30			
	2025 (Unaudited)		2024 (Unaudited)	
	Three months	Nine months	Three months	Nine months
Profit for the period	\$ 59,705	\$ 224,371	\$ 46,828	\$ 324,493
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurements of net defined benefit liabilities	-	-	-	10
Gains on revaluation of property, plant and equipment	-	-	-	1
<i>Items that may be subsequently reclassified to profit or loss</i>				
Gains (losses) on translation of foreign operations	(12,334)	246,457	90,588	7,149
Gains (losses) on valuation of derivatives	(732)	2,952	251	(891)
Share of other comprehensive gains (losses) of associates	18	(16)	-	-
	<u>(13,048)</u>	<u>249,393</u>	<u>90,839</u>	<u>6,269</u>
Total comprehensive income for the period	<u>\$ 46,657</u>	<u>\$ 473,764</u>	<u>\$ 137,667</u>	<u>\$ 330,762</u>
Total comprehensive income for the period attributable to:				
Owners of the Parent Company	\$ 46,657	\$ 473,764	\$ 137,667	\$ 330,762

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated statements of changes in equity for each of the nine-month periods ended September 30, 2025 and 2024

(in thousands of USD)

(in thousands of USD)

	Attributable to owners of the Parent Company					
	Capital stock	Capital surplus	Other equity component	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of January 1, 2024	\$ 43,096	\$ 1,479,496	\$ (180,206)	\$ (247,208)	\$ 3,523,104	\$ 4,618,282
Total comprehensive income:						
Profit for the period	-	-	-	-	324,493	324,493
Gains on remeasurements of net defined benefit liabilities	-	-	-	-	10	10
Gains/Losses on translation of foreign operations	-	-	-	7,149	-	7,149
Losses on valuation of derivatives	-	-	-	(891)	-	(891)
Revaluation surplus of property, plant and equipment	-	-	-	1	-	1
	-	-	-	6,259	324,503	330,762
Capital transactions with owners						
Acquisition of treasury shares	-	-	(2,425)	-	-	(2,425)
Share-based compensation expenses	-	-	1,190	-	-	1,190
Annual dividend	-	-	-	-	(59,967)	(59,967)
Interim dividend	-	-	-	-	(57,832)	(57,832)
	-	-	(1,235)	-	(117,799)	(119,034)
Balance as of September 30, 2024 (unaudited)	\$ 43,096	\$ 1,479,496	\$ (181,441)	\$ (240,949)	\$ 3,729,808	\$ 4,830,010
Balance as of January 1, 2025	\$ 43,096	\$ 1,479,496	\$ (223,052)	\$ (428,974)	\$ 3,819,573	\$ 4,690,139
Total comprehensive income:						
Profit for the period	-	-	-	-	224,371	224,371
Gains on translation of foreign operations	-	-	-	246,457	-	246,457
Gains on valuation of derivatives	-	-	-	2,952	-	2,952
Share of other comprehensive loss of associates	-	-	-	(16)	-	(16)
	-	-	-	249,393	224,371	473,764
Capital transactions with owners						
Acquisition of treasury shares	-	-	(96,594)	-	-	(96,594)
Retirement of treasury shares	-	-	139,045	-	(139,045)	-
Share-based compensation expenses	-	-	(1,259)	-	-	(1,259)
Annual dividend	-	-	-	-	(53,878)	(53,878)
Interim dividend	-	-	-	-	(54,809)	(54,809)
	-	-	41,192	-	(247,732)	(206,540)
Balance as of September 30, 2025 (unaudited)	\$ 43,096	\$ 1,479,496	\$ (181,860)	\$ (179,581)	\$ 3,796,212	\$ 4,957,363

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

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of cash flows
for each of the nine-month periods ended September 30, 2025 and 2024

(in thousands of USD)

	Note	Nine-month periods ended September 30	
		2025 (unaudited)	2024 (unaudited)
Cash flows from operating activities			
Cash generated from operations:	36	\$ 683,217	\$ 385,738
Profit for the period		224,371	324,493
Adjustments		303,471	339,432
Changes in operating assets and liabilities		155,375	(278,187)
Interest received		29,254	37,967
Interest paid		(61,298)	(63,096)
Income tax paid		(117,418)	(191,126)
Net cash flows provided by operating activities		533,755	169,483
Cash flows from investing activities			
Cash inflows from investing activities:			
Disposal of property, plant and equipment		1,608	1,698
Disposal of intangible assets		113	-
Disposal of long-term financial instruments		-	516
Cash inflows from other investing activities		7,148	-
		8,869	2,214
Cash outflows for investing activities:			
Purchase of property, plant and equipment		121,039	149,616
Purchase of intangible asset		51,534	47,002
Purchase of investment properties		44	542
Purchase of investment in associates		3,721	-
Purchase of long-term financial investments		1,052	2,025
Purchase of investment in subsidiaries		117	18,184
		(177,507)	(217,369)
Net cash flows used in investing activities		(168,638)	(215,155)
Cash flows from financing activities			
Cash inflows from financing activities:			
Increase in borrowing		62,154	311,692
Issuance of bonds		-	49,550
Increase in sales and leaseback liabilities		12,474	7,574
		74,628	368,816
Cash outflows for financing activities:			
Repayment of borrowing		86,549	18,947
Payment of dividends		108,687	117,799
Payment of lease liabilities		30,054	26,411
Repayment of sales and leaseback liabilities		15,345	12,487
Acquisition of treasury shares		96,594	2,425
		(337,229)	(178,069)
Net cash flows provided by (used in) financing activities		(262,601)	190,747
Effects of exchange rate changes on cash and cash equivalents		34,600	(1,607)
Net increase in cash and cash equivalents		137,116	143,468
Cash and cash equivalents at the beginning of period		1,263,123	1,085,801
Cash and cash equivalents at the end of period		\$ 1,400,239	\$ 1,229,269

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

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

September 30, 2025 and 2024 (Unaudited)

1. General Information

Doosan Bobcat Inc. ("DBI" or the "Company") was incorporated on April 25, 2014 by being split off from Doosan Infracore Co., Ltd. Main business purposes of the Company are to control and manage its subsidiaries (with the Company, collectively, referred to as the "Group") that manufacture and distribute compact construction equipment mainly in North America, Europe, South America and Asia region.

On November 18, 2016, the Company listed its shares on the securities market established by the Korea Stock Exchange. After several capital increases and capital reductions, the capital stock as of September 30, 2025 is \$ 43,096 thousand.

Doosan Infracore Co., Ltd., the largest shareholder of the Company, was merged into Doosan Enerbility Co., Ltd. by dividing its investment business from the entity on July 1, 2021. As a result, the Company's largest shareholder has been changed to Doosan Enerbility Co., Ltd.

The Company's shareholders as of September 30, 2025 are as follows:

Shareholder	Number of shares owned	Percentages of ownership (%)
Doosan Enerbility Co., Ltd.	46,176,250	48.17
Treasury shares	142,263	0.15
Others	49,537,552	51.68
	95,856,065	100.00

1.1 Consolidated Subsidiaries

Details of the consolidated subsidiaries as of September 30, 2025 and December 31, 2024 are as follows:

Subsidiary	Main business	Location	Ownership interest held by the Group (%)		Fiscal year end
			September 30, 2025	December 31, 2024	
Doosan Bobcat North America Inc.	Manufacturing and sales	USA	100	100	December
Doosan Bobcat North America Inc.'s subsidiaries:					
Doosan Bobcat Canada Ltd.	Sales	Canada	100	100	December
Doosan Bobcat Mexico Monterrey, S. de R.L. de C.V.	Other service	Mexico	100	100	December
Doosan Bobcat EMEA s.r.o	Manufacturing and sales	Czech	100	100	December
Doosan Bobcat EMEA s.r.o's subsidiaries:					
Doosan Bobcat Bensheim GmbH	Sales	Germany	100	100	December
Doosan Bobcat Holdings France S.A.S.	Holdings	France	100	100	December
JSC Doosan International Russia	Sales	Russia	100	100	December
Doosan Bobcat UK Ltd.	Sales	England	100	100	December
Doosan Bobcat South Africa (PTY) Ltd.	Sales	South Africa	100	100	December
Doosan Bobcat France S.A.S	Manufacturing	France	100	100	December
Geith International Ltd.	Sales	Ireland	100	100	December
Doosan Bobcat Belgium B.V.	Sales	Belgium	100	100	December
Doosan Bobcat UK Northampton Ltd.	Sales	England	100	100	December
Doosan Bobcat Germany GmbH	Manufacturing and sales	Germany	100	100	December
Rushlift Ltd.	Rental and sales	England	100	100	December

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

September 30, 2025 and 2024 (Unaudited)

1.1 Consolidated Subsidiaries (cont'd)

Subsidiary	Main business	Location	Ownership interest held by the Group (%)		Fiscal year end
			September 30, 2025	December 31, 2024	
Rushlift GSE Limited ¹	Other service	England	100	100	December
Doosan Bobcat Singapore Pte. Ltd.	Holdings	Singapore	100	100	December
Doosan Bobcat Singapore Pte. Ltd.'s subsidiaries:					
Doosan Bobcat China Co., Ltd.	Manufacturing and sales	China	100	100	December
Doosan Bobcat Korea Co., Ltd. (formerly, Doosan Industrial Vehicle Co., Ltd.) ²	Manufacturing and sales	Korea	100	100	December
Doosan Bobcat Korea Co., Ltd.'s subsidiaries:					
Doosan Bobcat China Yantai Co., Ltd.	Manufacturing and sales	China	100	100	December
Doosan Bobcat India Private Ltd. ³	Manufacturing and sales	India	100	100	March
Doosan Bobcat Japan ³	Sales	Japan	100	100	December
Doosan Bobcat Mexico S.A. de C.V. ³	Other service	Mexico	100	100	December
Doosan Mottrol Co., Ltd. ⁴	Manufacturing and sales	Korea	100	100	December
Doosan Mottrol Co., Ltd.'s subsidiaries:					
Doosan Mottrol China Jiangyin Co., Ltd. ⁴	Manufacturing and sales	China	100	100	December

¹ Newly established during the year ended December 31, 2024.

² During the year ended December 31, 2024, Doosan Industrial Vehicle Co., Ltd. absorbed Doosan Bobcat Korea Co., Ltd. and changed its name to Doosan Bobcat Korea Co., Ltd.

³ During the year ended December 31, 2024, the shares were transferred from Doosan Bobcat Singapore Pte. Ltd. to Doosan Bobcat Korea Co., Ltd.

⁴ During the year ended December 31, 2024, the Group acquired Doosan Mottrol Co., Ltd. and its subsidiary.

1.2 Summarized Financial Information

The summarized financial information of the consolidated subsidiaries as of September 30, 2025 and for the nine-month period ended September 30, 2025 is as follows (in thousands of USD):

	September 30, 2025		Nine-month period ended September 30, 2025		
	Assets	Liabilities	Sales	Profit(loss) for the period	Total comprehensive income
Doosan Bobcat North America, Inc. and its subsidiaries:	\$ 5,541,348	\$ 2,806,912	\$ 3,426,677	\$ 185,826	\$ 185,826
Doosan Bobcat Canada Ltd.	172,293	57,911	218,914	5,194	5,194
Doosan Bobcat EMEA s.r.o. and its subsidiaries:	2,432,310	557,501	995,104	20,242	20,242
Doosan Bobcat France S.A.S.	71,858	34,481	107,166	1,353	1,353
Doosan Bobcat Belgium B.V.	63,135	38,564	104,575	1,028	1,028
Doosan Bobcat Singapore Pte., Ltd. and its subsidiaries:	103,978	44,811	71,356	3,141	3,141
Doosan Bobcat China Co., Ltd.	88,198	44,564	71,356	2,739	2,739
Doosan Bobcat Korea Co., Ltd. and its subsidiaries:	855,452	430,424	759,759	40,607	43,580
Doosan Bobcat India Private Ltd.	134,040	88,708	116,285	4,152	4,152
Doosan Mottrol Co., Ltd. and its subsidiaries:	197,804	42,071	115,857	(3,712)	(3,712)
Doosan Mottrol China Jiangyin Co., Ltd.	61,775	15,703	51,361	(580)	(580)

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

September 30, 2025 and 2024 (Unaudited)

1.3 Changes in Scope of Consolidation

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

Name of subsidiary	Nine-month period ended September 30, 2025	
	Details	Reason
-	-	-

Name of subsidiary	Nine-month period ended September 30, 2024	
	Details	Reason
formerly, Doosan Bobcat Korea Co., Ltd.	Excluded from the consolidation	Merged

2. Material Accounting Policies

The material accounting policies applied in the preparation of these interim consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of Preparation

The Group maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (KIFRS). The accompanying interim consolidated financial statements have been condensed, restructured, and translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The Group's interim consolidated financial statements for the nine-month period ended September 30, 2025 have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim consolidated financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of September 30, 2025.

