Doosan Bobcat Inc. and its subsidiaries

Interim consolidated financial statements
for each of the six-month periods ended June 30, 2026 and 2025
with the independent auditor's review report

Doosan Bobcat Inc. and its subsidiaries

Table of contents

EY 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

Shape the future
with confidence

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 June 30, 2026, and the related interim consolidated statements of profit or loss, interim consolidated statements of comprehensive income for each of the three-month and six-month periods ended June 30, 2026 and 2025, interim consolidated statements of changes in equity and interim consolidated statements of cash flows for each of the six-month periods ended June 30, 2026 and 2025, 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, 2025, 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 16, 2026 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2025, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.

EY Han Young

August 11, 2026

This review report is effective as of August 11, 2026, 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 six-month periods ended June 30, 2026 and 2025

“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 June 30, 2026 and December 31, 2025

(in thousands of USD)	Notes	June 30, 2026 (Unaudited)	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents	4,5,37	$ 1,296,537	$ 1,389,744
Short-term financial instruments	4,5	85,570	5,896
Trade and other receivables, net	4,5,6,26,34,35,37	599,747	449,260
Inventories, net	7,34,37	1,340,679	1,172,615
Derivative assets	4,5,8	5,503	439
Other current assets	4,5,37	128,557	106,948
Total current assets		$ 3,456,593	$ 3,124,902
Non-current assets			
Long-term financial instruments	4,5	$ 679	$ 752
Long-term financial investments	4,5	9,360	9,367
Long-term trade and other receivables, net	4,5,6,26,35	5,310	4,939
Investment in associates	12	14,208	11,457
Property, plant and equipment, net	9,13,34,37	1,213,747	1,247,092
Intangible assets, net	10,34	3,944,401	3,997,029
Investment properties	11	70,970	76,728
Deferred tax assets	31	57,412	48,571
Long-term derivative assets	4,5,8	306	1,501
Net defined benefit assets	17	12,371	15,070
Other non-current assets	4,5	31,343	21,046
Total non-current assets		$ 5,360,107	$ 5,433,552
Total assets		$ 8,816,700	$ 8,558,454
Liabilities			
Current liabilities			
Trade and other payables	4,5,14,35,37	$ 1,542,037	$ 1,367,227
Current portion of bonds	4,5,15,36	49,859	-
Short-term borrowings	4,5,15,33,34,36	84,540	54,294
Current portion of long-term borrowings	4,5,15,33,34,36	63,652	81,291
Income tax payable	31	14,649	13,968
Derivative liabilities	5,8	1,629	-
Lease liabilities	4,5,13,35,36,37	38,414	37,485
Provisions	18	84,072	78,396
Sales and leaseback liabilities	4,5,16,36,37	11,142	11,347
Other current liabilities	4,5,26,37	208,978	249,536
Total current liabilities		$ 2,098,972	$ 1,893,544
Non-current liabilities			
Other non-current payables	4,5,14,35	$ 16,178	$ 16,692
Bonds	4,5,15,36	-	49,785
Long-term borrowings	4,5,15,33,34,36	836,408	848,552
Net defined benefit liabilities	17	104,091	103,396
Deferred tax liabilities	31,37	365,642	330,427
Non-current lease liabilities	4,5,13,35,36,37	72,225	77,758
Non-current provisions	18	64,212	61,605
Non-current sales and leaseback liabilities	4,5,16,36,37	27,346	32,959
Other non-current liabilities	26	131,627	132,153
Total non-current liabilities		$ 1,617,729	$ 1,653,327
Total liabilities		$ 3,716,701	$ 3,546,871
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	(181,979)	(181,960)
Accumulated other comprehensive loss	22	(237,521)	(160,698)
Retained earnings	23	3,996,907	3,831,649
Total equity		$ 5,099,999	$ 5,011,583
Total liabilities and equity		$ 8,816,700	$ 8,558,454

The above consolidated interim statements of financial position should be read in conjunction with the accompanying notes.

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of profit or loss
for each of the three-month and six-month periods ended June 30, 2026 and 2025

(in thousands of USD)		Period Ended June 30			
		2026 (Unaudited)		2025 (Unaudited)	
	Notes	**Three months**	**Six months**	**Three months**	**Six months**
Sales	24,25,26,35	$ 1,630,403	$ 3,164,261	$ 1,566,660	$ 3,011,017
Cost of sales	27	(1,201,400)	(2,386,287)	(1,204,069)	(2,300,995)
Gross profit		429,003	777,974	362,591	710,022
Selling and administrative expenses	27,28	(234,177)	(441,870)	(217,211)	(426,934)
Operating profit		194,826	336,104	145,380	283,088
Non-operating income (expenses)					
Finance income	5,29	27,739	70,381	34,849	93,761
Finance expenses	5,29	(31,086)	(83,418)	(52,891)	(125,573)
Other non-operating income	30,35	372	1,410	835	1,384
Other non-operating expenses	30,35	(2,467)	(9,870)	(1,713)	(9,262)
Gain (loss) on equity method	12	(15)	120	(159)	(205)
		(5,457)	(21,377)	(19,079)	(39,895)
Profit before income tax expense		189,369	314,727	126,301	243,193
Income tax expense	31	(56,044)	(91,686)	(39,678)	(78,527)
Profit for the period		$ 133,325	$ 223,041	$ 86,623	$ 164,666
Profit attributable to:					
Owners of the Parent Company		$ 133,325	$ 223,041	$ 86,623	$ 164,666
Earnings per share attributable to the owners of the Parent Company	32				
Basic earnings per share		$ 1.39	$ 2.33	$ 0.91	$ 1.71
Diluted earnings per share		$ 1.39	$ 2.33	$ 0.90	$ 1.71

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

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of comprehensive income
for each of the three-month and six-month periods ended June 30, 2026 and 2025

(in thousands of USD)	Period Ended June 30			
	2026 (Unaudited)		2025 (Unaudited)	
	Three months	Six months	Three months	Six months
Profit for the period	$ 133,325	$ 223,041	$ 86,623	$ 164,666
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Gain (loss) on translation of foreign operations	(5,773)	(75,876)	186,227	258,791
Gain (loss) on valuation of derivatives	(39)	(931)	1,807	3,684
Share of other comprehensive loss of assoicates	-	(16)	(45)	(34)
	(5,812)	(76,823)	187,989	262,441
Total comprehensive income for the period	$ 127,513	$ 146,218	$ 274,612	$ 427,107
Total comprehensive income for the period attributable to:				
Owners of the Parent Company	$ 127,513	$ 146,218	$ 274,612	$ 427,107

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

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated statements of changes in equity

for each of the six-month periods ended June 30, 2026 and 2025

(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, 2025	$ 43,096	$ 1,479,496	$ (223,052)	$ (428,974)	$ 3,819,573	$ 4,690,139
Total comprehensive income:						
Profit for the period	-	-	-	-	164,666	164,666
Gain on translation of foreign operations	-	-	-	258,791	-	258,791
Gain on valuation of derivatives	-	-	-	3,684	-	3,684
Other comprehensive loss attributable to shares in associates	-	-	-	(34)	-	(34)
	-	-	-	262,441	164,666	427,107
Capital transactions with owners						
Acquisition of treasury shares	-	-	(96,594)	-	-	(96,594)
Retirement of treasury shares	-	-	139,045	-	(139,045)	-
Share-based compensation transactions	-	-	(1,466)	-	-	(1,466)
Annual dividend	-	-	-	-	(53,878)	(53,878)
Interim dividend	-	-	-	-	(26,837)	(26,837)
	-	-	40,985	-	(219,760)	(178,775)
Balance as of June 30, 2025 (unaudited)	$ 43,096	$ 1,479,496	$ (182,067)	$ (166,533)	$ 3,764,479	$ 4,938,471
Balance as of January 1, 2026	$ 43,096	$ 1,479,496	$ (181,960)	$ (160,698)	$ 3,831,649	$ 5,011,583
Total comprehensive income:						
Profit for the period	-	-	-	-	223,041	223,041
Loss on translation of foreign operations	-	-	-	(75,876)	-	(75,876)
Loss on valuation of derivatives	-	-	-	(931)	-	(931)
Other comprehensive loss attributable to shares in associates	-	-	-	(16)	-	(16)
	-	-	-	(76,823)	223,041	146,218
Capital transactions with owners						
Share-based compensation expenses	-	-	(19)	-	-	(19)
Annual dividend	-	-	-	-	(31,784)	(31,784)
Interim dividend	-	-	-	-	(25,999)	(25,999)
	-	-	(19)	-	(57,783)	(57,802)
Balance as of June 30, 2026 (unaudited)	$ 43,096	$ 1,479,496	$ (181,979)	$ (237,521)	$ 3,996,907	$ 5,099,999

The above consolidated interim statements of changes in equity should be read in conjunction with the accompanying notes.

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of cash flows
for each of the six-month periods ended June 30, 2026 and 2025

(in thousands of USD)	Note	Six-month periods ended June 30 2026 (unaudited)	2025 (unaudited)
Cash flows from operating activities			
Cash generated from operations:	36	$ 262,571	$ 505,155
Profit for the period		223,041	164,666
Adjustments		233,187	217,898
Changes in operating assets and liabilities		(193,657)	122,591
Interest received		17,453	18,840
Interest paid		(32,159)	(40,183)
Income tax paid		(75,133)	(116,623)
Net cash flows provided by operating activities		172,732	367,189
Cash flows from investing activities			
Cash inflows from investing activities:			
Decrease in loans		15	-
Disposal of property, plant and equipment		997	794
Disposal of Intangible assets		334	274
Decrease in long-term financial instruments		28	-
Cash inflows from other investing activities		-	7,389
		1,374	8,457
Cash outflows for investing activities:			
Purchase of property, plant and equipment		53,854	72,068
Purchase of intangible asset		30,837	34,272
Purchase of investment properties		-	44
Purchase of investment in associates		3,291	1,796
Increase in loans		876	-
Increase in short-term financial instruments		82,176	-
Purchase of long-term financial investments		-	652
		(171,034)	(108,832)
Net cash flows used in investing activities		(169,660)	(100,375)
Cash flows from financing activities			
Cash inflows from financing activities:			
Increase in borrowing		41,628	52,801
Increase in sales and leaseback liabilities		676	8,406
		42,304	61,207
Cash outflows for financing activities:			
Repayment of borrowing		30,464	73,537
Payment of dividends		57,632	80,715
Payment of lease liabilities		20,649	19,428
Repayment of sales and leaseback liabilities		5,926	6,687
Acquisition of treasury shares		-	96,594
		(114,671)	(276,961)
Net cash flows used in financing activities		(72,367)	(215,754)
Effects of exchange rate changes on cash and cash equivalents		(23,912)	41,659
Net increase(decrease) in cash and cash equivalents		(93,207)	92,719
Cash and cash equivalents at the beginning of period		1,389,744	1,263,123
Cash and cash equivalents at the end of period		$ 1,296,537	$ 1,355,842

The above consolidated interim statements of cash flows should be read in conjunction with the accompanying notes.