2.1.1 New and amended standards and interpretations adopted by the Group

The Group has applied the following standards and interpretations for the first time for its annual reporting period commencing January 1, 2025.

- Amendments to KIFRS 1021 - Lack of exchangeability

The amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. When applying the amendments, an entity is not required to restate comparative information.

The amendments did not have a material impact on the Group's interim consolidated financial statements.

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

September 30, 2025 and 2024 (Unaudited)

2.1 Basis of Preparation (cont'd)

2.1.2 New and amended standards and interpretations not yet adopted by the Group

There are no new and amended standards and interpretations issued but not yet adopted by the Group.

2.2 Material Accounting Policies

Material accounting policies and method of computation adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2024, except for the adoption of new and amended standards and interpretations described in Note 2.1.1 and Note below.

2.2.1 Income Tax Expense

Income tax expense for the interim period is recognized based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate is applied to the pre-tax income for the interim period.

3. Material Accounting Estimates and Assumptions

The Group makes estimates and assumptions concerning the future. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. Actual results may differ from these estimates.

Material accounting estimates and assumptions applied in the preparation of these interim consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2024, except for the estimates used to determine income tax expense.

4. Financial Risk Management

4.1 Financial Risk Factors

The Group's financial risk management focuses on improving financial structure and efficiency of liquidity management for stable and consistent financial performance of the Group by minimizing market risk, credit risk and liquidity risk.

The Group's financial risk management activities are mainly carried out by its treasury function, with the cooperation of the Group's other functions, to identify, assess, and hedge financial risks based on financial risk management policies and to monitor potential impacts of financial risks regularly.

4.1.1 Market Risk

(a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities and net investments in foreign entities.

Foreign currency risk is managed based on the Group's policy on foreign currencies and the Group's key strategy for managing this risk is to reduce a volatility of financial results arising from fluctuations in foreign exchange rates.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.1.1 Market Risk (cont'd)

The Group's financial assets and liabilities exposed to foreign exchange risk as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	September 30, 2025				
	USD	EUR	GBP	Others¹	Total
Financial assets	\$ 576,420	\$ 42,247	\$ 33,235	\$ 25,099	\$ 677,001
Financial liabilities	(572,014)	(70,667)	(5,977)	(50,341)	(698,999)
Net financial assets(liabilities)	<u>\$ 4,406</u>	<u>\$ (28,420)</u>	<u>\$ 27,258</u>	<u>\$ (25,242)</u>	<u>\$ (21,998)</u>

	December 31, 2024				
	USD	EUR	GBP	Others¹	Total
Financial assets	\$ 625,048	\$ 59,353	\$ 19,681	\$ 26,559	\$ 730,641
Financial liabilities	(588,733)	(69,710)	(11,030)	(29,438)	(698,911)
Net financial assets(liabilities)	<u>\$ 36,315</u>	<u>\$ (10,357)</u>	<u>\$ 8,651</u>	<u>\$ (2,879)</u>	<u>\$ 31,730</u>

¹ Others are assets and liabilities denominated in foreign currencies other than USD, EUR and GBP.

The table below summarizes the impact of weakened/strengthened functional currency on the Group's profit before income tax expense for the period (in thousands of USD). The analysis is based on the assumption that the functional currency has weakened/strengthened by 10% against the respective foreign currencies above with all other variables held constant.

	Impact on the profit (loss) before income tax estimated for			
	Nine-month period ended		Year ended	
	September 30, 2025		December 31, 2024	
	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate
Profit (loss) before tax	\$ (2,200)	\$ 2,200	\$ 3,173	\$ (3,173)

(b) Interest rate risk

Interest rate risk is defined as the risk that the interest income or expenses arising from deposits and borrowings will fluctuate because of changes in future market interest rate. The interest rate risk mainly arises from floating rate deposits and borrowings.

The Group manages interest rate risk through various activities. These include minimizing external borrowings by utilizing internal fund availability, reducing borrowings with higher interest rates, improving maturity structure of borrowings, maintaining appropriate balance between floating rate and fixed rate, and a regular monitoring of market trend and developing action plans.

Financial assets and liabilities with floating interest rates exposed to interest rate risk as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD). However, financial liabilities invested in derivative products for the purpose of hedging risk of interest fluctuations are excluded (see Note 8).

	September 30, 2025	December 31, 2024
Financial assets	\$ 8,888	\$ 56,767
Financial liabilities	1,155,050	1,151,265
Net financial assets (liabilities)	<u>\$ (1,146,162)</u>	<u>\$ (1,094,498)</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.1.1 Market Risk (cont'd)

The table below summarizes the impact of increases/decreases of interest rate on the Group's profit (loss) before income tax expense for the period. The analysis is based on the assumption that the interest rate has increased/decreased by 1% (100 basis points) with all other variables held constant (in thousands of USD):

	Impact on the profit (loss) before income tax estimated for			
	Nine-month period ended		Year ended	
	September 30, 2025		December 31, 2024	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Profit (loss) before tax	\$ (11,462)	\$ 11,462	\$ (10,945)	\$ 10,945

4.1.2 Credit Risk

Credit risk arises during the normal course of transactions and investing activities where customers or other parties are unable to meet contractual obligations. The Group sets out and monitors credit limits for its customers and counterparts on a periodic basis considering financial conditions, historical experiences and other factors.

Credit risk arises from cash and cash equivalents, derivatives and deposits in banks and financial institutions, as well as the Group's receivables. Main objectives of credit risk management are to efficiently manage credit risk based on the Group's credit policies, to promptly support decision-making processes and to minimize financial losses through safeguarding receivables.

An allowance for doubtful accounts is specifically recognized for the receivables with impairment indicators individually identified. The Group uses the simplified approach to recognize the allowance for lifetime expected credit loss for a group of receivables with similar credit-risk nature that are not individually significant.

Maximum exposures of financial assets of the Group exposed to credit risk as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Cash and cash equivalents	\$ 1,400,239	\$ 1,263,123
Short-term financial instruments ¹	5,523	4,896
Trade and other receivables	433,313	358,029
Long-term financial instruments ²	771	759
Long-term financial investments	9,370	8,312
Long-term other receivables	5,009	17,722
Derivative assets	556	560
Long-term derivative assets	-	1,638
Other assets (current and non-current)	9,026	7,914
	<u>\$ 1,863,807</u>	<u>\$ 1,662,953</u>

¹ Short-term financial instruments include deposits restricted in use in relation to Win-win growth fund.

² Long-term financial instruments include deposits restricted in use in relation to government bids, and deposits pledged as collaterals in relation to sublease deposits.

In addition to the above, the maximum amounts of payment guarantees (refer to Note 33) of the Group upon a guaranteed party's claim based on the guarantee arrangement are exposed to credit risk.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.1.2 Credit Risk (cont'd)

The aging analysis of the Group's trade and other receivables as of September 30, 2025 and December 31, 2024 is as follows (in thousands of USD):

September 30, 2025							
	Individually impaired receivables	Receivables assessed for impairment on a collective basis					Total
		Within due	0-3	3-6	6-12	Over	
			months	months	months	12 months	
Trade receivables	\$ 3,066	\$ 309,062	\$ 81,146	\$ 18,814	\$ 3,252	\$ 4,213	\$ 419,553
Other receivables	6,172	9,915	3,683	783	7	3	20,563
Accrued income	1,961	-	12	-	-	-	1,973
Short-term loans	-	42	-	-	-	-	42
Long-term other receivables	-	4,874	-	-	-	-	4,874
Long-term loans	-	135	-	-	-	-	135
	<u>\$ 11,199</u>	<u>\$ 324,028</u>	<u>\$ 84,841</u>	<u>\$ 19,597</u>	<u>\$ 3,259</u>	<u>\$ 4,216</u>	<u>\$ 447,140</u>

December 31, 2024							
	Individually impaired receivables	Receivables assessed for impairment on a collective basis					Total
		Within due	0-3	3-6	6-12	Over	
			months	months	months	12 months	
Trade receivables	\$ 3,552	\$ 281,540	\$ 45,713	\$ 709	\$ 1,167	\$ 2,781	\$ 335,462
Other receivables	6,053	14,289	6,042	452	-	-	26,836
Accrued income	2,266	-	36	-	-	-	2,302
Short-term loans	79	33	-	-	-	-	112
Long-term other receivables	-	17,571	-	-	-	-	17,571
Long-term loans	-	151	-	-	-	-	151
	<u>\$ 11,950</u>	<u>\$ 313,584</u>	<u>\$ 51,791</u>	<u>\$ 1,161</u>	<u>\$ 1,167</u>	<u>\$ 2,781</u>	<u>\$ 382,434</u>

Receivables with specific impairment indicators such as insolvency and bankruptcy are individually assessed using appropriate allowance rates. A group of financial assets with similar credit risk natures that are not individually significant is assessed on expected credit losses based on aging analysis and the credit risk characteristics.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.1.2 Credit Risk (cont'd)

The aging analysis on the Group's allowance for doubtful accounts for trade and other receivables as of September 30, 2025 and December 31, 2024 is as follows (in thousands of USD):

September 30, 2025							
	Allowance for doubtful accounts for individually impaired receivables	Allowance for doubtful accounts assessed for impairment on a collective basis					Total
		Within due	0-3	3-6	6-12	Over	
			months	months	months	12 months	
Trade receivables	\$ 2,800	\$ 519	\$ 800	\$ 271	\$ 815	\$ 2,533	\$ 7,738
Other receivables	1,012	19	19	29	1	-	1,080
	<u>\$ 3,812</u>	<u>\$ 538</u>	<u>\$ 819</u>	<u>\$ 300</u>	<u>\$ 816</u>	<u>\$ 2,533</u>	<u>\$ 8,818</u>
December 31, 2024							
	Allowance for doubtful accounts for individually impaired receivables	Allowance for doubtful accounts assessed for impairment on a collective basis					Total
		Within due	0-3	3-6	6-12	Over	
			months	months	months	12 months	
Trade receivables	\$ 3,288	\$ 852	\$ 209	\$ 84	\$ 337	\$ 1,849	\$ 6,619
Other receivables	-	-	33	31	-	-	64
	<u>\$ 3,288</u>	<u>\$ 852</u>	<u>\$ 242</u>	<u>\$ 115</u>	<u>\$ 337</u>	<u>\$ 1,849</u>	<u>\$ 6,683</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.1.3 Liquidity Risk

Liquidity risk refers to the risk that the Group may encounter difficulties in meeting its obligations to repay financial liabilities or obtain additional funding for its normal business operation due to liquidity shortage.

The Group secures and maintains the appropriate level of liquidity volume and accordingly manages the liquidity risk in advance by forecasting the projected cash flows from operating, investing and financing activities periodically.

Details of the annual repayment schedule of financial liabilities (except derivatives) as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

September 30, 2025						
	Book value	Contractual nominal cash flows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	\$ 823,978	\$ 823,978	\$ 823,978	\$ -	\$ -	\$ -
Other payables (current and non-current)	551,460	551,460	537,796	8,572	2,361	2,731
Other current liabilities	3,994	3,994	3,994	-	-	-
Borrowings	1,173,740	1,409,744	237,322	67,675	992,219	112,528
Lease liabilities	119,223	130,912	41,357	31,267	53,467	4,821
Bonds	49,747	53,773	2,162	51,611	-	-
Sales and leaseback liabilities	50,680	54,545	13,840	12,522	21,187	6,996
	<u>\$ 2,772,822</u>	<u>\$ 3,028,406</u>	<u>\$ 1,660,449</u>	<u>\$ 171,647</u>	<u>\$ 1,069,234</u>	<u>\$ 127,076</u>

December 31, 2024						
	Book value	Contractual nominal cash flows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	\$ 642,702	\$ 642,702	\$ 642,702	\$ -	\$ -	\$ -
Other payables (current and non-current)	548,124	548,124	536,480	7,168	2,144	2,332
Other current liabilities	3,659	3,659	3,659	-	-	-
Borrowings	1,174,938	1,412,728	180,343	125,157	1,107,228	-
Lease liabilities	123,979	137,704	39,445	30,874	53,503	13,882
Bonds	49,635	55,140	2,056	2,056	51,028	-
Sales and leaseback liabilities	45,282	52,532	15,167	12,233	20,391	4,741
	<u>\$ 2,588,319</u>	<u>\$ 2,852,589</u>	<u>\$ 1,419,852</u>	<u>\$ 177,488</u>	<u>\$ 1,234,294</u>	<u>\$ 20,955</u>

The amounts of financial liabilities by remaining maturity included in the above represent undiscounted contractual nominal cash flows (including interest expenses), assuming the earliest period in which the Group can be required to pay, and therefore differ from the financial liabilities recognized in the consolidated statements of financial position. In addition, apart from the financial liabilities above, the maximum exposure related to the financial guarantees provided by the Group as of September 30, 2025 is discussed in Note 33.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

4.2 Capital Risk Management

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern, so the Group can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the debt-to-equity ratio which is calculated by dividing total liabilities by total equity in the financial statements.