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 June 30, 2026 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.

Major shareholders as of June 30, 2026 are as follows:

Shareholder	Number of shares owned	Percentages of ownership (%)
Doosan Enerbility Co., Ltd.	46,176,250	48.17
Treasury shares	108,708	0.11
Others	49,571,107	51.72
	95,856,065	100.00

1.1 Consolidated Subsidiaries

Details of the consolidated subsidiaries as of June 30, 2026 and December 31, 2025 are as follows:

Subsidiary	Main business	Location	Ownership interest held by the Group (%) June 30, 2026	Ownership interest held by the Group (%) December 31, 2025	Fiscal year end
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.	Manufacturing and sales	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.[1]	Holdings	France	-	100	December
JSC Doosan International Russia[2]	Sales	Russia	-	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
Rushlift GSE Limited	Other service	England	100	100	December

1.1 Consolidated Subsidiaries (cont'd)

Subsidiary	Main business	Location	Ownership interest held by the Group (%) June 30, 2026	December 31, 2025	Fiscal year end
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 Germany Frankfurt GmbH	Other service	Germany	100	100	December
Doosan Bobcat Korea Co., Ltd.	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.	Manufacturing and sales	India	100	100	March
Doosan Bobcat Japan	Sales	Japan	100	100	December
Doosan Bobcat Mexico S.A. de C.V.	Other service	Mexico	100	100	December
Doosan Mottrol Co., Ltd.	Manufacturing and sales	Korea	100	100	December
Doosan Mottrol Co., Ltd.'s subsidiaries:					
Doosan Mottrol China Jiangyin Co., Ltd.	Manufacturing and sales	China	100	100	December
Doosan Mottrol India Private Limited[3]	Sales	India	100	-	March

[1] Merged into Doosan Bobcat France S.A.S for the six-month period ended June 30, 2026.

[2] Liquidated for the six-month period ended June 30, 2026.

[3] Newly established for the six-month period ended June 30, 2026.

1.2 Summarized Financial Information

Summarized financial information of the consolidated subsidiaries as of June 30, 2026 and for the six-month period ended June 30, 2026 is as follows (in thousands of USD):

	June 30, 2026		Six-month period ended June 30, 2026		
	Assets	Liabilities	Sales	Profit(loss) for the period	Total comprehensive income
Doosan Bobcat North America, Inc. and its subsidiaries:	$ 5,549,281	$ 2,782,128	$ 2,352,103	$ 185,677	$ 182,705
Doosan Bobcat Canada Ltd.	177,399	58,548	155,009	2,844	2,844
Doosan Bobcat Mexico Monterrey, S. de R.L. de C.V	373,615	161,934	1,938	(20,638)	(20,638)
Doosan Bobcat EMEA s.r.o. and its subsidiaries:	2,370,558	553,523	682,062	40,217	40,130
Doosan Bobcat France S.A.S.	82,803	60,467	96,384	2,273	2,083
Geith International Ltd.	38,700	16,386	33,268	5,055	5,055
Doosan Bobcat Belgium B.V.	55,608	30,413	60,023	1,461	1,461
Doosan Bobcat Singapore Pte., Ltd. and its subsidiaries:	117,603	51,966	57,367	4,144	4,144
Doosan Bobcat China Co., Ltd	101,714	51,657	57,367	4,079	4,079
Doosan Bobcat Korea Co., Ltd. and its subsidiaries:	793,834	453,770	504,807	32,065	31,267
Doosan Bobcat India Private Ltd.	128,617	87,361	67,492	(127)	(127)
Doosan Mottrol Co., Ltd. and its subsidiaries:	222,324	68,765	105,593	3,792	3,562
Doosan Mottrol China Jiangyin Co., Ltd.	86,809	32,077	62,089	6,651	6,651

1.3 Changes in Scope of Consolidation

Changes in the scope of consolidation for each of the six-month periods ended June 30, 2026 and 2025 are as follows:

	Six-month period ended June 30, 2026	
Name of subsidiary	**Details**	**Reason**
JSC Doosan International Russia	Excluded from the consolidation	Liquidation
Doosan Mottrol India Private Limited	Included in the consolidation	Establishment
Doosan Bobcat Holdings France S.A.S.	Excluded from the consolidation	Merger

	Six-month period ended June 30, 2025	
Name of subsidiary	**Details**	**Reason**
-	-	-

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 six-month period ended June 30, 2026 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 June 30, 2026.

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, 2026.

(1) Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

The amendments to KIFRS 1109 and KIFRS 1107 - *Classification and Measurement of Financial Instruments* include:

2.1 Basis of Preparation (cont'd)

- clarifications of the requirements for the recognition and derecognition of financial assets and financial liabilities including the clarification that a financial liability is derecognized on the settlement date; and the introduction of an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date;
- additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed;
- clarifications on what constitute non-recourse features and what are the characteristics of contractually linked instruments; and
- the introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments measured at fair value through other comprehensive income (OCI).

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

(2) *Annual Improvements to KIFRS - Volume 11*

Annual Improvements to KIFRS - Volume 11 have been announced for the purpose of improving consistency of requirements set out in each standard, enhancing clarity, and providing better understanding of the amendments.

- Amendments to KIFRS 1101 *First-time adoption of KIFRS: Hedge accounting by a first-time adopter*
- Amendments to KIFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition, Guidance for application of amendments in practice*
- Amendments to KIFRS 1109 *Financial Instruments: Accounting for derecognition of lease liabilities and definition of transaction prices*
- Amendments to KIFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Amendments to KIFRS 1007 *Statement of Cash Flows: Cost Method*

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

(3) Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures – Contracts Referencing Nature-Dependent Electricity*

Amendments to KIFRS 1109 and 1107 related to contracts referencing nature-dependent electricity have been issued. The key amendments are as follows:

2.1 Basis of Preparation (cont'd)

- clarification of the application of the "own-use" requirements to contracts within the scope of the amendments;
- amendment to the designation requirements for a hedged item in cash flow hedging relationships for contracts within the scope; and
- addition of new disclosure requirements to enable investors to understand the effects of these contracts on an entity's financial performance and cash flows.

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

2.1 Basis of Preparation (cont'd)

2.1.2 New and Amended Standards and Interpretations Not Yet Adopted by the Group

(1) KIFRS 1118 *Presentation and Disclosure in Financial Statements*

KIFRS 1118 *Presentation and Disclosure in Financial Statements* replaces KIFRS 1001 *Presentation of Financial Statements*. KIFRS 1118 is expected to enhance the comparability of financial performance between similar entities by providing information that is more useful for users in analyzing and comparing an entity's performance, with a particular focus on the statement of profit or loss.

KIFRS 1118 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. As the Group is required to apply this standard retrospectively in accordance with KIFRS 1008 *Accounting Policies, Changes in Accounting Estimates and Errors*, comparative information for the financial year ending December 31, 2027 must be restated in accordance with KIFRS 1118.

When the Group prepares its financial statements under KIFRS 1118, the major accounting policies expected to result in significant differences from the current financial statements are as follows. These matters do not include all possible differences that may incur in the future and are subject to change based on further analysis.

1) *Changes in the Presentation of the Statement of Profit or Loss*

KIFRS 1118 requires all income and expenses included in the statement of profit or loss to be classified into one of five categories: operating, investing, financing, income tax and discontinued operations. Under this standard, the operating category is a residual category, therefore, it includes all items not required to be classified in one of the other four categories. For the purposes of classifying its income and expenses into the categories required by KIFRS 1118, the Group will need to assess whether it has a "main business activity" of investing in assets or providing financing to customers. If so, the entity is required to classify some items of income and expenses in the operating category that would otherwise have been classified in the investing or financing category. Resultant operating profit or loss differs significantly from operating profit or loss under current KIFRS 1001, which is defined as revenue less cost of sales and selling and administrative expenses. KIFRS 1118 requires entities to disclose, in the notes, operating profit or loss as determined under KIFRS 1001, as well as reconciliations explaining the differences between operating profit or loss under KIFRS 1118 and that under KIFRS 1001. In addition, KIFRS 1118 requires an entity to present in the statement of profit or loss "operating profit or loss" which comprises all income and expenses classified within the operating category, "profit or loss before financing and income tax" which comprises operating profit or loss and all income and expenses classified in the investing category, and "profit or loss." However, if the Group provides financing to customers as a main business activity, it will be prohibited from presenting "profit or loss before financing and income tax" depending on the entity's accounting policy choice.

2.1 Basis of Preparation (cont'd)

2) *Introduction of Disclosures on Management-defined Performance Measures*

KIFRS 1118 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that are not listed in paragraph 118 of KIFRS 1118, or specifically required to be presented or disclosed by KIFRS Accounting Standards, which an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. When MPMs are presented, an entity is required to disclose an explanation of why management believes that the MPM provides useful information about the entity's financial performance, how the MPM is calculated, a reconciliation to the most directly comparable subtotal specified in KIFRS 1118, as well as the income tax effect and the effect on non-controlling interests for each reconciling item.

3) *Changes in Cash Flow Classification*

KIFRS 1118 introduces consequential amendments to KIFRS 1007 *Statement of Cash Flows*. The amendments require all entities to use the operating profit subtotal as the starting point for determining cash flows from operating activities under the indirect method rather than the current use of profit or loss, and remove the optionality around the classification of cash flows from dividends and interest in the statement of cash flows. The Group has not yet applied KIFRS 1118, as the mandatory effective date has not been reached. The Group plans to report its first interim financial statements for the reporting period ending December 31, 2027 in accordance with KIFRS 1118. The Group is undertaking the establishment of its financial statement closing system reflecting the new classification of revenue and expenses, as well as ongoing system consistency validation and preparations for parallel closing.

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, 2025, 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, 2025, 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 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

(1) 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 the volatility of financial results arising from fluctuations in foreign exchange rates.

4.1.1 Market Risk (cont'd)

The Group's financial assets and liabilities exposed to foreign exchange risk as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026				
	USD	EUR	GBP	Others[1]	Total
Financial assets	$ 494,963	$ 69,367	$ 73,342	$ 170,824	$ 808,496
Financial liabilities	(411,152)	(79,278)	(14,371)	(73,940)	(578,741)
Net financial assets(liabilities)	$ 83,811	$ (9,911)	$ 58,971	$ 96,884	$ 229,755

	December 31, 2025				
	USD	EUR	GBP	Others[1]	Total
Financial assets	$ 543,494	$ 197,312	$ 20,613	$ 49,632	$ 811,051
Financial liabilities	(601,219)	(69,441)	(13,831)	(59,919)	(744,410)
Net financial assets(liabilities)	$ (57,725)	$ 127,871	$ 6,782	$ (10,287)	$ 66,641

[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 before income tax estimated for			
	Six-month period ended June 30, 2026		Year ended December 31, 2025	
	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	$ 22,976	$ (22,976)	$ 6,664	$ (6,664)

(2) 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 June 30, 2026 and December 31, 2025 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).

	June 30, 2026	December 31, 2025
Financial assets	$ 36,575	$ 131,345
Financial liabilities	963,883	971,615
Net financial assets (liabilities)	$ (927,308)	$ (840,270)

4.1.1 Market Risk (cont'd)

The table below summarizes the impact of increases/decreases of interest rate on the Group's profit 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 before income tax estimated for			
	Six-month period ended June 30, 2026		Year ended December 31, 2025	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Profit (loss) before tax	$ (9,273)	$ 9,273	$ (8,403)	$ 8,403

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 loss 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 June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ 1,296,537	$ 1,389,744
Short-term financial instruments[1]	85,570	5,896
Trade and other receivables	599,747	449,260
Long-term financial instruments[2]	679	752
Long-term other receivables	5,310	4,939
Derivative assets	5,303	439
Long-term derivative assets	306	1,501
Other assets (current and non-current)	19,754	8,926
	$ 2,013,406	$ 1,861,457

[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.

4.1.2 Credit Risk (cont'd)

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.

Aging analysis of the Group's trade and other receivables as of June 30, 2026 and December 31, 2025 is as follows (in thousands of USD):

	June 30, 2026						
	Receivables assessed for impairment on an individual basis	Receivables assessed for impairment on a collective basis					
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	Total
Trade receivables	$ 4,251	$ 356,119	$ 128,722	$ 9,725	$ 4,532	$ 5,275	$ 508,624
Other receivables	82,657	10,373	3,153	25	231	5	96,444
Accrued income	2,514	424	11	-	-	-	2,949
Short-term loans	9	29	-	-	-	-	38
Long-term other receivables	-	4,365	-	-	-	-	4,365
Long-term loans	843	102	-	-	-	-	945
	$ 90,274	$ 371,412	$ 131,886	$ 9,750	$ 4,763	$ 5,280	$ 613,365

	December 31, 2025						
	Receivables assessed for impairment on an individual basis	Receivables assessed for impairment on a collective basis					
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	Total
Trade receivables	$ 3,201	$ 349,859	$ 70,758	$ 6,845	$ 2,493	$ 6,101	$ 439,257
Other receivables	1,589	12,337	3,178	654	6	-	17,764
Accrued income	1,011	131	25	-	-	-	1,167
Short-term loans	-	41	-	-	-	-	41
Long-term other receivables	-	4,815	-	-	-	-	4,815
Long-term loans	-	124	-	-	-	-	124
	$ 5,801	$ 367,307	$ 73,961	$ 7,499	$ 2,499	$ 6,101	$ 463,168

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.

4.1.2 Credit Risk (cont'd)

Aging analysis of the Group's allowance for doubtful accounts for trade and other receivables as of June 30, 2026 and December 31, 2025 is as follows (in thousands of USD):

	June 30, 2026						
	Allowance for doubtful accounts assessed for impairment on an individual basis	Allowance for doubtful accounts assessed for impairment on a collective basis					
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	Total
Trade receivables	$ 2,718	$ 314	$ 442	$ 423	$ 490	$ 2,954	$ 7,341
Other receivables	925	9	10	-	21	2	967
	$ 3,643	$ 323	$ 452	$ 423	$ 511	$ 2,956	$ 8,308

	December 31, 2025						
	Allowance for doubtful accounts assessed for impairment on an individual basis	Allowance for doubtful accounts assessed for impairment on a collective basis					
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	Total
Trade receivables	$ 2,890	$ 254	$ 234	$ 270	$ 518	$ 3,762	$ 7,928
Other receivables	995	4	18	23	1	-	1,041
	$ 3,885	$ 258	$ 252	$ 293	$ 519	$ 3,762	$ 8,969

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 annual repayment schedule of financial liabilities (except derivatives) as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026					
		Contractual nominal cash flows				
	Book value	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	$ 1,030,078	$ 1,030,078	$ 1,030,078	$ -	$ -	$ -
Other payables (current and non-current)	528,137	528,238	511,959	12,203	1,416	2,660
Other current liabilities	3,981	3,981	3,981	-	-	-
Borrowings	984,600	1,133,195	198,891	96,929	768,950	68,425
Lease liabilities	110,639	120,706	42,249	30,382	45,774	2,301
Bonds	49,859	51,961	51,961	-	-	-
Sales and leaseback liabilities	38,488	44,666	13,368	9,266	18,676	3,356
	$ 2,745,782	$ 2,912,825	$ 1,852,487	$ 148,780	$ 834,816	$ 76,742

	December 31, 2025					
		Contractual nominal cash flows				
	Book value	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	$ 760,063	$ 760,063	$ 760,063	$ -	$ -	$ -
Other payables (current and non-current)	623,856	623,856	607,164	11,665	2,357	2,670
Other current liabilities	4,293	4,293	4,293	-	-	-
Borrowings	984,137	1,161,455	186,785	83,472	780,621	110,577
Lease liabilities	115,243	125,985	41,591	30,372	50,704	3,318
Bonds	49,785	53,160	2,107	51,053	-	-
Sales and leaseback liabilities	44,306	47,316	12,311	10,556	18,642	5,807
	$ 2,581,683	$ 2,776,128	$ 1,614,314	$ 187,118	$ 852,324	$ 122,372

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 exposures related with financial guarantees provided by the Group as of June 30, 2026 are discussed in Note 33.

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 June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Debt	$ 3,716,701	$ 3,546,871
Equity	5,099,999	5,011,583
Debt-to-equity ratio	72.88%	70.77%

5. Financial Instruments by Category

5.1 Carrying Amounts of Financial Instruments by Category

Classification of financial assets and liabilities by category as of June 30, 2026 and December 31, 2025 is as follows (in thousands of USD):

	June 30, 2026				
	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	$ 1,296,537	$ -	$ -	$ -	$ 1,296,537
Short-term financial instruments	85,570	-	-	-	85,570
Trade and other receivables	563,227	-	36,520	-	599,747
Derivative assets (current and non-current)	-	306	-	5,503	5,809
Long-term trade and other receivables	5,310	-	-	-	5,310
Long-term financial instruments	679	-	-	-	679
Long-term financial investments	-	9,360	-	-	9,360
Other assets (current and non-current)	19,754	-	-	-	19,754
	$ 1,971,077	$ 9,666	$ 36,520	$ 5,503	$ 2,022,766

	June 30, 2026		
	Financial liabilities at amortized cost	Other financial liabilities[1]	Total
Liabilities:			
Trade and other payables	$ 1,542,037	$ -	$ 1,542,037
Bonds	49,859	-	49,859
Borrowings	984,600	-	984,600
Derivative liabilities (current and non-current)	-	1,629	1,629
Sales and leaseback liabilities (current and non-current)	38,488	-	38,488
Other current liabilities	3,981	-	3,981
Other non-current payables	16,178	-	16,178
Financial guarantee liability	-	28,921	28,921
Lease liabilities (current and non-current)	-	110,639	110,639
	$ 2,635,143	$ 141,189	$ 2,776,332

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

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

	December 31, 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	$ 1,389,744	$ -	$ -	$ -	$ 1,389,744
Short-term financial instruments	5,896	-	-	-	5,896
Trade and other receivables	384,670	-	64,590	-	449,260
Derivative assets (current and non-current)	-	91	-	1,849	1,940
Long-term trade and other receivables	4,939	-	-	-	4,939
Long-term financial instruments	752	-	-	-	752
Long-term financial investments	-	9,367	-	-	9,367
Other non-current assets	8,926	-	-	-	8,926
	$ 1,794,927	$ 9,458	$ 64,590	$ 1,849	$ 1,870,824

	December 31, 2025		
	Financial liabilities at amortized cost	Other financial liabilities[1]	Total
Liabilities:			
Trade and other payables	$ 1,367,227	$ -	$ 1,367,227
Bonds	49,785	-	49,785
Borrowings	984,137	-	984,137
Sales and leaseback liabilities (current and non-current)	44,306	-	44,306
Other current liabilities	4,293	-	4,293
Other non-current payables	16,692	-	16,692
Financial guarantee liability	-	27,394	27,394
Lease liabilities (current and non-current)	-	115,243	115,243
	$ 2,466,440	$ 142,637	$ 2,609,077

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

For the six-month period ended June 30, 2026, there have been no significant changes in the business and economic environment affecting the fair value of the Group's financial assets and liabilities.

5.2 Fair Value Hierarchy

The fair value hierarchy classifications of the financial instruments that are measured at fair value as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026			
	Level 1 [1]	Level 2 [1]	Level 3 [1]	Total
Financial assets:				
Financial assets at fair value through profit or loss	$ -	$ 306	$ 9,360	$ 9,666
Financial assets at fair value through other comprehensive income	-	36,520	-	36,520
Other financial assets (Hedging derivatives)	-	5,503	-	5,503
	$ -	$ 43,329	$ 9,360	$ 51,689
Financial liabilities:				
Financial liabilities at fair value through profit or loss	$ -	$ -	$ -	$ -
Other financial liabilities (Hedging derivatives)	-	1,629	-	1,629
	$ -	$ 1,629	$ -	$ 1,629

	December 31, 2025			
	Level 1 [1]	Level 2 [1]	Level 3 [1]	Total
Financial assets:				
Financial assets at fair value through profit or loss	$ -	$ 91	$ 9,367	$ 9,458
Financial assets at fair value through other comprehensive income	-	64,590	-	64,590
Other financial assets (Hedging derivatives)	-	1,849	-	1,849
	$ -	$ 66,530	$ 9,367	$ 75,897
Financial liabilities:				
Financial liabilities at fair value through profit or loss	$ -	$ -	$ -	$ -
Other financial liabilities (Hedging derivatives)	-	-	-	-
	$ -	$ -	$ -	$ -

[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.