Debt-to-equity ratios as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Debt	\$ 3,690,845	\$ 3,479,665
Equity	4,957,363	4,690,139
Debt-to-equity ratio	<u>74.45%</u>	<u>74.19%</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

5. Financial Instruments by Category

5.1 Carrying Amounts of Financial Instruments by Category

The classification of financial assets and liabilities by category as of September 30, 2025 and December 31, 2024 is as follows (in thousands of USD):

	September 30, 2025				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Other financial assets ¹	Total
Assets:					
Cash and cash equivalents	\$ 1,400,239	\$ -	\$ -	\$ -	1,400,239
Short-term financial instruments	5,523	-	-	-	5,523
Trade and other receivables	399,108	-	34,205	-	433,313
Derivative assets (current and non-current)	-	-	-	556	556
Long-term trade and other receivables	5,009	-	-	-	5,009
Long-term financial instruments	771	-	-	-	771
Long-term financial investments	-	9,370	-	-	9,370
Other assets (current and non-current)	9,026	-	-	-	9,026
	<u>\$ 1,819,676</u>	<u>\$ 9,370</u>	<u>\$ 34,205</u>	<u>\$ 556</u>	<u>\$ 1,863,807</u>

	September 30, 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other financial liabilities ¹	Total
Liabilities:				
Trade and other payables	\$ 1,361,774	\$ -	\$ -	1,361,774
Bonds	49,747	-	-	49,747
Borrowings	1,173,740	-	-	1,173,740
Derivative liabilities (current and non-current)	-	1,127	150	1,277
Sales and leaseback liabilities (current and non-current)	50,680	-	-	50,680
Other current liabilities	3,994	-	-	3,994
Other non-current payables	13,664	-	-	13,664
Financial guarantee liability	-	-	27,930	27,930
Lease liabilities (current and non-current)	-	-	119,223	119,223
	<u>\$ 2,653,599</u>	<u>\$ 1,127</u>	<u>\$ 147,303</u>	<u>\$ 2,802,029</u>

¹ Including lease liabilities that are not subject to the categories of financial liabilities and derivative instruments used for hedging.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

5.1 Carrying Amounts of Financial Instruments by Category (cont'd)

	December 31, 2024				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Other Financial Assets ¹	Total
Assets:					
Cash and cash equivalents	\$ 1,263,123	\$ -	\$ -	\$ -	1,263,123
Short-term financial instruments	4,896	-	-	-	4,896
Trade and other receivables	351,388	-	6,641	-	358,029
Derivative assets (current and non-current)	-	-	-	2,198	2,198
Long-term trade and other receivables	17,722	-	-	-	17,722
Long-term financial instruments	759	-	-	-	759
Long-term financial investments	-	8,312	-	-	8,312
Other assets (current and non-current)	7,914	-	-	-	7,914
	<u>\$ 1,645,802</u>	<u>\$ 8,312</u>	<u>\$ 6,641</u>	<u>\$ 2,198</u>	<u>\$ 1,662,953</u>

	December 31, 2024			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other financial liabilities ¹	Total
Liabilities:				
Trade and other payables	\$ 1,179,182	\$ -	\$ -	1,179,182
Bonds	49,635	-	-	49,635
Borrowings	1,174,938	-	-	1,174,938
Derivative liabilities (current and non-current)	-	1,240	3,220	4,460
Sales and leaseback liabilities (current and non-current)	45,282	-	-	45,282
Other current liabilities	3,659	-	-	3,659
Other non-current payables	11,645	-	-	11,645
Financial guarantee liability	-	-	24,377	24,377
Lease liabilities (current and non-current)	-	-	123,979	123,979
	<u>\$ 2,464,341</u>	<u>\$ 1,240</u>	<u>\$ 151,576</u>	<u>\$ 2,617,157</u>

¹ Including lease liabilities that are not subject to the categories of financial liabilities and derivative instruments used for hedging.

During the nine-month period ended September 30, 2025, there have been no significant changes in the business and economic environment affecting the fair value of the Group's financial assets and liabilities.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

5.2 Fair Value Hierarchy

The fair value hierarchy classifications of the financial instruments that are measured at fair value as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

September 30, 2025				
	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
Financial assets:				
Financial assets at fair value through profit or loss	\$ -	\$ -	\$ 9,370	\$ 9,370
Financial assets at fair value through other comprehensive income	-	34,205	-	34,205
Other financial assets (Hedging derivatives)	-	556	-	556
	<u>\$ -</u>	<u>\$ 34,761</u>	<u>\$ 9,370</u>	<u>\$ 44,131</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss	\$ -	\$ 1,127	\$ -	\$ 1,127
Other financial liabilities (Hedging derivatives)	-	150	-	150
	<u>\$ -</u>	<u>\$ 1,277</u>	<u>\$ -</u>	<u>\$ 1,277</u>
December 31, 2024				
	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
Financial assets:				
Financial assets at fair value through profit or loss	\$ -	\$ -	\$ 8,312	\$ 8,312
Financial assets at fair value through other comprehensive income	-	6,641	-	6,641
Other financial assets (Hedging derivatives)	-	2,198	-	2,198
	<u>\$ -</u>	<u>\$ 8,839</u>	<u>\$ 8,312</u>	<u>\$ 17,151</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss	\$ -	\$ 1,240	\$ -	\$ 1,240
Other financial liabilities (Hedging derivatives)	-	3,220	-	3,220
	<u>\$ -</u>	<u>\$ 4,460</u>	<u>\$ -</u>	<u>\$ 4,460</u>

¹ Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – All inputs other than quoted prices included in level 1 that are observable (either directly that is, prices, or indirectly that is, derived from prices) for the asset or liability.

Level 3 – Unobservable inputs for the asset or liability.

However, financial assets and financial liabilities for which the carrying amount is a reasonable approximation of fair value have been excluded from fair value disclosure.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

5.3 Changes in Fair Value of Level 3 Financial Instruments

Changes in level 3 financial instruments measured at fair value for the nine-month period ended September 30, 2025 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025				
	Beginning	Fair value evaluation	Acquisition	Others ¹	Ending
Financial assets at fair value through profit or loss	\$ 8,312	\$ 1	\$ 1,052	\$ 5	\$ 9,370

¹ Others include effect of foreign exchange translation, etc.

5.4 Net Gains or Losses by Category of Financial Instruments

Net gains or losses of each category of financial instruments for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025					
	Profit(loss) for the period					
	Interest income (expense)	Bad debt expense	Loss on disposal	Gain(loss) on derivatives	Gain on valuation	Other comprehensive income(loss)
Financial assets:						
Financial assets at amortized cost	\$ 28,919	\$ (2,643)	\$ -	\$ -	\$ -	\$ -
Financial assets at fair value through profit or loss	-	-	-	259	1	-
Financial assets at fair value through other comprehensive income	-	-	(4,332)	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	3,684
	<u>\$ 28,919</u>	<u>\$ (2,643)</u>	<u>\$ (4,332)</u>	<u>\$ 259</u>	<u>\$ 1</u>	<u>\$ 3,684</u>
Financial liabilities:						
Financial liabilities at amortized cost	\$ (49,271)	\$ -	\$ (290)	\$ -	\$ -	\$ -
Financial liabilities at fair value through profit or loss	-	-	-	(236)	-	-
Other financial liabilities	(4,089)	-	-	-	-	(240)
	<u>\$ (53,360)</u>	<u>\$ -</u>	<u>\$ (290)</u>	<u>\$ (236)</u>	<u>\$ -</u>	<u>\$ (3,278)</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

5.4 Net Gains or Losses by Category of Financial Instruments (cont'd)

Nine-month period ended September 30, 2024							
	Profit(loss) for the period						Other comprehensive income(loss)
	Interest income (expense)	Bad debt expense	Loss on disposal	Gain(loss) on derivatives	Gain on valuation	Others	
Financial assets:							
Financial assets at amortized cost	\$ 38,038	\$ (2,126)	\$ -	\$ -	\$ -	\$ -	\$ -
Financial assets at fair value through profit or loss	-	-	-	302	1	-	-
Financial assets at fair value through OCI	-	-	(5,280)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	(1,210)
	<u>\$ 38,038</u>	<u>\$ (2,126)</u>	<u>\$ (5,280)</u>	<u>\$ 302</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1,210)</u>
Financial liabilities:							
Financial liabilities at amortized cost	\$ (53,988)	\$ -	\$ (1,606)	\$ -	\$ -	\$ (2,251)	\$ -
Financial liabilities at fair value through profit or loss	-	-	-	(860)	-	-	-
Other financial liabilities	(4,589)	-	-	-	-	(133)	-
	<u>\$ (58,577)</u>	<u>\$ -</u>	<u>\$ (1,606)</u>	<u>\$ (860)</u>	<u>\$ -</u>	<u>\$ (2,384)</u>	<u>\$ -</u>

Other comprehensive income and loss (before tax) stated above resulted solely from cash flow hedge derivatives.

In addition, foreign exchange differences arising from transactions in foreign currencies other than derivative contracts, including gain or loss from foreign exchange translation and transactions, resulted mainly from financial assets at amortized cost and financial liabilities measured at amortized cost.

5.5 Offsetting Financial Assets and Financial Liabilities

The following table presents the recognized financial instruments subject to enforceable master netting arrangements and other similar agreements as of September 30, 2025 (in thousands of USD):

Subject to application of master netting agreement			
	Gross amount of financial instruments recognized	Gross amount of financial instruments set off	Net amounts presented in the statement of financial position
Financial assets:			
Trade receivables	\$ 5,740	\$ (2,381)	\$ 3,359
Other receivables	1,011	(774)	237
	<u>\$ 6,751</u>	<u>\$ (3,155)</u>	<u>\$ 3,596</u>
Financial liabilities:			
Trade payables	\$ (13,206)	\$ 3,155	\$ (10,051)

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

6. Trade and Other Receivables

Trade and other receivables as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	September 30, 2025		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	\$ 419,553	\$ (7,738)	\$ 411,815
Other receivables	20,563	(1,080)	19,483
Accrued income	1,973	-	1,973
Short-term loans	42	-	42
	<u>\$ 442,131</u>	<u>\$ (8,818)</u>	<u>\$ 433,313</u>
Non-current:			
Long-term other receivables	\$ 4,874	\$ -	\$ 4,874
Long-term loans	135	-	135
	<u>\$ 5,009</u>	<u>\$ -</u>	<u>\$ 5,009</u>
December 31, 2024			
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	\$ 335,462	\$ (6,619)	\$ 328,843
Other receivables	26,836	(64)	26,772
Accrued income	2,302	-	2,302
Short-term loans	112	-	112
	<u>\$ 364,712</u>	<u>\$ (6,683)</u>	<u>\$ 358,029</u>
Non-current:			
Long-term other receivables	\$ 17,571	\$ -	\$ 17,571
Long-term loans	151	-	151
	<u>\$ 17,722</u>	<u>\$ -</u>	<u>\$ 17,722</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

6. Trade and Other Receivables (cont'd)

Changes in allowance for doubtful accounts for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025		
	Trade receivables	Other receivables	Total
Beginning balance	\$ 6,619	\$ 64	\$ 6,683
Increase (reversal)	1,638	1,005	2,643
Write-off	(646)	-	(646)
Others	127	11	138
Ending balance	<u>\$ 7,738</u>	<u>\$ 1,080</u>	<u>\$ 8,818</u>

	Nine-month period ended September 30, 2024		
	Trade receivables	Other receivables	Total
Beginning balance	\$ 10,591	\$ 42	\$ 10,633
Increase (reversal)	1,835	178	2,013
Write-off	(3,580)	-	(3,580)
Others	(14)	3	(11)
Ending balance	<u>\$ 8,832</u>	<u>\$ 223</u>	<u>\$ 9,055</u>

Past due receivables are considered impaired. An allowance for doubtful accounts is recognized by applying a specifically established loss allowance ratio for the receivables with impairment indicators individually identified and by using an expected credit loss amount estimated based on credit risk characteristics and past due days for a group of financial assets with similar credit risk natures that are not individually significant. The allowance for doubtful accounts is included in selling and administrative expenses and other non-operating expenses in the consolidated statements of profit or loss.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

7. Inventories

Inventories as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	September 30, 2025		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	\$ 700,162	\$ (52,571)	\$ 647,591
Work in progress	47,076	(28)	47,048
Raw materials	533,900	(37,846)	496,054
Materials in transit	122,567	-	122,567
	<u>\$ 1,403,705</u>	<u>\$ (90,445)</u>	<u>\$ 1,313,260</u>
	December 31, 2024		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	\$ 718,533	\$ (47,332)	\$ 671,201
Work in progress	40,282	(58)	40,224
Raw materials	560,854	(38,288)	522,566
Materials in transit	116,338	-	116,338
	<u>\$ 1,436,007</u>	<u>\$ (85,678)</u>	<u>\$ 1,350,329</u>

The cost of inventories recognized as expense and included in cost of sales for the nine-month period ended September 30, 2025 amounts to \$ 3,164,849 thousand (September 30, 2024: \$ 3,415,092 thousand). Losses on inventory valuation included in cost of sales amount to \$ 4,767 thousand for the nine-month period ended September 30, 2025 (September 30, 2024: \$ 19,422 thousand).