5.3 Changes in Fair Value of Level 3 Financial Instruments

Changes in level 3 financial instruments measured at fair value for the six-month period ended June 30, 2026 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026				
	Beginning	Fair value evaluation	Acquisition	Others[1]	Ending
Financial assets at fair value through profit or loss	$ 9,367	$ 1	$ -	$ (8)	$ 9,360

[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 six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026						
	Profit(loss) for the period						
	Interest income (expense)	Bad debt expense	Loss on disposal	Gain(loss) on derivatives	Gain on valuation	Others	Other comprehensive income
Financial assets:							
Financial assets at amortized cost	$ 19,101	$ (560)	$ -	$ -	$ -	$ -	$ -
Financial assets at fair value through profit or loss	-	-	(17)	223	1	-	-
Financial assets at fair value through other comprehensive income	-	-	(2,483)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	(1,280)
	$ 19,101	$ (560)	$ (2,500)	$ 223	$ 1	$ -	$ (1,280)
Financial liabilities:							
Financial liabilities at amortized cost	$ (26,836)	$ -	$ -	$ -	$ -	$ (2,215)	$ -
Financial liabilities at fair value through profit or loss	-	-	-	(112)	-	-	-
Other financial liabilities	(3,101)	-	-	-	-	(161)	-
	$ (29,937)	$ -	$ -	$ (112)	$ -	$ (2,376)	$ -

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

	Six-month period ended June 30, 2025						
	Profit(loss) for the period						
	Interest income (expense)	Bad debt expense	Loss on disposal	Gain(loss) on derivatives	Gain on valuation	Others	Other comprehensive loss
Financial assets:							
Financial assets at amortized cost	$ 18,376	$ (633)	$ -	$ -	$ -	$ -	$ -
Financial assets at fair value through profit or loss	-	-	-	-	1	-	-
Financial assets at fair value through OCI	-	-	(1,311)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	4,633
	$ 18,376	$ (633)	$ (1,311)	$ -	$ 1	$ -	$ 4,633
Financial liabilities:							
Financial liabilities at amortized cost	$ (33,532)	$ -	$ -	$ -	$ -	$ (3,246)	$ -
Financial liabilities at fair value through profit or loss	-	-	-	(118)	-	-	-
Other financial liabilities	(3,054)	-	-	-	-	(159)	-
	$ (36,586)	$ -	$ -	$ (118)	$ -	$ (3,405)	$ -

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 June 30, 2026 (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:			
Other receivables	$ 7,794	$ (3,566)	$ 4,228
Financial liabilities:			
Trade payables	$ (25,069)	$ 3,566	$ (21,503)

6. Trade and Other Receivables

Trade and other receivables as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	$ 508,624	$ (7,341)	$ 501,283
Other receivables	96,444	(967)	95,477
Accrued income	2,949	-	2,949
Short-term loans	38	-	38
	$ 608,055	$ (8,308)	$ 599,747
Non-current:			
Long-term other receivables	$ 4,365	$ -	$ 4,365
Long-term loans	945	-	945
	$ 5,310	$ -	$ 5,310
	$ 613,365	$ (8,308)	$ 605,057

	December 31, 2025		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	$ 439,257	$ (7,928)	$ 431,329
Other receivables	17,764	(1,041)	16,723
Accrued income	1,167	-	1,167
Short-term loans	41	-	41
	$ 458,229	$ (8,969)	$ 449,260
Non-current:			
Long-term other receivables	$ 4,815	$ -	$ 4,815
Long-term loans	124	-	124
	$ 4,939	$ -	$ 4,939
	$ 463,168	$ (8,969)	$ 454,199

6. Trade and Other Receivables (cont'd)

Changes in allowance for doubtful accounts for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026		
	Trade receivables	Other receivables	Total
Beginning balance	$ 7,928	$ 1,041	$ 8,969
Increase (reversal)	560	-	560
Write-off	(786)	(1)	(787)
Others	(361)	(73)	(434)
Ending balance	$ 7,341	$ 967	$ 8,308

	Six-month period ended June 30, 2025		
	Trade receivables	Other receivables	Total
Beginning balance	$ 6,619	$ 64	$ 6,683
Increase (reversal)	607	26	633
Write-off	(433)	-	(433)
Others	171	5	176
Ending balance	$ 6,964	$ 95	$ 7,059

Past due receivables are considered impaired. An allowance for doubtful accounts is specifically recognized for the receivables with impairment indicators individually identified. The Group applies the aging analysis to recognize the lifetime expected credit losses as loss allowances 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.

7. Inventories

Inventories as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	$ 647,249	$ (52,669)	$ 594,580
Work in progress	137,556	(52)	137,504
Raw materials	521,857	(41,290)	479,567
Materials in transit	129,028	-	129,028
	$ 1,435,690	$ (95,011)	$ 1,340,679

	December 31, 2025		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	$ 646,409	$ (51,573)	$ 594,836
Work in progress	32,680	(58)	32,622
Raw materials	474,934	(36,918)	438,016
Materials in transit	107,141	-	107,141
	$ 1,261,164	$ (88,549)	$ 1,172,615

The cost of inventories recognized as expense and included in cost of sales for the six-month period ended June 30, 2026 amounts to $ 2,143,129 thousand (June 30, 2025: $ 2,186,894 thousand). Losses on inventory valuation included in cost of sales amount to $ 6,462 thousand for the six-month period ended June 30, 2026 (June 30, 2025: $ 8,919 thousand).

As of June 30, 2026, certain inventories included in the above balance have been pledged as collateral in connection with the Group's borrowings (see Notes 15 and 34).

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 for which an interest rate swap is entered into to avoid risk arising from future interest rate changes, but to which hedge accounting is not applied

Details of valuation of derivatives as of June 30, 2026 and December 31, 2025 are as follows (in thousands of respective currencies and in thousands of USD):

	June 30, 2026					
	Buy			Sell		
	Currency	Amount	Contract exchange rate(won)/ interest rate	Currency	Amount	Contract exchange rate(won)/ interest rate
Foreign currency forward	KRW	108,294,950	1,504.10	USD	72,000	1,504.10
Foreign currency swap	USD	50,000	SOFR+1.05%	KRW	68,575,000	4.42%
Interest rate swap	EUR	47,282	3M EURIBOR	EUR	47,282	2.47%

	June 30, 2026		
	Derivative assets (liabilities)	Gain on valuation of derivatives	Accumulated other comprehensive income(loss)[1]
Foreign currency forward	$ (1,559)	$ -	$ (1,559)
Foreign currency swap	5,433	-	(81)
Interest rate swap	306	223	-
	$ 4,180	$ 223	$ (1,640)

[1] Presents the amount before taxes.

8. Derivatives (cont'd)

	December 31, 2025					
	Buy			Sell		
	Currency	Amount	Average contract exchange rate (in Korean won)/ interest rate	Currency	Amount	Average contract exchange rate (in Korean won)/ interest rate
Foreign currency forward	KRW	26,158,800	1,453.27	USD	18,000	1,453.27
Foreign currency swap	USD	50,000	SOFR+1.05%	KRW	68,575,000	4.42%
Interest rate swap	EUR	49,094	3M EURIBOR	EUR	49,094	2.47%

	December 31, 2025		
	Derivative assets (liabilities)	Loss on valuation of derivatives	Accumulated other comprehensive income (loss)[1]
Foreign currency forward	$ 293	$ -	$ 293
Foreign currency swap	1,556	-	(653)
Interest rate swap	91	1,435	-
	$ 1,940	$ 1,435	$ (360)

[1] Presents the amount before taxes.

9. Property, Plant and Equipment

Changes in property, plant and equipment for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026							
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	Total
Beginning	$ 213,709	$ 266,434	$ 357,785	$ 1,920	$ 28,015	$ 266,087	$ 113,142	$ 1,247,092
Acquisition / capital expenditure	-	5,712	22,566	214	2,739	15,725	17,543	64,499
Disposal / retirements	-	(7)	(905)	(101)	(78)	-	-	(1,091)
Depreciation	-	(7,986)	(50,189)	(380)	(5,490)	-	(20,593)	(84,638)
Others & transfer[1]	(8,213)	95,366	127,894	65	(757)	(224,882)	(1,588)	(12,115)
Ending	$ 205,496	$ 359,519	$ 457,151	$ 1,718	$ 24,429	$ 56,930	$ 108,504	$ 1,213,747
Acquisition cost	$ 205,496	$ 526,321	$ 1,106,413	$ 7,451	$ 117,579	$ 57,151	$ 237,973	$ 2,258,384
Accumulated depreciation	-	(162,672)	(644,015)	(5,725)	(92,757)	-	(129,469)	(1,034,638)
Government grants	-	(1,108)	-	-	-	(221)	-	(1,329)
Accumulated impairment losses	-	(3,022)	(5,247)	(8)	(393)	-	-	(8,670)

[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.

	Six-month period ended June 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	-	2,892	20,573	496	1,848	74,997	17,088	117,894
Disposal / retirements	-	(18)	(966)	(203)	(113)	-	-	(1,300)
Depreciation	-	(6,720)	(47,469)	(430)	(5,907)	-	(19,965)	(80,491)
Impairment loss	-	-	-	-	-	(219)	-	(219)
Others & transfer[1]	14,750	17,161	35,290	217	1,845	(27,158)	1,973	44,078
Ending	$ 205,779	$ 271,221	$ 366,805	$ 2,086	$ 29,653	$ 206,778	$ 121,864	$ 1,204,186
Acquisition cost	$ 205,779	$ 426,351	$ 965,440	$ 7,750	$ 120,445	$ 207,092	$ 239,622	$ 2,172,479
Accumulated depreciation	-	(151,150)	(593,149)	(5,656)	(90,353)	-	(117,758)	(958,066)
Government grants	-	(1,088)	-	-	(6)	(95)	-	(1,189)
Accumulated impairment losses	-	(2,892)	(5,486)	(8)	(433)	(219)	-	(9,038)

[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.

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

After initial recognition, land is measured using a revaluation model. As of June 30, 2026, the carrying amount of land would be $186,819 thousand if measured based on a cost model.

As of June 30, 2026, 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 six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Cost of sales	$ 70,011	$ 65,155
Selling and administrative expenses	14,627	15,336
	$ 84,638	$ 80,491

10. Intangible Assets

Changes in intangible assets for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026					
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	$ 2,727,816	$ 1,003,765	$ 97,457	$ 51,701	$ 116,290	$ 3,997,029
Internal development	-	-	14,009	-	-	14,009
Acquisition	-	37	-	13,100	4,147	17,284
Disposal/ Retirements	-	-	(323)	-	(37)	(360)
Amortization	-	(66)	(11,810)	-	(18,613)	(30,489)
Impairment loss	-	-	(548)	-	-	(548)
Others & transfer	(38,636)	(10,023)	(1,056)	(35,898)	33,089	(52,524)
Ending	$ 2,689,180	$ 993,713	$ 97,729	$ 28,903	$ 134,876	$ 3,944,401
Acquisition cost	$ 2,689,180	$ 1,135,815	$ 461,756	$ 28,903	$ 310,926	$ 4,626,580
Accumulated amortization and impairment losses	-	(142,102)	(364,027)	-	(176,050)	(682,179)

10. Intangible Assets (cont'd)

	Six-month period ended June 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	-	-	8,247	-	-	8,247
Acquisition	-	38	-	22,641	267	22,946
Disposal/ Retirements	-	-	(52)	(10)	(212)	(274)
Amortization	-	(64)	(11,037)	-	(16,315)	(27,416)
Reversal of impairment loss (Impairment loss)	-	-	428	-	(163)	265
Others & transfer	137,601	41,222	1,830	(59,505)	69,118	190,266
Ending	$ 2,729,814	$ 1,003,424	$ 99,218	$ 33,968	$ 128,431	$ 3,994,855
Acquisition cost	$ 2,729,814	$ 1,146,759	$ 434,873	$ 33,968	$ 272,606	$ 4,618,020
Accumulated amortization and impairment losses	-	(143,335)	(335,655)	-	(144,175)	(623,165)

As of June 30, 2026, the carrying amount of goodwill and other intangible assets with indefinite useful lives included in others above is $3,683,932 thousand (December 31, 2025: $3,732,685 thousand).

Some items of intangible assets stated above are pledged as collateral as of June 30, 2026 in connection with the Group's borrowings (see Notes 15 and 34).

Classification of amortization expenses for each of the six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Cost of sales	$ 15,267	$ 12,517
Selling and administrative expenses	15,222	14,899
	$ 30,489	$ 27,416

Expenditures on research and development recognized as expenses amount to $74,227 thousand for the six-month period ended June 30, 2026 (June 30, 2025: $75,469 thousand).

11. Investment Properties

Changes in investment properties for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026		
	Land	Building	Total
Beginning	$ 64,238	$ 12,490	$ 76,728
Depreciation	-	(470)	(470)
Others	(4,442)	(846)	(5,288)
Ending	$ 59,796	$ 11,174	$ 70,970
Acquisition cost	$ 59,796	$ 17,392	$ 77,188
Accumulated depreciation	-	(6,218)	(6,218)

	Six-month period ended June 30, 2025		
	Land	Building	Total
Beginning	$ 62,704	$ 13,175	$ 75,879
Acquisition / capital expenditure	-	44	44
Depreciation	-	(526)	(526)
Others	5,251	1,078	6,329
Ending	$ 67,955	$ 13,771	$ 81,726
Acquisition cost	$ 67,955	$ 19,766	$ 87,721
Accumulated depreciation	-	(5,995)	(5,995)

Rental income from investment properties occurred during the six-month period ended June 30, 2026 amounts to $1,668 thousand (June 30, 2025: $1,561 thousand).

12. Investment in Associates

Investments in associates that are accounted for using the equity method as of June 30, 2026 and December 31, 2025 are as follows:

Associates	Principal business activity	Location	Fiscal year end	Percentages of ownership (%) June 30, 2026	Percentages of ownership (%) December 31, 2025
Ainstein AI, Inc.[1]	Manufacturing of electronic sensing devices and others	USA	December	9.09	9.09
Presto Lite Asia Co., Ltd.	Manufacturing of motors and gen erators	Korea	December	32.31	32.31
Doosan New Technology Investment Fund No. 1[2]	Other financial investments	Korea	December	19.80	19.80

[1] The Group is deemed to have significant influence over the entity as it has the right to make decisions 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 June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

		June 30, 2026		
	Percentages of ownership (%)	Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	$ 2,000	$ 2,442	$ 564
Presto Lite Asia Co., Ltd.	32.31	2,467	2,558	2,558
Doosan New Technology Investment Fund No. 1	19.80	10,253	9,208	9,208
		$ 14,720	$ 14,208	$ 12,330

		December 31, 2025		
	Percentages of ownership (%)	Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	$ 2,000	$ 2,106	$ 228
Presto Lite Asia Co., Ltd.	32.31	2,467	2,785	2,785
Doosan New Technology Investment Fund No. 1	19.80	6,962	6,566	6,566
		$ 11,429	$ 11,457	$ 9,579

12. Investment in Associates (cont'd)

Changes in investment in associates for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026						
	Beginning	Capital injection	Share of profit(loss)	Equity adjustments in equity method	Dividends	Others	Ending
Ainstein AI, Inc.	$ 2,106	$ -	$ 336	$ -	$ -	$ -	$ 2,442
Presto Lite Asia Co., Ltd.	2,785	-	(35)	-	-	(192)	2,558
Doosan New Technology Investment Fund No. 1	6,566	3,291	(181)	(16)	-	(452)	9,208
	$ 11,457	$ 3,291	$ 120	$ (16)	$ -	$ (644)	$ 14,208

	Six-month period ended June 30, 2025						
	Beginning	Capital injection	Share of profit(loss)	Equity adjustments in equity method	Dividends	Others	Ending
Ainstein AI, Inc.	$ 1,991	$ -	$ (50)	$ -	$ -	$ -	$ 1,941
Presto Lite Asia Co., Ltd.	2,616	-	19	-	(16)	219	2,838
Doosan New Technology Investment Fund No. 1	2,267	1,796	(174)	(34)	-	262	4,117
	$ 6,874	$ 1,796	$ (205)	$ (34)	$ (16)	$ 481	$ 8,896

The summarized financial information of associates as of June 30, 2026 and for the six-month period ended June 30, 2026 is as follows (in thousands of USD):

	June 30, 2026		Six-month period ended June 30, 2026		
	Assets	Liabilities	Sales	Gain(Loss) for the period	Total comprehensive gain(loss)
Ainstein AI, Inc.	$ 8,909	$ 2,701	$ 7,226	$ 3,699	$ 3,699
Presto Lite Asia Co., Ltd.	10,772	2,856	4,005	(110)	(110)
Doosan New Technology Investment Fund No. 1	46,499	-	6	(912)	(912)

13. Lease

Changes in right-of-use assets for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026						
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	$ 7,525	$ 89,110	$ 6,103	$ 6,278	$ 14	$ 4,112	$ 113,142
Acquisition	-	12,525	1,139	3,057	24	798	17,543
Depreciation	(108)	(15,843)	(1,962)	(1,990)	(6)	(684)	(20,593)
Lease modification	-	2,801	-	-	-	-	2,801
Others	(157)	(3,985)	(4)	(271)	61	(33)	(4,389)
Ending balance	$ 7,260	$ 84,608	$ 5,276	$ 7,074	$ 93	$ 4,193	$ 108,504
Acquisition cost	$ 8,302	$ 188,076	$ 16,930	$ 16,008	$ 107	$ 8,550	$ 237,973
Accumulated depreciation	(1,042)	(103,468)	(11,654)	(8,934)	(14)	(4,357)	(129,469)

13. Lease (cont'd)

	Six-month period ended June 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	-	15,531	-	1,307	24	226	17,088
Depreciation	(107)	(15,487)	(1,208)	(2,443)	(7)	(713)	(19,965)
Others	392	970	31	526	-	54	1,973
Ending balance	$ 7,782	$ 102,287	$ 5,618	$ 4,820	$ 18	$ 1,339	$ 121,864
Acquisition cost	$ 8,580	$ 197,436	$ 13,966	$ 14,836	$ 25	$ 4,779	$ 239,622
Accumulated depreciation	(798)	(95,149)	(8,348)	(10,016)	(7)	(3,440)	(117,758)

Changes in lease liabilities for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Beginning balance	$ 115,243	$ 123,979
Lease payments	(23,750)	(22,482)
Acquisition of lease assets	17,377	17,088
Interest expenses	3,101	3,054
Termination of lease agreement	(2,237)	(3,774)
Lease modification	2,871	-
Others	(1,966)	5,463
Ending balance	$ 110,639	$ 123,328

The classification of depreciation expenses of lease assets for each of the six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Cost of sales	$ 10,895	$ 9,753
Selling and administrative expenses	9,698	10,212
	$ 20,593	$ 19,965

The maturity profile of lease liabilities as of June 30, 2026 and December 31, 2025 is as follows (in thousands of USD):

	June 30, 2026				
	Contractual nominal cash flow				
	Total	Less than 1 year	Less than 2 years	Less than 5 years	More than 5 years
Lease liabilities	$ 120,706	$ 42,249	$ 30,382	$ 45,774	$ 2,301

13. Lease (cont'd)

	December 31, 2025				
	Contractual nominal cash flow				
	Total	Less than 1 year	Less than 2 years	Less than 5 years	More than 5 years
Lease liabilities	$ 125,985	$ 41,591	$ 30,372	$ 50,704	$ 3,318

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 six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Cost of sales	$ 74	$ 178
Selling and administrative expenses	2,585	3,327
	$ 2,659	$ 3,505

Total cash outflows for leases for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Lease liabilities	$ 23,750	$ 22,482
Lease payments on short-term leases and leases of low-value assets	2,659	3,505
	$ 26,409	$ 25,987

14. Trade and Other Payables

Trade and other payables as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Current:		
Trade payables	$ 1,030,078	$ 760,063
Other payables	45,162	63,624
Accrued expenses	466,797	543,540
	$ 1,542,037	$ 1,367,227
Non-current:		
Other payables	$ 1,442	$ 263
Accrued expenses	11,554	11,665
Leasehold deposits received	3,182	4,764
	$ 16,178	$ 16,692

15. Borrowings

Bonds as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

Category	Annual interest rate	June 30, 2026	December 31, 2025
Private bonds	SOFR+1.05%	$ 50,000	$ 50,000
Less: discount on issuance of bonds		(141)	(215)
Less: current portion		(49,859)	-
Total		$ -	$ 49,785

Borrowings as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

1) Short-term Borrowings

Lender	Annual interest rate	June 30, 2026	December 31, 2025
SB China	2.60%	$ 14,724	$ 9,001
Woori China	2.50%	7,362	7,135
SB China	2.60%	5,154	3,394
Yes/Sundaram[1]	-	1,133	1,976
Hana Bank	6M MOR+1.59%	9,731	10,454
Kookmin Bank	CD 3M+1.27%	12,974	13,938
Korea Development Bank	KDB 3M Bond Rate+0.91%	12,974	-
Woori[2]	CD 3M+1.60%	6,487	6,969
Woori[2]	CD 3M+1.60%	9,731	-
Woori China[2]	LPR 1Y-0.45%	4,270	1,427
		$ 84,540	$ 54,294

[1] 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 criteria for writing off trade receivables are not met.