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

8. Derivatives

The Group's derivative contracts are classified as follows:

Purpose	Type of derivative instruments	Description
Cash flow hedge	Foreign currency forward	A contract in order to avoid cash flow risk arising from forecasted sales in foreign currencies
	Foreign currency swap	A contract in order to avoid cash flow risk arising from changes in currency rate and interest rate of forecasted cash flows in foreign currencies
Trading	Interest rate swap	A contract in which an interest rate swap is entered into to avoid risk arising from future interest rate changes but hedge accounting is not applied

Details of the valuation of derivatives as of September 30, 2025 and December 31, 2024 are as follows (in thousands of respective currencies and in thousands of USD):

September 30, 2025						
Buy			Sell			
		Contract exchange rate(won)/ interest rate			Contract exchange rate(won)/ interest rate	
	Currency	Amount		Currency	Amount	
Foreign currency forward	KRW	17,267,700	1,438.98	USD	12,000	1,438.98
Foreign currency swap	USD	50,000	SOFR+1.05%	KRW	68,575,000	4.42%
Interest rate swap	EUR	27,989	3M EURIBOR	EUR	27,989	3.10%

September 30, 2025				
	Derivative assets (liabilities)	Gain on valuation of derivatives	Accumulated other comprehensive income(loss)¹	
Foreign currency forward	\$ 339	\$ -	\$	339
Foreign currency swap	67	-		(1,028)
Interest rate swap	(1,127)	259		-
	\$ (721)	\$ 259	\$	(689)

¹ Presents the amount before taxes.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

8. Derivatives (cont'd)

December 31, 2024						
Buy			Sell			
Currency	Amount	Contract exchange rate(won)/ interest rate	Currency	Amount	Contract exchange rate(won)/ interest rate	
Foreign currency forward	KRW	96,200,290	1,394.21	USD	69,000	1,394.21
Foreign currency swap	USD	50,000	SOFR+1.05%	KRW	68,575,000	4.42%
Interest rate swap	EUR	31,937	3M EURIBOR	EUR	31,937	3.10%

December 31, 2024		
Derivative assets (liabilities)	Loss on valuation of derivatives	Accumulated other comprehensive income (loss) ¹
Foreign currency forward	\$ (3,203)	\$ -
Foreign currency swap	2,181	(1,170)
Interest rate swap	(1,240)	(864)
\$ (2,262)	\$ (864)	\$ (4,373)

¹ Presents the amount before taxes.

Derivatives are classified as non-current assets (liabilities) if their remaining maturities exceed 12 months from the end of the reporting period; otherwise, they are classified as current assets (liabilities).

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

9. Property, Plant and Equipment

Changes in property, plant and equipment for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025								
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	Total	
Beginning	\$ 191,029	\$ 257,906	\$ 359,377	\$ 2,006	\$ 31,980	\$ 159,158	\$ 122,768	\$ 1,124,224	
Acquisition / capital expenditure	-	3,519	29,939	595	2,689	118,490	24,062	179,294	
Disposal / retirements	-	(100)	(1,831)	(221)	(108)	(45)	-	(2,305)	
Depreciation	-	(10,182)	(71,141)	(637)	(9,291)	-	(30,269)	(121,520)	
Others & transfer ¹	11,275	16,740	41,553	210	2,438	(36,715)	702	36,203	
Ending	<u>\$ 202,304</u>	<u>\$ 267,883</u>	<u>\$ 357,897</u>	<u>\$ 1,953</u>	<u>\$ 27,708</u>	<u>\$ 240,888</u>	<u>\$ 117,263</u>	<u>\$ 1,215,896</u>	
Acquisition cost	\$ 202,304	\$ 425,752	\$ 970,806	\$ 7,736	\$ 119,334	\$ 240,981	\$ 235,413	\$ 2,202,326	
Accumulated depreciation	-	(153,881)	(607,507)	(5,775)	(91,208)	-	(118,150)	(976,521)	
Government grants	-	(1,085)	-	-	(4)	(93)	-	(1,182)	
Accumulated impairment losses	-	(2,903)	(5,402)	(8)	(414)	-	-	(8,727)	

¹ Others and transfer include machinery that is transferred through sale and leaseback transactions but recognized as an asset held by the Group as it does not meet the criteria for derecognition.

	Nine-month period ended September 30, 2024							
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	Total
Beginning	\$ 135,613	\$ 235,818	\$ 331,608	\$ 1,995	\$ 34,457	\$ 112,149	\$ 124,760	\$ 976,400
Acquisition / capital expenditure	27,986	1,501	27,083	607	3,453	98,657	26,160	185,447
Disposal / retirements	-	(427)	(1,170)	(93)	(98)	-	-	(1,788)
Depreciation	-	(8,284)	(62,145)	(751)	(9,057)	-	(26,911)	(107,148)
Others & transfer ¹	3,043	13,920	45,620	167	588	(62,921)	(3,855)	(3,438)
Ending	<u>\$ 166,642</u>	<u>\$ 242,528</u>	<u>\$ 340,996</u>	<u>\$ 1,925</u>	<u>\$ 29,343</u>	<u>\$ 147,885</u>	<u>\$ 120,154</u>	<u>\$ 1,049,473</u>
Acquisition cost	\$ 166,642	\$ 377,452	\$ 841,871	\$ 7,140	\$ 96,561	\$ 147,983	\$ 216,704	\$ 1,854,353
Accumulated depreciation	-	(132,463)	(499,897)	(5,215)	(67,204)	-	(96,550)	(801,329)
Government grants	-	(1,145)	(439)	-	(13)	(98)	-	(1,695)
Accumulated impairment losses	-	(1,316)	(539)	-	(1)	-	-	(1,856)

¹ Others and transfer include machinery that is transferred through sale and leaseback transactions but recognized as an asset held by the Group as it does not meet the criteria for derecognition.

After initial recognition, land is measured using a revaluation model. As of September 30, 2025, the carrying amount of land would be \$148,476 thousand if measured based on a cost model.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

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

As of September 30, 2025, certain property, plant and equipment included above are pledged as collateral in relation to the borrowings (see Notes 15 and 34).

The classification of depreciation expenses for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Cost of sales	\$ 97,783	\$ 86,811
Selling and administrative expenses	23,737	20,337
	<u>\$ 121,520</u>	<u>\$ 107,148</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

10. Intangible Assets

Changes in intangible assets for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025					
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	\$ 2,592,213	\$ 962,228	\$ 99,802	\$ 70,842	\$ 75,736	\$ 3,800,821
Internal development	-	-	14,875	-	-	14,875
Acquisition	-	86	-	32,844	1,285	34,215
Disposal/ Retirements	-	(2)	(54)	(12)	(46)	(114)
Amortization	-	(98)	(17,240)	-	(24,461)	(41,799)
Impairment loss	-	-	(2,903)	-	(165)	(3,068)
Reversal of impairment loss	-	-	95	-	-	95
Others & transfer	132,099	40,974	1,727	(62,393)	70,832	183,239
Ending	<u>\$ 2,724,312</u>	<u>\$ 1,003,188</u>	<u>\$ 96,302</u>	<u>\$ 41,281</u>	<u>\$ 123,181</u>	<u>\$ 3,988,264</u>
Acquisition cost	\$ 2,724,312	\$ 1,146,498	\$ 445,606	\$ 41,281	\$ 275,546	\$ 4,633,243
Accumulated amortization and impairment losses	-	(143,310)	(349,304)	-	(152,365)	(644,979)

	Nine-month period ended September 30, 2024					
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	\$ 2,658,320	\$ 985,278	\$ 125,261	\$ 42,624	\$ 54,396	\$ 3,865,879
Internal development	-	-	14,465	-	-	14,465
Acquisition	-	31	-	36,892	1,413	38,336
Disposal/ Retirements	-	-	-	(340)	-	(340)
Amortization	-	(84)	(25,098)	-	(12,443)	(37,625)
Impairment loss	-	-	(3,325)	-	-	(3,325)
Others & transfer	7,598	3,303	(188)	(14,252)	14,320	10,781
Ending	<u>\$ 2,665,918</u>	<u>\$ 988,528</u>	<u>\$ 111,115</u>	<u>\$ 64,924</u>	<u>\$ 57,686</u>	<u>\$ 3,888,171</u>
Acquisition cost	\$ 2,665,918	\$ 1,134,199	\$ 447,076	\$ 64,924	\$ 183,902	\$ 4,496,019
Accumulated amortization and impairment losses	-	(145,671)	(335,961)	-	(126,216)	(607,848)

As of September 30, 2025, the carrying amount of goodwill and other intangible assets with indefinite useful lives included in others above is \$3,728,602 thousand (December 31, 2024: \$3,557,360 thousand).

Some items of intangible assets stated above are pledged as collateral as of September 30, 2025 in connection with the Group's borrowings (see Notes 15 and 34).

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

10. Intangible Assets (cont'd)

Details of development costs as of September 30, 2025 are as follows (in thousands of USD):

		<u>Balance</u>	<u>Remaining amortization year (months)</u>
Compact product development (relating to new models and emission regulations)	Development in progress	\$ 38,306	
	Being amortized	43,358	39
Portable Power product development (relating to new models and emission regulations)	Development in progress	5	
	Being amortized	3,427	24
Forklift product development (relating to new models and emission regulations)	Development in progress	6,727	
	Being amortized	4,479	36
		<u>\$ 96,302</u>	

Classification of impairment losses and reversal of impairment losses on intangible assets for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	<u>Nine-month period ended September 30, 2025</u>	<u>Nine-month period ended September 30, 2024</u>
Other non-operation income	\$ 95	\$ -
Other non-operation expense	3,068	3,325

Impairment losses (reversal) on intangible assets for each of the nine-month periods ended September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	<u>Individual asset</u>	<u>Book value</u>	<u>Accumulated impairment losses</u>	
			<u>September 30, 2025</u>	<u>December 31, 2024</u>
Development costs	Medium Frame GenV and others	\$ -	\$ 4,139	\$ 4,139
	eMEX Shells E32e, E19e and others	75	2,575	2,286
	MEX 1-2T Upgrade	-	5,274	4,623
	CWL PL1 and others	310	2,146	1,988
	Next Generation Display and others	-	2,531	-
	Generators Stage V and others	396	330	-
Industrial property rights	RYAN trademark right	-	4,943	4,943
	STEINER trademark right	-	2,500	2,500
Other intangible assets	Membership	843	162	154
	OEM MES project and others	-	166	-

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

10. Intangible Assets (cont'd)

The classification of amortization expenses for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Cost of sales	\$ 19,456	\$ 27,969
Selling and administrative expenses	22,343	9,656
	<u>\$ 41,799</u>	<u>\$ 37,625</u>

Expenditures on research and development recognized as expenses amount to \$113,443 thousand for the nine-month period ended September 30, 2025 (September 30, 2024: \$116,770 thousand).

11. Investment Properties

Changes in investment properties for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025		
	Land	Building	Total
Beginning	\$ 62,704	\$ 13,175	\$ 75,879
Acquisition / capital expenditure	-	44	44
Depreciation	-	(800)	(800)
Others	3,032	632	3,664
Ending	<u>\$ 65,736</u>	<u>\$ 13,051</u>	<u>\$ 78,787</u>
Acquisition cost	\$ 65,736	\$ 19,119	\$ 84,855
Accumulated depreciation	-	(6,068)	(6,068)

	Nine-month period ended September 30, 2024		
	Land	Building	Total
Beginning	\$ 71,486	\$ 15,595	\$ 87,081
Acquisition / capital expenditure	-	542	542
Depreciation	-	(812)	(812)
Others	(1,636)	(363)	(1,999)
Ending	<u>\$ 69,850</u>	<u>\$ 14,962</u>	<u>\$ 84,812</u>
Acquisition cost	\$ 69,850	\$ 20,270	\$ 90,120
Accumulated depreciation	-	(5,308)	(5,308)

Rental income from investment properties that occurred during the nine-month period ended September 30, 2025 amounts to \$2,381 thousand (September 30, 2024: \$2,558 thousand).