[2] Collateral is provided in relation to these borrowings (see Note 34).

15. Borrowings (cont'd)

2) Long-term Borrowings

Lender	Annual interest rate	June 30, 2026	December 31, 2025
Syndicated lenders[1]	3M SOFR+2.00%	$ 716,258	$ 719,912
CSOB[1]	EURIBOR+1.40%	107,898	115,304
Mizuho Bank	CD91D+1.50%	25,949	27,877
NongHyup Bank[1]	3M MOR+1.22%	25,949	27,877
Shinhan Bank[1]	CD 3M+1.60%	19,462	34,845
Shinhan Bank Japan[1]	Japan ST Prime Lending Rate-0.58%	2,470	2,558
Korea Development Bank	KDB 6M Bond Rate+1.02%	9,731	10,454
Subtotal		907,717	938,827
Less: present value discount		(7,657)	(8,984)
		900,060	929,843
Less: current portion		(63,652)	(81,291)
Total		$ 836,408	$ 848,552

[1] Collateral is provided in relation to these borrowings (see Note 34).

16. Sales and Leaseback Liabilities

Sales and leaseback liabilities as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

Lender	Annual interest rate	June 30, 2026	December 31, 2025
HSBC	3.10% - 7.70%	$ 29,279	$ 32,681
Investec	7.70%	1,563	2,181
CMF	2.80% - 5.20%	307	566
Lombard	2.40% - 7.50%	7,339	8,878
Subtotal		38,488	44,306
Less: current portion		(11,142)	(11,347)
Total		$ 27,346	$ 32,959

17. Net Defined Benefit Liabilities

Details of net defined benefit liabilities and assets recognized in the statements of financial position as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Present value of defined benefit obligations	$ 448,762	$ 443,628
Fair value of plan assets	(363,428)	(361,688)
Effects of asset ceiling	6,386	6,386
Net defined benefit liabilities	104,091	103,396
Net defined benefit assets	12,371	15,070

The components of retirement benefits presented on the statements of profit or loss for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Current service cost	$ 3,622	$ 7,132	$ 3,610	$ 7,040
Net interest cost	1,092	2,181	1,122	2,418
	$ 4,714	$ 9,313	$ 4,732	$ 9,458

18. Provisions

The Group estimates provisions for product warranties, related after-sales service activities, product-related obligations, litigation, and other contingencies based on expected expenditures required to settle such obligations taking into account factors such as warranty periods and historical experience.

Changes in provisions for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026						
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	$ 120,499	$ 64,973	$ (59,673)	$ 580	$ 126,379	$ 78,695	$ 47,684
Product liability	15,486	3,180	(709)	-	17,957	3,200	14,757
Litigation	1,389	353	-	(35)	1,707	1,707	-
Restructuring	423	-	(42)	(11)	370	370	-
Others	2,204	320	(408)	(245)	1,871	100	1,771
	$ 140,001	$ 68,826	$ (60,832)	$ 289	$ 148,284	$ 84,072	$ 64,212

	Six-month period ended June 30, 2025						
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	$ 138,951	$ 45,201	$ (53,562)	$ 2,908	$ 133,498	$ 75,356	$ 58,142
Product liability	20,695	1,980	(430)	-	22,245	4,100	18,145
Litigation	689	295	(179)	(151)	654	654	-
Restructuring	3,299	-	(1,633)	302	1,968	1,968	-
Others	1,880	63	(202)	176	1,917	103	1,814
	$ 165,514	$ 47,539	$ (56,006)	$ 3,235	$ 160,282	$ 82,181	$ 78,101

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 June 30, 2026, 95,856,065 ordinary shares are issued, out of which 108,708 shares are ordinary shares with restricted voting rights under the Commercial Act of the Republic of Korea. 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 June 30, 2026.

Changes in capital stock and capital surplus for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

				Capital surplus		
	Changes	Number of shares	Capital stock	Share premium	Other capital surplus	Total
As of January 1, 2026	Beginning	95,856,065	$ 43,096	$ 1,657,374	$ (177,878)	$ 1,479,496
As of June 30, 2026	Ending	95,856,065	$ 43,096	$ 1,657,374	$ (177,878)	$ 1,479,496

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

20. Share-based Compensation

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

	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 2nd anniversary year from grant
Payment method	Paid at the beginning of 3rd 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 2nd anniversary year from grant
Payment method	Paid at the beginning of 3rd anniversary year from grant

	5th wave
Grant type	Registered common stock of DBI
Granted to	Directors incumbent as of the date of resolution and grant date
Grant date	April 28, 2026
Settlement method	Issuance of treasury shares, cash equivalent to share value
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 2nd anniversary year from grant
Payment method	Paid at the beginning of 3rd anniversary year from grant

[1] For the year ended December 31, 2025, a portion of compensation originally granted as equity-settled type was changed to cash-settled type.

20. Share-based Compensation (cont'd)

Equity-settled share-based compensations as of June 30, 2026 and December 31, 2025 are as follows (in shares):

	June 30, 2026	December 31, 2025
Beginning	77,980	154,179
Granted	15,789	15,578
Canceled	(1,006)	-
Payment[1]	(33,555)	(14,694)
Modification[2]	-	(77,083)
Ending	59,208	77,980

[1] For the six-month period ended June 30, 2026, shares granted as the 2nd wave of share-based compensation were fully settled.
[2] For the year ended December 31, 2025, a portion of compensations originally granted as equity-settled type was changed to cash-settled type.

Cash-settled share-based compensations as of June 30, 2026 and December 31, 2025 are as follows (in shares):

	June 30, 2026	December 31, 2025
Beginning	208,739	108,774
Granted	39,426	57,964
Canceled	(2,649)	-
Payment[1]	(75,636)	(35,082)
Modification[2]	-	77,083
Ending[3]	169,880	208,739

[1] For the six-month period ended June 30, 2026, shares granted as the 2nd wave of share-based compensation were fully settled.
[2] For the year ended December 31, 2025, a portion of compensations originally granted as equity-settled type was changed to cash-settled type.
[3] As of June 30, 2026, 5,003 shares of cash-settled payments linked to the value of equity shares of the ultimate parent company are included (December 31, 2025: 4,212 shares).

21. Other Components of Equity

Other components of equity as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
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]	(3,287)	(4,828)
Share-based compensation expenses[2]	(284)	1,276
	$ (181,979)	$ (181,960)

[1] The Group received Doosan Engine's investment in its subsidiaries as an investment in-kind before the year ended December 31, 2025. The difference from the reduced book value of non-controlling interests was recognized as other equity.
[2] As of June 30, 2026, 108,708 shares (December 31, 2025: 142,263 shares) are held by the Group for the purpose of share-based compensations.
[3] For the six-month period ended June 30, 2026, 33,555 shares of treasury stock were granted under the share-based compensation plan.

22. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026				
	Loss on translation of foreign operation	Loss on valuation of derivatives	Gain on revaluation of property, plant and equipment	Equity changes under equity method	Total
Beginning balance	$ (185,257)	$ (294)	$ 24,837	$ 16	$ (160,698)
Increase (decrease)	(75,876)	(931)	-	(16)	(76,823)
Ending balance	$ (261,133)	$ (1,225)	$ 24,837	$ -	$ (237,521)

	Six-month period ended June 30, 2025				
	Gain (loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Equity changes under equity method	Total
Beginning balance	$ (440,318)	$ (3,491)	$ 14,812	$ 23	$ (428,974)
Increase (decrease)	258,791	3,684	-	(34)	262,441
Ending balance	$ (181,527)	$ 193	$ 14,812	$ (11)	$ (166,533)

23. Retained Earnings

Details of retained earnings as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Legal reserves	$ 22,566	$ 22,566
Retained earnings before appropriation	3,974,341	3,809,083
	$ 3,996,907	$ 3,831,649

24. Segment Information

As of June 30, 2026, details of operating segments and their 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 and others

The information on profit and loss by segment of the Group for each of the six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Six-month period ended June 30, 2026				
	Total sales	Internal sales	Net sales	Operating profit	Net income
Construction Equipment	$ 3,069,083	$ (1,061)	$ 3,068,022	$ 334,263	$ 220,181
Hydraulic Equipment	105,593	(9,354)	96,239	1,742	2,761
Subtotal	3,174,676	(10,415)	3,164,261	336,005	222,942
Consolidation adjustments	(10,415)	10,415	-	99	99
	$ 3,164,261	$ -	$ 3,164,261	$ 336,104	$ 223,041

	Six-month period ended June 30, 2025				
	Total sales	Internal sales	Net sales	Operating profit(loss)	Net income
Construction Equipment	$ 2,940,144	$ -	$ 2,940,144	$ 287,207	$ 168,483
Hydraulic Equipment	75,527	(4,654)	70,873	(2,988)	(2,941)
Subtotal	3,015,671	(4,654)	3,011,017	284,219	165,542
Consolidation adjustments	(4,654)	4,654	-	(1,131)	(876)
	$ 3,011,017	$ -	$ 3,011,017	$ 283,088	$ 164,666

24. Segment Information(cont'd)

The information on assets and liabilities by segment of the Group as of June 30, 2026 and December 31, 2025 is as follows (in thousands of USD):

	June 30, 2026	
	Assets	Liabilities
Construction Equipment	$ 8,584,958	$ 3,650,259
Hydraulic Equipment	236,588	71,100
Subtotal	8,821,546	3,721,359
Consolidation adjustments	(4,846)	(4,658)
	$ 8,816,700	$ 3,716,701

	December 31, 2025	
	Assets	Liabilities
Construction Equipment	$ 8,343,648	$ 3,497,946
Hydraulic Equipment	220,460	54,292
Subtotal	8,564,108	3,552,238
Consolidation adjustments	(5,654)	(5,367)
	$ 8,558,454	$ 3,546,871

As of June 30, 2026 and December 31, 2025, the Group's non-current assets by region are as follows (in thousands of USD):

	Non-current assets[1]	
	June 30, 2026	December 31, 2025
North America	$ 1,505,779	$ 1,504,712
Europe, Middle East and Africa	629,616	658,083
Asia, Latin America and Oceania	404,543	430,238
	$ 2,539,938	$ 2,593,033

[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 $ 2,677,123 thousand and $ 12,057 thousand for each CGU, respectively, as of June 30, 2026.