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

September 30, 2025 and 2024 (Unaudited)

12. Investment in Associates

Investments in associates that are accounted for using the equity method as of September 30, 2025 are as follows:

Associates	Principal business activity	Location	Fiscal year end	Percentages of ownership (%)
Ainstein AI, Inc. ¹	Manufacturing of electronic sensing devices and others	USA	December	9.09
Presto Lite Asia Co., Ltd.	Manufacturing of motors and generators	Korea	December	32.31
Doosan New Technology Investment Fund No.1 ²	Other financial investment	Korea	December	19.80

¹ The Group is deemed to have significant influence over the entity as it has the right to make decision in the entity's Board of Directors.

² The Group is deemed to have significant influence over the entity by holding the right to make decisions in the general meeting of the Fund's members.

Details of investments in associates that are accounted for using the equity method as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	Percentages of ownership (%)	September 30, 2025		
		Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	\$ 2,000	\$ 1,955	\$ 77
Presto Lite Asia Co., Ltd.	32.31	2,467	2,708	2,708
Doosan New Technology Investment Fund No. 1	19.80	6,279	5,815	5,815
		<u>\$ 10,746</u>	<u>\$ 10,478</u>	<u>\$ 8,600</u>

	Percentages of ownership (%)	December 31, 2024		
		Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	\$ 2,000	\$ 1,991	\$ 113
Presto Lite Asia Co., Ltd.	32.31	2,467	2,616	2,616
Doosan New Technology Investment Fund No. 1	19.80	2,558	2,267	2,267
		<u>\$ 7,025</u>	<u>\$ 6,874</u>	<u>\$ 4,996</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

12. Investment in Associates (cont'd)

Changes in investments in associates for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

Nine-month period ended September 30, 2025							
	Beginning	Capital injection	Share of profit(loss)	Equity adjustments in equity method	Dividends	Others	Ending
Ainstein AI, Inc.	\$ 1,991	\$ -	\$ (36)	\$ -	\$ -	\$ -	\$ 1,955
Presto Lite Asia Co., Ltd.	2,616	-	(18)	-	(16)	126	2,708
Doosan New Technology Investment Fund No. 1	2,267	3,721	(268)	(16)	-	111	5,815
	<u>\$ 6,874</u>	<u>\$ 3,721</u>	<u>\$ (322)</u>	<u>\$ (16)</u>	<u>\$ (16)</u>	<u>\$ 237</u>	<u>\$ 10,478</u>

Nine-month period ended September 30, 2024				
	Beginning	Share of profit	Others	Ending
Ainstein AI, Inc.	\$ 1,892	\$ 105	\$ -	\$ 1,997
Presto Lite Asia Co., Ltd.	2,822	49	(63)	2,808
	<u>\$ 4,714</u>	<u>\$ 154</u>	<u>\$ (63)</u>	<u>\$ 4,805</u>

The summarized financial information on associates as of September 30, 2025 and for the nine-month period ended September 30, 2025 is as follows (in thousands of USD):

	September 30, 2025		Nine-month period ended September 30, 2025		
	Assets	Liabilities	Sales	Gain(Loss) for the period	Total comprehensive gain(loss)
Ainstein AI, Inc.	\$ 4,375	\$ 3,526	\$ 4,188	\$ (397)	\$ (397)
Presto Lite Asia Co., Ltd.	11,053	2,672	6,882	(55)	(55)
Doosan New Technology Investment Fund No. 1	29,364	-	5	(1,353)	(1,353)

13. Lease

Changes in right-of-use assets for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

Nine-month period ended September 30, 2025							
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	\$ 7,497	\$ 101,273	\$ 6,795	\$ 5,430	\$ 1	\$ 1,772	\$ 122,768
Acquisition	-	18,381	-	1,727	24	3,930	24,062
Depreciation	(162)	(23,593)	(1,801)	(2,977)	(8)	(1,728)	(30,269)
Others	278	260	31	78	(1)	56	702
Ending balance	<u>\$ 7,613</u>	<u>\$ 96,321</u>	<u>\$ 5,025</u>	<u>\$ 4,258</u>	<u>\$ 16</u>	<u>\$ 4,030</u>	<u>\$ 117,263</u>
Acquisition cost	\$ 8,468	\$ 190,957	\$ 13,966	\$ 13,700	\$ 24	\$ 8,298	\$ 235,413
Accumulated depreciation	(855)	(94,636)	(8,941)	(9,442)	(8)	(4,268)	(118,150)

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

13. Lease (cont'd)

	Nine-month period ended September 30, 2024						
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	\$ 3,736	\$ 104,361	\$ 7,211	\$ 6,770	\$ 2	\$ 2,680	\$ 124,760
Acquisition	-	19,573	2,438	3,550	-	599	26,160
Depreciation	(108)	(19,767)	(2,128)	(3,793)	(1)	(1,114)	(26,911)
Others	(101)	(3,391)	(4)	(290)	-	(69)	(3,855)
Ending balance	\$ 3,527	\$ 100,776	\$ 7,517	\$ 6,237	\$ 1	\$ 2,096	\$ 120,154
Acquisition cost	\$ 4,166	\$ 176,482	\$ 13,751	\$ 16,717	\$ 16	\$ 5,572	\$ 216,704
Accumulated depreciation	(639)	(75,706)	(6,234)	(10,480)	(15)	(3,476)	(96,550)

Changes in lease liabilities for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Beginning balance	\$ 123,979	\$ 129,036
Lease payments	(34,143)	(30,999)
Acquisition of right-of-use assets	24,062	24,853
Interest expenses	4,089	4,589
Termination of lease agreement	(3,440)	(5,824)
Foreign exchange differences	4,676	2,713
Ending balance	\$ 119,223	\$ 124,368

The classification of depreciation expenses of lease assets for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Cost of sales	\$ 14,235	\$ 13,643
Selling and administrative expenses	16,034	13,268
	\$ 30,269	\$ 26,911

The maturity profile of lease liabilities as of September 30, 2025 is as follows (in thousands of USD):

	Contractual nominal cash flow				
	Total	Less than 1 year	Less than 2 years	Less than 5 years	More than 5 years
Lease liabilities	\$ 130,912	\$ 41,357	\$ 31,267	\$ 53,467	\$ 4,821

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

13. Lease (cont'd)

The maturity profile of lease liabilities as of December 31, 2024 is as follows (in thousands of USD):

	Contractual nominal cash flow				
	Total	Less than 1 year	Less than 2 years	Less than 5 years	More than 5 years
Lease liabilities	\$ 137,704	\$ 39,445	\$ 30,874	\$ 53,503	\$ 13,882

Expenditures on short-term leases or leases of low-value assets which are not included in the Group's right-of-use assets for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Cost of sales	\$ 295	\$ 191
Selling and administrative expenses	4,272	4,276
	<u>\$ 4,567</u>	<u>\$ 4,467</u>

The total cash outflows for leases for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Lease liabilities	\$ 34,143	\$ 30,999
Lease payments on short-term leases and leases of low-value assets	4,567	4,467
	<u>\$ 38,710</u>	<u>\$ 35,466</u>

14. Trade and Other Payables

Trade and other payables as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	September 30, 2025	December 31, 2024
Current:		
Trade payables	\$ 823,978	\$ 642,702
Other payables	56,082	96,080
Accrued expenses	481,714	440,400
	<u>\$ 1,361,774</u>	<u>\$ 1,179,182</u>
Non-current:		
Other payables	\$ 165	\$ 125
Accrued expenses	8,572	7,168
Leasehold deposits received	4,927	4,352
	<u>\$ 13,664</u>	<u>\$ 11,645</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

15. Borrowings

Bonds as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

Category	Annual interest rate	September 30, 2025	December 31, 2024
Private bonds	SOFR+1.05%	\$ 50,000	\$ 50,000
Subtotal		50,000	50,000
Less: discount on issuance of bonds		(253)	(365)
Total		<u>\$ 49,747</u>	<u>\$ 49,635</u>

Borrowings as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

1) Short-term Borrowings

Lender	Annual interest rate	September 30, 2025	December 31, 2024
SB China	2.70%	\$ 14,037	\$ 13,692
Woori China	2.70%	7,018	4,979
CSOB	-	-	16,420
SB China	2.80%	4,913	4,792
Yes/Sundaram ²	-	2,088	2,263
Hana Bank	6M MOR+1.84%	10,697	20,408
Kookmin Bank	CD 3M+1.74%	14,263	13,605
Woori ¹	CD 3M+1.70%	7,132	6,803
Woori China ¹	LPR 1Y-0.45%	1,404	-
Agricultural	-	-	1,369
Agricultural	-	-	959
Shinhan Bank Japan ¹	Japan ST Prime Lending Rate-0.58%	2,692	-
		<u>\$ 64,244</u>	<u>\$ 85,290</u>

¹ Collateral is provided in relation to this borrowing (see Note 34).

² The Group provides guarantees to financial institutions in relation to the Dealer's default under the Dealer financing agreement. Accordingly, the borrowings are recognized as the requirements for writing off trade receivables are not met.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

15. Borrowings (cont'd)

2) Long-term Borrowings

Lender	Annual interest rate	September 30, 2025	December 31, 2024
Syndicated lenders ¹	3M SOFR+2.00%	\$ 721,739	\$ 727,221
CSOB ¹	EURIBOR+1.40%	117,280	102,627
Mizuho Bank	CD91D+1.50%	28,527	27,211
NongHyup Bank ¹	3M MOR+1.22%	28,527	27,211
Shinhan Bank ¹	CD 3M+1.80%	35,658	34,014
Shinhan Bank Japan	-	-	2,547
Korea Development Bank	3M KDB Bond+1.02%	7,132	-
Syndicated lenders ¹	3M SOFR+1.50%	180,000	180,000
Subtotal		1,118,863	1,100,831
Less: present value discount		(9,367)	(11,183)
		1,109,496	1,089,648
Less: current portion		(108,695)	(34,467)
Total		\$ 1,000,801	\$ 1,055,181

¹ Collateral is provided in relation to this borrowing (see Note 34).

16. Sales and Leaseback Liabilities

Sales and leaseback liabilities as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

Lender	Annual interest rate	September 30, 2025	December 31, 2024
HSBC	3.10%~7.70%	\$ 36,591	\$ 27,537
Investec	7.68%	2,463	3,072
CMF	2.82%~5.16%	678	1,036
Lombard	2.35%~7.50%	10,948	13,637
Subtotal		50,680	45,282
Less: current portion		(12,578)	(12,470)
Total		\$ 38,102	\$ 32,812

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

17. Net Defined Benefit Liabilities

Details of net defined benefit liabilities recognized in the statements of financial position as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	\$ 450,625	\$ 429,388
Fair value of plan assets	(356,591)	(341,030)
Effects of asset ceiling	4,351	4,351
Net defined benefit liabilities	106,558	104,006
Net defined benefit assets	8,173	11,297

The components of retirement benefits presented on the statements of profit or loss for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	<u>September 30, 2025</u>		<u>September 30, 2024</u>	
	<u>Three months</u>	<u>Nine months</u>	<u>Three months</u>	<u>Nine months</u>
Current service cost	\$ 3,631	\$ 10,671	\$ 3,466	\$ 10,683
Past service cost and gains (losses) on settlements	(2,464)	(2,464)	-	-
Net interest cost	1,209	3,627	1,184	3,768
	<u>\$ 2,376</u>	<u>\$ 11,834</u>	<u>\$ 4,650</u>	<u>\$ 14,451</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

18. Provisions

The Group estimates provisions based on expected expenditures required to settle its obligations for product warranty, related after sales service activities, product-related obligations, and litigations, taking into account factors such as warranty period and historical experiences.