25. Revenue

Details of revenue for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Revenue from contracts with customers				
By type of goods or services				
- Manufactured products/merchandise	$ 1,606,350	$ 3,110,356	$ 1,527,079	$ 2,947,316
- Others	7,240	17,082	21,265	24,080
	1,613,590	3,127,438	1,548,344	2,971,396
By timing of recognition				
- Products transferred at a point in time	1,606,350	3,110,356	1,527,079	2,947,316
- Service rendered over time	7,240	17,082	21,265	24,080
	1,613,590	3,127,438	1,548,344	2,971,396
Revenue from other sources				
- Rental income, etc.	16,813	36,823	18,316	39,621
	$ 1,630,403	$ 3,164,261	$ 1,566,660	$ 3,011,017

25. Revenue (cont'd)

Revenue by main products for each of the six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Revenue	
	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Compact	$ 2,455,111	$ 2,331,745
Portable Power	144,553	154,998
Material Handling	468,358	453,401
Hydraulic Equipment	96,239	70,873
	$ 3,164,261	$ 3,011,017

Revenue by region for each of the six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Revenue	
	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
North America	$ 2,266,842	$ 2,195,406
Europe, Middle East & Africa	531,130	464,287
Asia, Latin America & Oceania	366,289	351,324
	$ 3,164,261	$ 3,011,017

There is no single external customer from whom revenue accounts for 10% or more of the Group's total revenue for each of the six-month periods ended June 30, 2026 and 2025.

26. Contract Balances

Details of receivables, contract assets and contract liabilities from contracts with customers as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

	June 30, 2026	December 31, 2025
Trade and other receivables	$ 508,624	$ 439,257
Contract liabilities[1]	169,771	169,134

[1] Contract liabilities are included in the 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, $ 17,286 thousand were recognized as revenue during the six-month period ended June 30, 2026 (June 30, 2025: $ 24,481 thousand).

27. Expenses by Nature

Expenses classified by nature for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Purchases of inventories (Raw materials & merchandises)	$ 1,009,964	$ 1,952,309	$ 814,387	$ 1,676,398
Changes in inventories	(111,075)	(168,064)	(28,746)	(28,258)
Employee benefits	217,188	413,914	203,277	401,382
Depreciation and amortization	60,535	115,597	55,274	108,433
Other expenses	258,965	514,401	377,088	569,974
	$ 1,435,577	$ 2,828,157	$ 1,421,280	$ 2,727,929

28. Selling and Administrative Expenses

Selling and administrative expenses for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Salaries	$ 58,586	$ 113,838	$ 62,907	$ 124,706
Retirement benefits	15,594	20,775	4,376	12,580
Employee benefits	9,945	21,264	11,949	18,401
Rent	1,001	2,089	3,740	6,378
Depreciation	5,948	12,246	6,681	12,898
Depreciation of investment properties	244	470	268	526
Amortization	8,206	15,222	8,584	14,899
Research and development	36,315	74,227	38,619	75,469
Advertising	24,018	46,932	23,448	49,536
Commission expenses	45,965	78,589	26,844	54,099
Bad debt expenses	1,125	560	1,171	607
Insurance expenses	3,389	5,919	2,432	5,077
Others1	23,841	49,739	26,192	51,758
	$ 234,177	$ 441,870	$ 217,211	$ 426,934

[1] Including share-based compensations

29. Finance Income and Expenses

Finance income and expenses for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Finance income:				
Interest income	$ 11,126	$ 19,101	$ 10,136	$ 18,376
Gain on foreign currency transactions	17,168	30,007	9,974	23,435
Gain on foreign currency translation	(73)	21,050	14,785	51,950
Gain on derivative transactions	-	-	(6)	-
Gain on valuation of derivative	(482)	223	(40)	-
	$ 27,739	$ 70,381	$ 34,849	$ 93,761
Finance expenses:				
Interest expenses	(17,547)	(29,958)	(18,072)	(36,607)
Loss on foreign currency transactions	(20,198)	(27,750)	(21,863)	(33,324)
Loss on foreign currency translation	7,967	(23,222)	(10,679)	(52,119)
Loss on derivative transactions	(112)	(112)	(75)	(90)
Loss on valuation of derivative	-	-	(28)	(28)
Loss on financial guarantee	(81)	(161)	(83)	(159)
Others	(1,115)	(2,215)	(2,091)	(3,246)
	$ (31,086)	$ (83,418)	$ (52,891)	$ (125,573)
	$ (3,347)	$ (13,037)	$ (18,042)	$ (31,812)

30. Other Non-operating Income and Expenses

Other non-operating income and expenses for each of the three-month and six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Other non-operating income:				
Gain on disposal of property, plant and equipment	$ 6	$ 34	$ 93	$ 118
Reversal of impairment loss on intangible assets	-	-	105	428
Others	366	1,376	637	838
	$ 372	$ 1,410	$ 835	$ 1,384
Other non-operating expenses:				
Loss on disposal of trade receivables	(1,372)	(2,483)	422	(1,311)
Other bad debt expenses	8	-	(49)	(226)
Loss on disposal of property, plant and equipment	(34)	(128)	(585)	(624)
Loss on disposal of intangible assets	-	(26)	-	-
Impairment loss on intangible assets	(548)	(548)	(163)	(163)
Donations	(381)	(5,667)	(376)	(6,045)
Loss on disposal of investment in subsidiary	-	(671)	-	-
Loss on sale of short-term investments	-	(17)	-	-
Others	(140)	(330)	(962)	(893)
	$ (2,467)	$ (9,870)	$ (1,713)	$ (9,262)
Net other non-operating expense	$ (2,095)	$ (8,460)	$ (878)	$ (7,878)

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.

Meanwhile, pursuant to the Pillar Two legislation, the Group is required to pay additional taxes equal to the difference between the taxes at the GloBE effective tax rate of each constituent entity's jurisdiction and those at the minimum tax rate of 15%. Except for the Irish subsidiary, Geith International Limited, and the permanent establishment of Doosan Bobcat EMEA s.r.o., all entities within the Group operate in the jurisdictions where the GloBE effective tax rates exceed 15%. As a result, the Pillar Two income tax expense recognized for the six-month period ended June 30, 2026 amounts to USD 17 thousand, and the exception to the recognition and disclosure of related deferred tax assets and liabilities has been applied.

32. Earnings Per Share

(1) Basic Earnings per Share

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

Earnings per share attributable to owners of the Company for each of the three-month and six-month periods ended June 30, 2026 and 2025 are computed as follows (in USD and in shares):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Profit for the period attributable to owners of the Company	$ 133,325,044	$ 223,041,499	$ 86,623,152	$ 164,665,579
Weighted-average number of ordinary shares outstanding	95,747,357	95,737,161	95,713,802	96,019,081
Basic earnings per share	$ 1.39	$ 2.33	$ 0.91	$ 1.71

Weighted average numbers of shares for each of the three-month and six-month periods ended June 30, 2026 and 2025 are computed as follows (in shares):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Number of ordinary shares outstanding	95,747,357	95,713,802	95,713,802	98,765,151
Treasury shares	-	23,359	-	(2,746,070)
Weighted-average number of ordinary shares outstanding	95,747,357	95,737,161	95,713,802	96,019,081

(2) Diluted Earnings per Share

Diluted earnings per share are computed by using 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 Company for each of the three-month and six-month period ended June 30, 2026 and 2025 are computed as follows (in USD and in shares):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Profit for the period attributable to owners of the Company	$ 133,325,044	$ 223,041,499	$ 86,623,152	$ 164,665,579
Adjusted weighted-average number of ordinary shares outstanding	95,782,750	95,771,517	95,760,071	96,063,841
Diluted earnings per share	$ 1.39	$ 2.33	$ 0.90	$ 1.71

32. Earnings Per Share (cont'd)

The adjusted weighted-average number of shares for each of the three-month and six-month periods ended June 30, 2026 and 2025 are computed as follows (in shares):

	June 30, 2026		June 30, 2025	
	Three months	Six months	Three months	Six months
Weighted-average number of ordinary shares outstanding	95,747,357	95,737,161	95,713,802	96,019,081
Restricted Stock Unit	35,393	34,356	46,269	44,760
Adjusted weighted-average number of ordinary shares outstanding	95,782,750	95,771,517	95,760,071	96,063,841

Potential ordinary shares as of June 30, 2026 and December 31, 2025 are as follows (in shares):

	June 30, 2026	December 31, 2025
Restricted Stock Unit	59,208	77,980

33. Commitments and Contingencies

(1) Litigations

As of June 30, 2026, the Group is a defendant in several legal actions arising in the ordinary course of business, including lawsuits related to product liability claims and patent infringement, and is subject to an ongoing investigation by a regulatory authority. Provisions are recognized for those cases where an outflow of resources is considered probable (see Note 18). For other legal actions and the investigation, the outcome cannot be reliably predicted, and the timing and amount of any potential outflows are uncertain. However, the Group does not expect these matters to have a material impact on the interim consolidated financial statements.

(2) Financial Guarantees and Assets Provided as Collaterals

As of June 30, 2026, 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.	$ 100,709
Doosan Bobcat EMEA s.r.o. and others	End customers, etc.	1
Doosan Bobcat Korea Co., Ltd. and others	End customers, etc.	13,878
		$ 114,588

The Company provides a payment guarantee of $ 130,000 thousand for supplier finance arrangement entered into by Doosan Bobcat North America Inc. and Doosan Bobcat EMEA, s.r.o, the subsidiaries of the Group.