Changes in provisions for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

Nine-month period ended September 30, 2025							
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	\$ 138,951	\$ 61,516	\$ (80,310)	\$ 2,775	\$ 122,932	\$ 75,750	\$ 47,182
Product liability	20,695	2,970	(1,830)	-	21,835	4,100	17,735
Litigation	689	247	(204)	(156)	576	576	-
Restructuring	3,299	-	(1,866)	(685)	748	748	-
Others	1,880	434	(250)	134	2,198	418	1,780
	<u>\$ 165,514</u>	<u>\$ 65,167</u>	<u>\$ (84,460)</u>	<u>\$ 2,068</u>	<u>\$ 148,289</u>	<u>\$ 81,592</u>	<u>\$ 66,697</u>

Nine-month period ended September 30, 2024							
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	\$ 151,408	\$ 50,089	\$ (61,483)	\$ (334)	\$ 139,680	\$ 78,664	\$ 61,016
Product liability	23,661	4,690	(3,634)	-	24,717	4,894	19,823
Litigation	1,457	287	(309)	(17)	1,418	1,418	-
Restructuring	768	-	-	8	776	776	-
Others	912	1,427	(356)	16	1,999	202	1,797
	<u>\$ 178,206</u>	<u>\$ 56,493</u>	<u>\$ (65,782)</u>	<u>\$ (327)</u>	<u>\$ 168,590</u>	<u>\$ 85,954</u>	<u>\$ 82,636</u>

19. Capital Stock and Capital Surplus

The Company, DBI, is authorized to issue up to 400,000,000 ordinary shares with a par value of KRW 500 per share. As of September 30, 2025, 95,856,065 ordinary shares are issued out of which 142,263 shares are ordinary shares with restricted voting rights under the Korean Commercial Law. On February 27, 2025, the Company retired 4,393,101 shares of common stock using retained earnings, resulting in a discrepancy between the total par value of the outstanding shares and the paid-in capital as of September 30, 2025.

Changes in capital stock and capital surplus for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Number of shares	Capital stock	Capital surplus		
			Share premium	Other capital surplus	Total
As of January 1, 2025	100,249,166	\$ 43,096	\$ 1,657,374	\$ (177,878)	\$ 1,479,496
As of February 27, 2025	(4,393,101)	-	-	-	-
As of September 30, 2025	95,856,065	\$ 43,096	\$ 1,657,374	\$ (177,878)	\$ 1,479,496

There were no changes in capital stock and other capital surplus during the nine-month period ended September 30, 2024.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

20. Share-based Compensation

The Group has granted share-based compensations to executives of the Group in accordance with the resolution of the board of directors as follows.

	2nd wave
Grant type	Registered common stock of DBI
Granted to	Directors incumbent as of the date of resolution and grant date
Grant date	March 2, 2023
Settlement method	Issuance of treasury shares, cash equivalent to share value ¹
Exercise price	-
Vesting condition	2 or more years of employment after grant
Vesting method	Prorated by the day from January 1 of grant year to December 31 of 2 nd anniversary year from grant
Payment method	Paid at the beginning of 3 rd anniversary year from grant
	3rd wave
Grant type	Registered common stock of DBI
Granted to	Directors incumbent as of the date of resolution and grant date
Grant date	April 29, 2024
Settlement method	Issuance of treasury shares, cash equivalent to share value ¹
Exercise price	-
Vesting condition	2 or more years of employment after grant
Vesting method	Prorated by the day from January 1 of grant year to December 31 of 2 nd anniversary year from grant
Payment method	Paid at the beginning of 3 rd anniversary year from grant
	4th wave
Grant type	Registered common stock of DBI
Granted to	Directors incumbent as of the date of resolution and grant date
Grant date	April 24, 2025
Settlement method	Issuance of treasury shares, cash equivalent to share value ¹
Exercise price	-
Vesting condition	2 or more years of employment after grant
Vesting method	Prorated by the day from January 1 of grant year to December 31 of 2 nd anniversary year from grant
Payment method	Paid at the beginning of 3 rd anniversary year from grant

¹ During the nine-month period ended September 30, 2025, a portion of the share-based compensation originally granted as share-settled was changed to cash-settled.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

20. Share-based Compensation (cont'd)

Equity-settled share-based compensations as of September 30, 2025 and December 31, 2024 are as follows (in shares):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Beginning	154,179	96,490
Granted	15,578	60,467
Canceled	-	(2,778)
Payment ¹	(14,694)	-
Modification ²	(77,083)	-
Ending	<u>77,980</u>	<u>154,179</u>

¹ During the nine-month period ended September 30, 2025, shares granted as the 1st wave of share-based compensations were fully settled.

² During the nine-month period ended September 30, 2025, a portion of the share-based compensations originally granted as share-settled was changed to cash-settled.

Cash-settled share-based compensations as of September 30, 2025 and December 31, 2024 are as follows (in shares):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Beginning	108,774	81,268
Granted ¹	57,964	55,585
Canceled	-	(28,079)
Payment ²	(35,082)	-
Modification ³	77,083	-
Ending	<u>208,739</u>	<u>108,774</u>

¹ As of September 30, 2025, 4,212 shares of cash-settled payments linked to the value of equity shares of the ultimate parent company are included (December 31, 2024: 2,754 shares).

² During the nine-month period ended September 30, 2025, shares granted as the 1st wave of share-based compensations were fully settled.

³ During the nine-month period ended September 30, 2025, a portion of the share-based compensations originally granted as share-settled was changed to cash-settled.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

21. Other Components of Equity

Other components of equity as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Capital adjustment from equity transactions among subsidiaries	\$ 7,700	\$ 7,700
Ordinary shares issued in kind ¹	(186,108)	(186,108)
Treasury shares ^{2,3,4}	(4,828)	(47,279)
Share-based compensation expenses ²	1,376	2,635
	<u>\$ (181,860)</u>	<u>\$ (223,052)</u>

¹ The Group received Doosan Engine's investment in its subsidiaries as an investment in kind before the year ended December 31, 2024. The difference from the reduced book value of non-controlling interests was recognized as other equity item.

² As of September 30, 2025, 142,263 shares are held by the Group for the purpose of share-based compensations.

³ To enhance corporate value, the Group repurchased 1,327,058 treasury shares during the period ended December 31, 2024 and 3,066,043 treasury shares during the nine-month period ended September 30, 2025, respectively, and subsequently retired all 4,393,101 treasury shares on February 27, 2025.

⁴ During the nine-month period ended September 30, 2025, 14,694 shares were granted under the share-based compensation plan.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

22. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

Nine-month period ended September 30, 2025					
	Gain (loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Equity adjustments in equity method	Total
Beginning balance	\$ (440,318)	\$ (3,491)	\$ 14,812	\$ 23	\$ (428,974)
Increase (decrease)	246,457	2,952	-	(16)	249,393
Ending balance	<u>\$ (193,861)</u>	<u>\$ (539)</u>	<u>\$ 14,812</u>	<u>\$ 7</u>	<u>\$ (179,581)</u>

Nine-month period ended September 30, 2024					
	Gain (loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Gain (loss) on valuation of equity instruments at fair value through OCI	Total
Beginning balance	\$ (262,342)	\$ 213	\$ 14,811	\$ 109	\$ (247,209)
Increase (decrease)	7,149	(891)	1	-	6,259
Ending balance	<u>\$ (255,193)</u>	<u>\$ (678)</u>	<u>\$ 14,812</u>	<u>\$ 109</u>	<u>\$ (240,950)</u>

23. Retained Earnings

Details of retained earnings as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

	September 30, 2025	December 31, 2024
Legal reserves	\$ 22,566	\$ 22,566
Retained earnings before appropriation ^{1,2}	3,773,646	3,797,007
	<u>\$ 3,796,212</u>	<u>\$ 3,819,573</u>

¹ The Group repurchased 1,327,058 treasury shares during the year ended December 31, 2024 and 3,066,043 shares during the nine-month period ended September 30, 2025, and subsequently retired all 4,393,101 treasury shares on February 27, 2025.

² During the nine-month period ended September 30, 2025, the parent company has fully paid an annual dividend of USD 53,878 thousand and an interim dividend of USD 26,837, USD 27,972 thousand, respectively.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

24. Segment Information

The Group operates in the following operating segments and its main products are as follows:

Segment	Main products
Construction Equipment	Compact (Skid Steer Loader, Compact Track Loader, Mini Excavator), Portable Power, Material Handling
Hydraulic Equipment	Travel Motor, Swing Motor, Main Pump, Main Control Valve

The information on profit and loss by segment of the Group for the nine-month period ended September 30, 2025 is as follows (in thousands of USD):

	Total sales	Internal sales	Net sales	Operating profit(loss)	Net income
Construction Equipment	\$ 4,431,992	\$ -	\$ 4,431,992	\$ 386,833	\$ 229,367
Hydraulic Equipment	115,857	(7,374)	108,483	(4,440)	(3,686)
Subtotal	4,547,849	(7,374)	4,540,475	382,393	225,681
Consolidation adjustments	(7,374)	7,374	-	(1,698)	(1,310)
	<u>\$ 4,540,475</u>	<u>\$ -</u>	<u>\$ 4,540,475</u>	<u>\$ 380,695</u>	<u>\$ 224,371</u>

For the nine-month period ended September 30, 2024, the Group had a single operating segment, Construction Equipment.

The information on assets and liabilities by segment of the Group as of September 30, 2025 and December 31, 2024 is as follows (in thousands of USD):

	September 30, 2025	
	Assets	Liabilities
Construction Equipment	\$ 8,436,163	\$ 3,649,879
Hydraulic Equipment	212,899	44,721
Subtotal	8,649,062	3,694,600
Consolidation adjustments	(854)	(3,755)
Total	<u>\$ 8,648,208</u>	<u>\$ 3,690,845</u>
	December 31, 2024	
	Assets	Liabilities
Construction Equipment	\$ 7,956,677	\$ 3,432,873
Hydraulic Equipment	213,484	47,284
Subtotal	8,170,161	3,480,157
Consolidation adjustments	(357)	(492)
Total	<u>\$ 8,169,804</u>	<u>\$ 3,479,665</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

24. Segment Information (cont'd)

As of September 30, 2025 and December 31, 2024, the Group's non-current assets by region are as follows (in thousands of USD):

	Non-current assets¹	
	September 30, 2025	December 31, 2024
North America	\$ 1,471,436	\$ 1,384,329
Europe, Middle East and Africa	662,148	606,593
Asia, Latin America and Oceania	425,051	417,790
	<u>\$ 2,558,635</u>	<u>\$ 2,408,712</u>

¹ Non-current assets by region are based on the country where the asset is located. These assets consist of property, plant and equipment, investment property, lease assets and intangible assets (excluding goodwill). The Group classifies cash-generating units (CGUs) into construction equipment and hydraulic equipment, and recognized goodwill of \$ 2,711,058 thousand and \$ 13,254 thousand for each CGU, respectively, as of September 30, 2025.

25. Revenue

Details of revenue for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Revenue from contracts with customers				
By type of goods or services				
- Manufactured products/merchandise	\$ 1,491,452	\$ 4,438,768	\$ 1,246,802	\$ 4,627,664
- Others	18,102	42,182	41,470	55,298
	<u>1,509,554</u>	<u>4,480,950</u>	<u>1,288,272</u>	<u>4,682,962</u>
By timing of recognition				
- Products transferred at a point in time	1,491,452	4,438,768	1,246,802	4,627,664
- Service rendered over time	18,102	42,182	41,470	55,298
	<u>1,509,554</u>	<u>4,480,950</u>	<u>1,288,272</u>	<u>4,682,962</u>
Revenue from other sources				
- Rental income, etc.	19,904	59,525	17,270	54,386
	<u>\$ 1,529,458</u>	<u>\$ 4,540,475</u>	<u>\$ 1,305,542</u>	<u>\$ 4,737,348</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

25. Revenue (cont'd)

Revenue by main products for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Revenue	
	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Compact	\$ 3,494,142	\$ 3,701,057
Portable Power	249,684	251,014
Material Handling	688,166	785,277
Hydraulic Equipment	108,483	-
	\$ 4,540,475	\$ 4,737,348

Revenue by region for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Revenue	
	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
North America	\$ 3,311,301	\$ 3,513,928
Europe, Middle East & Africa	711,021	746,671
Asia, Latin America & Oceania	518,153	476,749
	\$ 4,540,475	\$ 4,737,348

There is no single external customer from whom revenue accounts for 10% or more of the Group's total revenue for each of the nine-month periods ended September 30, 2025 and 2024.

26. Contract Balances

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

	September 30, 2025	December 31, 2024
Trade and other receivables	\$ 419,553	\$ 335,462
Contract liabilities ¹	550,007	550,266

¹ Contract liabilities are included in the trade payables and other payables, other current liabilities and other non-current liabilities.

The contract liabilities primarily related to the advance considerations received from customers for which revenue is recognized on completion of transfer of goods or services.

Among the contract liabilities, \$ 43,031 thousand were recognized as revenue during the nine-month period ended September 30, 2025 (September 30, 2024: \$ 52,419 thousand).

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

27. Expenses by Nature

Expenses classified by nature for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Purchases of inventories (Raw materials & merchandises)	\$ 726,156	\$ 2,402,554	\$ 724,925	\$ 2,796,859
Changes in inventories	65,327	37,069	(27,393)	(221,475)
Employee benefits	208,546	609,928	167,308	544,998
Depreciation and amortization	55,686	164,119	49,693	145,585
Other expenses	376,136	946,110	299,128	960,448
	<u>\$ 1,431,851</u>	<u>\$ 4,159,780</u>	<u>\$ 1,213,661</u>	<u>\$ 4,226,415</u>

28. Selling and Administrative Expenses

Selling and administrative expenses for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Salaries	\$ 69,099	\$ 193,804	\$ 54,588	\$ 177,382
Retirement benefits	2,083	14,662	3,727	10,884
Employee benefits	10,387	28,789	10,767	32,577
Rent	3,858	10,236	3,519	9,763
Depreciation	7,237	20,135	5,670	16,787
Depreciation of investment properties	273	800	276	812
Amortization	7,445	22,343	3,356	9,656
Research and development	37,974	113,443	38,608	116,770
Advertising	23,618	73,155	17,676	60,910
Commission expenses	30,921	85,019	35,217	97,617
Bad debt expenses	1,029	1,638	464	1,835
Insurance expenses	2,587	7,664	1,754	8,786
Others ¹	26,074	77,831	24,774	78,671
	<u>\$ 222,585</u>	<u>\$ 649,519</u>	<u>\$ 200,396</u>	<u>\$ 622,450</u>

¹ Including share-based compensation expenses.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

29. Finance Income and Expenses

Finance income and expenses for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Finance income:				
Interest income	\$ 10,543	\$ 28,919	\$ 11,308	\$ 38,038
Gain on foreign currency transactions	9,950	33,384	8,279	34,190
Gain on foreign currency translation	(11,787)	40,164	(4,185)	19,060
Gain on derivative transactions	-	-	112	302
Gain on valuation of derivative	259	259	(214)	-
	<u>8,965</u>	<u>102,726</u>	<u>15,300</u>	<u>91,590</u>
Finance expenses:				
Interest expenses	(16,785)	(53,391)	(18,684)	(58,577)
Loss on foreign currency transactions	(14,878)	(48,202)	(10,854)	(27,520)
Loss on foreign currency translation	10,204	(41,915)	3,106	(24,268)
Loss on derivative transactions	(146)	(236)	-	-
Loss on valuation of derivative	28	-	(860)	(860)
Loss on repayment of borrowings	(290)	(290)	(1,606)	(1,606)
Loss on financial guarantee	(81)	(240)	(72)	(133)
Others	209	(3,038)	(1,023)	(2,251)
	<u>(21,739)</u>	<u>(147,312)</u>	<u>(29,993)</u>	<u>(115,215)</u>
	<u>\$ (12,774)</u>	<u>\$ (44,586)</u>	<u>\$ (14,693)</u>	<u>\$ (23,625)</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

30. Other Non-operating Income and Expenses

Other non-operating income and expenses for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Other non-operating income:				
Gain on disposal of property, plant and equipment	\$ 4	\$ 122	\$ (4)	\$ 109
Reversal of impairment loss on intangible assets	(333)	95	-	-
Others	1,190	2,028	600	1,349
	<u>861</u>	<u>2,245</u>	<u>596</u>	<u>1,458</u>
Other non-operating expenses:				
Loss on disposal of trade receivables	(3,022)	(4,332)	(2,169)	(5,280)
Other bad debt expenses	(981)	(1,206)	(169)	(291)
Loss on disposal of property, plant and equipment	(196)	(820)	(154)	(198)
Loss on disposal of intangible assets	(1)	(1)	(340)	(340)
Impairment loss on intangible assets	(2,905)	(3,068)	(3,325)	(3,325)
Donations	(768)	(6,814)	(776)	(7,725)
Others	(1,966)	(2,860)	(983)	(1,446)
	<u>(9,839)</u>	<u>(19,101)</u>	<u>(7,916)</u>	<u>(18,605)</u>
	<u>\$ (8,978)</u>	<u>\$ (16,856)</u>	<u>\$ (7,320)</u>	<u>\$ (17,147)</u>

31. Income Tax Expense

Income tax expense is recognized based on the best estimate of the weighted average annual income tax rate expected for full financial year.

The Group is subject to Pillar Two income taxes. However, the Group did not recognize any current income tax expense arising from Pillar Two income taxes because its constituent entities' effective tax rate will be above 15% or the Group may meet the requirements for transitional safe harbour relief in all jurisdictions in which the Group operates.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

32. Earnings Per Share

32.1 Basic Earnings Per Share

Basic earnings per share are computed by dividing profit for the period attributable to owners of the parent company by the weighted average number of ordinary shares outstanding during the period excluding treasury shares.

Earnings per share attributable to owners of the parent company for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are computed as follows (in USD and in shares):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Profit for the period attributable to owners of the Company	\$ 59,705,239	\$ 224,370,818	\$ 46,827,947	\$ 324,493,397
Weighted-average number of ordinary shares outstanding	95,713,802	95,916,203	100,092,209	100,121,604
Basic earnings per share	<u>\$ 0.62</u>	<u>\$ 2.34</u>	<u>\$ 0.47</u>	<u>\$ 3.24</u>

Weighted-average number of shares are computed as follows (in shares):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Number of ordinary shares outstanding	95,713,802	98,765,151	100,092,209	100,152,676
Treasury shares	-	(2,848,948)	-	(31,072)
Weighted-average number of ordinary shares outstanding	<u>95,713,802</u>	<u>95,916,203</u>	<u>100,092,209</u>	<u>100,121,604</u>

32.2 Diluted Earnings Per Share

Diluted earnings per share are computed by dividing profit for the period attributable to owners of the parent company by the adjusted weighted-average number of ordinary shares with the assumption that all convertible securities were converted to common shares.

Diluted earnings per share of owners of the parent company for each of the three-month and nine-month periods ended September 30, 2025 and 2024 are computed as follows (in USD and in shares):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Profit for the period attributable to owners of the Company	\$ 59,705,239	\$ 224,370,818	\$ 46,827,947	\$ 324,493,397
Adjusted weighted-average number of ordinary shares outstanding	95,769,536	95,967,703	100,166,047	100,199,255
Diluted earnings per share	<u>\$ 0.62</u>	<u>\$ 2.34</u>	<u>\$ 0.47</u>	<u>\$ 3.24</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

32. Earnings Per Share (cont'd)

The adjusted weighted-average number of shares for each of the three-month and nine-month periods ended September 30, 2025 and 2024 is computed as follows (in shares):

	September 30, 2025		September 30, 2024	
	Three months	Nine months	Three months	Nine months
Weighted-average number of ordinary shares outstanding	95,713,802	95,916,203	100,092,209	100,121,604
Restricted Stock Unit	55,734	51,500	73,838	77,651
Adjusted weighted-average number of ordinary shares outstanding	95,769,536	95,967,703	100,166,047	100,199,255

Potential ordinary shares as of September 30, 2025 and December 31, 2024 are as follows (in shares):

	September 30, 2025	December 31, 2024
Restricted Stock Unit	77,980	154,179

33. Commitments and Contingencies

33.1 Litigations

As of September 30, 2025, the Group is a defendant in several legal actions arising from the ordinary course of business, including lawsuits related to product liability claims. Provisions are recognized for those cases with a high probability of an outflow of resources expected (see Note 18). For other cases, the assessments have been performed, and it has been concluded that the outcome is uncertain and would not have a material impact on the consolidated financial statements.

33.2 Financial Guarantees and Assets Provided as Collaterals

As of September 30, 2025, guarantees provided by the Group for third parties are as follows (in thousands of USD):

Provided for	Provided to	Amount guaranteed
Doosan Bobcat North America Inc. and others	End customers, etc.	\$ 98,754
Doosan Bobcat EMEA s.r.o. and others	End customers, etc.	2
Doosan Bobcat Korea Co., Ltd. and others	End customers, etc.	20,119
		<u>\$ 118,875</u>

The parent company provides a payment guarantee of \$ 130,000 thousand for supply chain financing contracts entered into by Doosan Bobcat North America Inc. and Doosan Bobcat EMEA, s.r.o, the subsidiaries of the Group.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

33. Commitments and Contingencies (cont'd)

As of September 30, 2025, guarantees received by the Group are as follows (in thousands of USD):

Provided by	Type	Amount guaranteed
Machinery Financial Cooperative	Contracts and defects ¹	\$ 777
Seoul Guarantee Insurance Company	Performance guarantee	736
	Financial guarantee	51,000
Woori Bank	Foreign currency performance guarantee	1,346
CSOB	Payment guarantees	4,318
Other guarantees	Other guarantees	1,947
		\$ 60,124

¹ The Group's share in Machinery Financial Cooperative is provided as collateral as of September 30, 2025.

33.3 Key Commitments

33.3.1 Credit agreement

As of September 30, 2025, the Group has contracts with financial institutions for limit loans of \$ 1,358,886 thousand, including general loans and overdrafts, comprehensive loans of \$ 59,570 thousand, and loans secured by accounts receivables of \$ 31,379 thousand.

33.3.2 Supply Chain Financing commitments

The Group entered into a supplier finance arrangement and \$44,232 thousand is recognized as trade payables in relation thereto as of September 30, 2025.

33.3.3 Other commitments

As of September 30, 2025, the Group has signed a contract with Doosan New Technology Investment Fund No. 1 for a total investment commitment of \$ 14,263 thousand, and the remaining investment commitment amount as of September 30, 2025 is \$ 7,873 thousand.

The Group terminated the lease contract for Bundang Doosan Tower with Doosan Property Co., Ltd. in January 2021, and entered into a new co-lease contract with Doosan Bobcat Korea Co., Doosan Corp., Doosan Enerbility Co., Ltd. and HD Hyundai Infracore Co., Ltd. (formerly, Doosan Infracore Co., Ltd.) for 5 years. As HD Hyundai Infracore Co., Ltd. withdrew from the lease agreement on December 31, 2022, Doosan Enerbility Co., Ltd. succeeded the relevant position and rights and obligations. Unless certain conditions are met, the lease contract will be extended for additional five years under the same conditions. Doosan Bobcat Korea Co., Ltd., a subsidiary of the Group, has agreed to jointly conduct a business of leasing real estate and then sub-leasing it and is jointly obliged to provide the rental obligation as a lessor to the extent of its portion in the business. The Group accounts for the business as joint operations under which it holds the contractual rights to assets and contractual obligations to liabilities to the extent of its share in the business, 9.7%. The Group holds the right to rental income and is obligated to pay the costs for the portion excluding self-use.

Doosan Bobcat Korea Co., Ltd. was merged into Doosan Industrial Vehicle Co., Ltd. on January 1, 2024, and Doosan Industrial Vehicle Co., Ltd. changed its name to Doosan Bobcat Korea Co., Ltd. on the same date.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

33. Commitments and Contingencies (cont'd)

In connection with the business combination that occurred before the year ended December 31, 2024, the Group has succeeded the joint liabilities for financial and operating debts of Doosan Corporation and Doosan Industrial Vehicle Co. Ltd.(currently, Doosan Bobcat Korea Co., Ltd.), and the Group believes that the possibility of outflow of resources is low.

34. Assets Provided as Collaterals

Details of the assets provided as collaterals as of September 30, 2025 are as follows (in thousands of USD):

	Doosan Bobcat North America Inc.	Doosan Bobcat EMEA s.r.o	Doosan Bobcat Korea Co., Ltd. etc.	Doosan Mottrol Co., Ltd.
Agreement details	Borrowings and credit limit agreements	Borrowings and credit limit agreements	Borrowings and credit limit agreements	Borrowings and credit limit agreements
Agreement limit amount	\$ 1,930,875	\$ 187,648	\$ 81,140	\$ 8,536
Assets provided as collateral	All equity shares of Doosan Bobcat North America Inc., certain property, plant and equipment, intangible assets and others of Doosan Bobcat North America Inc.	Accounts receivable and inventory, etc.	Property, plant and equipment	Property, plant and equipment
Collateral value	\$ 2,568,594	\$ 331,815	\$ 111,548	\$ 16,980
Nominal amount of borrowing	\$ 901,739	\$ 117,280	\$ 66,877	\$ 8,536

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

35. Related Party Transactions

The Group's related party disclosures for each of the nine-month periods ended September 30, 2025 and 2024 are as follows:

Relationship		Name
Ultimate parent		Doosan Corp.
Immediate parent		Doosan Enerbility Co., Ltd.
Associates		Ainstein AI, Inc.
		Presto Lite Asia Co., Ltd.
		Doosan New Technology Investment Fund No.1
Others	Subsidiary of the parent company	Doosan Digital Innovation America, LLC.
		Doosan Information & Communications Beijing Co., Ltd.
		Doosan Digital Innovation Europe Limited
		Oricom Inc.
		Doosan Business Research Institute
		Doosan Cuvex Co., Ltd., etc.
	Associate of the parent company	Bundang Doosan Tower Reit Co., Ltd., etc.
	Others ¹	Chung-Ang University,
		Chung-Ang University Hospital,
		Doosan Credit Unit
		Doosan Yonkang Foundation, etc.

¹ Certain entities are not classified as the related parties under KIFRS 1024, but included in Others above as they belong to the same large-scale business group as defined under the Monopoly Regulation and Fair Trade Act.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

35. Related Party Transactions (cont'd)

Significant transactions with the related parties for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

		Nine-month period ended September 30, 2025					Purchases of investment properties & fixed asset
Relationship	Related party	Sales	Other income	Purchase	Other expense		
Ultimate parent	Doosan Corp.	\$ 3,038	\$ -	\$ -	\$ 30,497	\$	1,185
Associate	Ainstein AI, Inc.	-	-	-	30		-
	Presto Lite Asia Co., Ltd	-	33	3,546	-		-
		-	33	3,546	30		-
Others	Doosan Digital Innovation America, LLC	4	-	-	41,855		1,477
	Oricom Inc.	-	-	-	4,716		-
	Doosan Business Research Institute	-	-	-	2,154		-
	Doosan Cuvex Co., Ltd.	-	1	-	3,302		-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	164		-
	Others	977	-	-	13,249		-
		981	1	-	65,440		1,477
		\$ 4,019	\$ 34	\$ 3,546	\$ 95,967	\$	2,662

		Nine-month period ended September 30, 2024					Purchases of investment properties & fixed asset
Relationship	Related party	Sales	Other income	Purchase	Other expense		
Ultimate parent	Doosan Corp.	\$ 3,273	\$ -	\$ -	\$ 33,118	\$	899
Immediate parent	Doosan Enerbility Co., Ltd.	169	-	-	-		-
Associate	Ainstein AI, Inc.	-	105	-	-		-
	Presto Lite Asia Co., Ltd	24	19	4,952	-		-
		24	124	4,952	-		-
Others	Doosan Digital Innovation America, LLC	4	-	-	36,857		1,499
	Oricom Inc.	-	-	-	5,462		-
	Doosan Business Research Institute	-	-	-	1,445		-
	Doosan Cuvex Co., Ltd.	-	-	-	3,070		-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	213		-
	Others	752	-	-	10,977		84
		756	-	-	58,024		1,583
		\$ 4,222	\$ 124	\$ 4,952	\$ 91,142	\$	2,482

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

35. Related Party Transactions (cont'd)

Related significant balances as of September 30, 2025 and December 31, 2024 are as follows (in thousands of USD):

Relationship	Related party	September 30, 2025				
		Trade receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Ultimate parent	Doosan Corp.	\$ 376	\$ 878	\$ -	\$ 6,925	\$ 514
Immediate parent	Doosan Enerbility Co., Ltd.	-	1,208	-	-	6,409
Associate	Ainstein AI, Inc.	-	815	-	30	-
	Presto Lite Asia Co., Ltd	-	-	140	-	-
		-	815	140	30	-
Others	Doosan Digital Innovation America LLC	-	61	-	5,004	3,953
	Oricom Inc	-	-	-	1,056	-
	Doosan Business Research Institute	-	-	-	265	-
	Doosan Cuvex Co., Ltd.	-	934	-	321	-
	Bundang Doosan Tower Reit Co., Ltd.	-	1,937	-	-	10,341
	Others	150	33	-	3,166	-
		150	2,965	-	9,812	14,294
		<u>\$ 526</u>	<u>\$ 5,866</u>	<u>\$ 140</u>	<u>\$ 16,767</u>	<u>\$ 21,217</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

35. Related Party Transactions (cont'd)

Relationship	Related party	December 31, 2024				
		Trade receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Ultimate parent	Doosan Corp.	\$ 386	\$ 790	\$ -	\$ 13,754	\$ -
Associate	Ainstein AI, Inc.	-	1,075	-	-	-
	Presto Lite Asia Co., Ltd.	-	-	106	-	-
		-	1,075	106	-	-
Others	Doosan Digital Innovation America LLC	1	79	-	4,473	1,570
	Oricom Inc	-	-	-	1,404	-
	Doosan Business Research Institute	-	-	-	154	-
	Doosan Cuvex Co., Ltd.	-	890	-	178	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	-	11,120
	Others	77	5	-	3,035	-
		78	974	-	9,244	12,690
		<u>\$ 464</u>	<u>\$ 2,839</u>	<u>\$ 106</u>	<u>\$ 22,998</u>	<u>\$ 12,690</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

35. Related Party Transactions (cont'd)

Fund transactions (including equity transactions) with the related parties for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

Relationship	Related party	Nine-month period ended September 30, 2025			
		Dividend income	Dividend paid	Repayment of lease liabilities	Investment
Ultimate parent	Doosan Corp.	\$ -	\$ -	\$ 78	\$ -
Immediate parent	Doosan Enerbility Co., Ltd	-	51,530	973	-
Associates	Presto Lite Asia Co., Ltd.	16	-	-	-
	Doosan New Technology Investment Fund No.1	-	-	-	3,721
Others	Doosan Digital Innovation America, LLC	-	-	630	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	1,473	-
		<u>\$ 16</u>	<u>\$ 51,530</u>	<u>\$ 3,154</u>	<u>\$ 3,721</u>

Relationship	Related party	Nine-month period ended September 30, 2024		
		Dividend paid	Repayment of lease liabilities	Investment
Immediate parent	Doosan Enerbility Co., Ltd	\$ 54,319	\$ -	\$ -
Others	Doosan New Technology Investment Fund No.1	-	-	2,114
	Doosan Digital Innovation America, LLC	-	474	-
	Bundang Doosan Tower Reit Co., Ltd.	-	1,515	-
		<u>\$ 54,319</u>	<u>\$ 1,989</u>	<u>\$ 2,114</u>

The Company defines key management personnel as registered or non-registered officers having rights and responsibility for planning, directing and controlling the activities of the Company. Compensation to key management personnel for each of the nine-month periods ended September 30, 2025 and 2024 is as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Benefits	\$ 5,014	\$ 4,854
Share-based payment expenses	2,303	1,425
Retirement benefits	684	583
	<u>\$ 8,001</u>	<u>\$ 6,862</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

36. Interim Consolidated Financial Statements of Cash Flows

Details of adjustments and changes in operating assets and liabilities in the interim consolidated statements of cash flows for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Adjustments:		
Income tax expense	\$ 94,560	\$ 145,821
Finance income	(69,341)	(57,098)
Finance expenses	95,596	85,320
Retirement benefits (defined benefit plan)	11,834	14,451
Depreciation	121,520	107,149
Depreciation of investment properties	800	812
Amortization	41,799	37,625
Gain on disposal of property, plant and equipment	(122)	(109)
Loss on disposal of property, plant and equipment	820	198
Loss on disposal of intangible assets	1	340
Impairment loss on intangible assets	3,068	3,325
Reversal of impairment loss on intangible assets	(95)	-
Loss (gain) on equity method investments	322	(154)
Gain on valuation of long-term financial investments	(1)	(1)
Gain from termination of lease agreement	(596)	(3)
Share-based compensation	3,306	1,756
	<u>\$ 303,471</u>	<u>\$ 339,432</u>
	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Changes in operating assets and liabilities:		
Trade receivables and other receivables	\$ (52,770)	\$ 70,423
Inventories	42,025	(228,994)
Other current assets	(9,121)	1,322
Other non-current assets	(17,150)	(15,019)
Trade payables and other payables	175,515	(77,152)
Derivatives	2,402	1,769
Provisions	(13,720)	(8,681)
Other current liabilities	29,897	(29,178)
Payment of retirement benefits (defined benefit plan)	(8,959)	(6,750)
Plan assets	2,369	3,514
Other non-current liabilities	4,887	10,559
	<u>\$ 155,375</u>	<u>\$ (278,187)</u>

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

36. Interim Consolidated Financial Statements of Cash Flows (cont'd)

Significant non-cash transactions for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025	Nine-month period ended September 30, 2024
Transfer from construction-in-progress to property, plant and equipment and intangible assets	\$ 109,076	\$ 72,343
Increase(decrease) in other payables related to the acquisition of property, plant, and equipment	8,158	(8,985)
Increase(decrease) in other payables related to the acquisition of intangible assets	(3,293)	4,564
Acquisition of right-of-use assets	24,062	26,160
Retirement of treasury shares	139,045	-
	\$ 277,048	\$ 94,082

Details of adjustments to liabilities arising from financing activities for each of the nine-month periods ended September 30, 2025 and 2024 are as follows (in thousands of USD):

	Nine-month period ended September 30, 2025				
	Corporate bonds	Borrowings	Sales and leaseback	Lease liabilities	Total
Beginning balance	\$ 49,635	\$ 1,174,938	\$ 45,282	\$ 123,979	\$ 1,393,834
Acquisition of right-of-use assets	-	-	-	24,062	24,062
Cash flows	-	(24,395)	(2,871)	(30,054)	(57,320)
Foreign exchange differences	-	21,380	8,269	4,676	34,325
Other non-financial changes	112	1,817	-	(3,440)	(1,511)
Ending balance	\$ 49,747	\$ 1,173,740	\$ 50,680	\$ 119,223	\$ 1,393,390

	Nine-month period ended September 30, 2024				
	Corporate bonds	Borrowings	Sales and leaseback	Lease liabilities	Total
Beginning balance	\$ -	\$ 920,641	\$ 51,419	\$ 129,036	\$ 1,101,096
Acquisition of right-of-use assets	-	-	-	24,853	24,853
Cash flows	49,550	292,745	(4,913)	(26,411)	310,971
Foreign exchange differences	-	2,916	2,374	2,713	8,003
Other non-financial changes	47	736	-	(5,823)	(5,040)
Ending balance	\$ 49,597	\$ 1,217,038	\$ 48,880	\$ 124,368	\$ 1,439,883

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

37. Business Combination

In accordance with the resolution of the Board of Directors made on June 12, 2024, the Group acquired 100% of shares in Mottrol Co., Ltd. and its subsidiary from Socius Well to Sea Investment No. 2 Corporate Financial Stability Co., Ltd. on October 4, 2024. Mottrol Co., Ltd. and its subsidiary produce hydraulic components used in industrial machinery, with main products including travel motors, swing motors, main pumps, and main control valves. The Group expects synergies from the acquisition through the diversification of its product portfolio.

Details of the consideration transferred and the assets acquired and liabilities assumed recognized in the consolidated financial statements for the year ended December 31, 2024 on the acquisition date related to the business combination are as follows (in thousands of USD):

	<u>Fair values recognized</u>
I. Consideration transferred	
Cash	\$ 183,491
II. Identifiable assets and liabilities	
Assets:	217,162
Cash and cash equivalents	27,984
Trade and other receivables	47,201
Inventories	26,139
Property, plant and equipment	81,236
Intangible assets ¹	22,169
Right-of-use assets	4,796
Other assets	7,637
Liabilities:	47,755
Trade and other payables	24,241
Borrowings	10,153
Lease liabilities	418
Deferred tax liabilities	7,360
Other liabilities	5,583
Total identifiable net assets at fair value	\$ 169,407
III. Goodwill	\$ 14,084

¹ Including the identifiable technological value of Mottrol Co., Ltd. amounting to \$ 19,399 thousand.

The costs of \$ 1,737 thousand directly related to the acquisition in connection with the business combination were expensed as incurred. The Group prepared the consolidated financial statements assuming the business combination occurred on October 1, 2024. The sales and net loss of Mottrol Co., Ltd. and its subsidiary for the year ended December 31, 2024 after being included in the consolidation scope amount to \$ 32,324 thousand and \$ (-)934 thousand, respectively.

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
September 30, 2025 and 2024 (Unaudited)

37. Business Combination (cont'd)

If Doosan Mottrol Co., Ltd. and its subsidiary had been included in the scope of consolidation from the beginning of the reporting period of the year ended December 31, 2024, the sales and net income would have been recognized in the consolidated statement of profit or loss for the year ended December 31, 2024 as follows (in thousands of USD):

	Amounts before adjustments		Adjustments		Amounts after adjustments
Sales	\$ 6,269,305	\$	120,695	\$	6,390,000
Net income	413,029		(5,816)		407,213

Meanwhile, Mottrol Co., Ltd. changed its name to Doosan Mottrol Co., Ltd. during the year ended December 31, 2024.

38. Events after the reporting period

On December 16, 2024, the parent company announced a shareholder value enhancement plan and accordingly began to pay interim dividends on a quarterly basis. On October 30, 2025, the Board of Directors resolved an interim dividend of \$ 26,717 thousand for the three-month period ended September 30, 2025, which is scheduled to be paid on November 28, 2025.

The Group established Doosan Bobcat Germany Frankfurt GmbH through a 100% ownership investment on October 17, 2025, to enhance the competitiveness of its Compact Equipment segment.