33. Commitments and Contingencies (cont'd)

As of June 30, 2026, guarantees provided for the Group are as follows (in thousands of USD):

Provided by	Type	Amount guaranteed
Machinery Financial Cooperative	Contracts and defects[1]	$ 381
Seoul Guarantee Insurance Company	Performance guarantee	829
Woori Bank	Financial guarantee	51,235
	Foreign currency performance guarantee	124
CSOB	Payment guarantees	4,945
Other guarantees	Other guarantees	2,109
		$ 59,623

[1] The Group's share in Machinery Financial Cooperative is provided as collateral as of June 30, 2026.

(3) Key Commitments

1) Credit agreement

As of June 30, 2026, the Group has contracts with financial institutions for limit loans of $ 1,351,305 thousand, including general loans and overdrafts, comprehensive loans of $ 59,570 thousand, and loans secured by accounts receivables of $ 28,544 thousand.

2) Supplier finance arrangement

The Group entered into a supplier finance arrangement and $65,286 thousand is recognized as trade payables in relation thereto as of June 30, 2026.

3) Other commitments

As of June 30, 2026, the Group has signed a contract with Doosan New Technology Investment Fund No. 1 for a total investment commitment of $ 12,974 thousand, and the remaining investment commitment amount as of June 30, 2026 is $ 3,257 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 the 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.

33. Commitments and Contingencies (cont'd)

In connection with the business combination that occurred before the year ended December 31, 2025, the Group has succeeded the joint liabilities for financial and operating debts of Doosan Corporation and Doosan Industrial Vehicle 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 June 30, 2026 are as follows (in thousands of USD):

	Doosan Bobcat North America Inc.	Doosan Bobcat EMEA s.r.o	Doosan Bobcat Korea Co., Ltd. and others	Doosan Mottrol Co., Ltd. and others
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	$ 182,792	$ 60,855	$ 20,488
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	$ 2,551,471	$ 348,376	$ 95,140	$ 46,276
Nominal amount of borrowing	$ 716,258	$ 107,898	$ 47,881	$ 20,488

35. Related Party Transactions

The Group's related party disclosures for each of the six-month periods ended June 30, 2026 and 2025 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. 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.

35. Related Party Transactions (cont'd)

Material transactions with the related parties for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

		Six-month period ended June 30, 2026				
Relationship	**Related party**	**Sales**	**Other income**	**Purchase**	**Other expense**	**Purchases of property, plant and equipment and intangible assets**
Ultimate parent	Doosan Corp.	$ 1,984	$ -	$ -	$ 24,292	$ 1,216
Associate	Ainstein AI, Inc.	-	-	297	16	-
	Presto Lite Asia Co., Ltd	-	7	2,299	-	-
		$ -	$ 7	$ 2,596	$ 16	$ -
Others	Doosan Digital Innovation America, LLC	1	-	-	29,122	354
	Oricom Inc.	-	-	-	3,319	6
	Doosan Business Research Institute	-	-	-	1,947	-
	Doosan Cuvex Co., Ltd.	1	-	-	2,243	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	90	-
	Others	836	-	-	13,399	25
		$ 838	$ -	$ -	$ 50,120	$ 385
		$ 2,822	$ 7	$ 2,596	$ 74,428	$ 1,601

		Six-month period ended June 30, 2025				
Relationship	**Related party**	**Sales**	**Other income**	**Purchase**	**Other expense**	**Purchases of property, plant and equipment and intangible assets**
Ultimate parent	Doosan Corp.	$ 2,015	$ -	$ -	$ 21,306	$ 960
Associate	Ainstein AI, Inc.	-	-	-	20	-
	Presto Lite Asia Co., Ltd	-	32	2,471	-	-
		$ -	$ 32	$ 2,471	$ 20	$ -
Others	Doosan Digital Innovation America, LLC	10	-	-	26,961	1,298
	Oricom Inc.	-	-	-	3,228	-
	Doosan Business Research Institute	-	-	-	1,408	-
	Doosan Cuvex Co., Ltd.	-	-	-	1,967	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	110	-
	Others	613	1	-	10,720	-
		$ 623	$ 1	$ -	$ 44,394	$ 1,298
		$ 2,638	$ 33	$ 2,471	$ 65,720	$ 2,258

35. Related Party Transactions (cont'd)

Details of material balances with the related parties as of June 30, 2026 and December 31, 2025 are as follows (in thousands of USD):

		June 30, 2026				
Relationship	**Related party**	**Trade receivables**	**Other receivables**	**Trade payables**	**Other payables**	**Lease liabilities**
Ultimate parent	Doosan Corp.	$ 359	$ 737	$ -	$ 14,233	$ -
Associate	Ainstein AI, Inc.	-	335	-	-	-
	Presto Lite Asia Co., Ltd	-	-	776	-	-
		$ -	$ 335	$ 776	$ -	$ -
Others	Doosan Digital Innovation America LLC	-	61	-	5,504	3,704
	Oricom Inc	-	1,676	-	696	-
	Doosan Business Research Institute	-	-	-	105	-
	Doosan Cuvex Co., Ltd.	-	897	-	302	-
	Bundang Doosan Tower Reit Co., Ltd.	-	1,762	-	-	8,178
	Others	151	35		4,819	-
		$ 151	$ 4,431	$ -	$ 11,426	$ 11,882
		$ 510	$ 5,503	$ 776	$ 25,659	$ 11,882

		December 31, 2025				
Relationship	**Related party**	**Trade receivables**	**Other receivables**	**Trade payables**	**Other payables**	**Lease liabilities**
Ultimate parent	Doosan Corp.	$ 371	$ 879	$ -	$ 13,678	$ -
Associate	Ainstein AI, Inc.	-	635	-	-	-
	Presto Lite Asia Co., Ltd.	-	3	842	-	-
		$ -	$ 638	$ 842	$ -	$ -
Others	Doosan Digital Innovation America LLC	-	136	-	5,369	3,594
	Oricom Inc	-	-	-	2,397	-
	Doosan Business Research Institute	-	-	-	107	-
	Doosan Cuvex Co., Ltd.	-	963	-	360	-
	Bundang Doosan Tower Reit Co., Ltd.	-	1,893	-	-	9,672
	Others	172	33	-	5,103	-
		$ 172	$ 3,025	$ -	$ 13,336	$ 13,266
		$ 543	$ 4,542	$ 842	$ 27,014	$ 13,266

35. Related Party Transactions (cont'd)

Fund transactions (including equity transactions) with the related parties for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

		Six-month period ended June 30, 2026			
Relationship	**Related party**	**Dividend income**	**Dividend paid**	**Repayment of lease liabilities**	**Investment**
Immediate parent	Doosan Enerbility Co., Ltd	$ -	$ 28,377	$ -	$ -
Associates	Doosan New Technology Investment Fund No.1	-	-	-	3,291
Others	Doosan Digital Innovation America, LLC	-	-	657	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	947	-
		$ -	$ 28,377	$ 1,604	$ 3,291

		Six-month period ended June 30, 2025			
Relationship	**Related party**	**Dividend income**	**Dividend paid**	**Repayment of lease liabilities**	**Investment**
Immediate parent	Doosan Enerbility Co., Ltd	$ -	$ 38,035	$ -	$ -
Associates	Presto Lite Asia Co., Ltd.	16	-	-	-
	Doosan New Technology Investment Fund No.1	-	-	-	1,796
Others	Doosan Digital Innovation America, LLC	-	-	393	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	971	-
		$ 16	$ 38,035	$ 1,364	$ 1,796

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 six-month periods ended June 30, 2026 and 2025 is as follows (in thousands of USD):

	Six-month period ended June 30, 2026	**Six-month period ended June 30, 2025**
Benefits	$ 3,427	$ 3,348
Share-based compensations	3,083	1,875
Retirement benefits	508	902
	$ 7,018	$ 6,125

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 six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Adjustments:		
Income tax expense	$ 91,686	$ 78,527
Finance income	(40,374)	(70,325)
Finance expenses	53,180	88,754
Retirement benefits (defined benefit plan)	9,313	9,458
Depreciation	84,638	80,491
Depreciation of investment properties	470	526
Amortization	30,489	27,416
Gain on disposal of property, plant and equipment	(34)	(118)
Loss on disposal of property, plant and equipment	128	624
Loss on disposal of intangible assets	26	-
Impairment loss on property, plant and equipment	-	219
Impairment loss on intangible assets	548	163
Reversal of impairment loss on intangible assets	-	(428)
Loss (gain) on equity method investments	(120)	205
Gain on valuation of long-term financial investments	(1)	(1)
Gain from cancellation of lease agreement	(295)	(338)
Share-based compensation	3,533	2,725
	$ 233,187	$ 217,898

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Changes in operating assets and liabilities:		
Trade receivables and other receivables	$ (140,869)	$ (91,020)
Inventories	(169,420)	(24,781)
Other current assets	(12,738)	(10,777)
Other non-current assets	(12,024)	(12,380)
Trade payables and other payables	188,824	253,145
Derivatives	(3,298)	4,068
Provisions	9,236	(2,959)
Other current liabilities	(45,428)	2,317
Payment of retirement benefits (defined benefit plan)	(8,347)	(5,848)
Plan assets	2,397	1,936
Other non-current liabilities	(1,990)	8,890
	$ (193,657)	$ 122,591

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

Significant non-cash transactions for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
Transfer from construction-in-progress to property, plant and equipment and intangible assets	$ 264,743	$ 99,991
Increase(decrease) in other payables related to the acquisition of property, plant, and equipment	(12,756)	11,978
Increase(decrease) in other payables related to the acquisition of intangible assets	58	(3,330)
Acquisition of right-of-use assets	17,543	17,088
Retirement of treasury shares	-	139,045

Details of adjustments to liabilities arising from financing activities for each of the six-month periods ended June 30, 2026 and 2025 are as follows (in thousands of USD):

	Six-month period ended June 30, 2026				
	Corporate bonds	Borrowings	Sales and leaseback	Lease liabilities	Total
Beginning balance	$ 49,785	$ 984,137	$ 44,306	$ 115,243	$ 1,193,471
Acquisition of right-of-use assets	-	-	-	17,377	17,377
Cash flows	-	11,164	(5,250)	(20,649)	(14,735)
Foreign exchange differences	-	(12,030)	(568)	(1,966)	(14,564)
Other non-financial changes	74	1,329	-	634	2,037
Ending balance	$ 49,859	$ 984,600	$ 38,488	$ 110,639	$ 1,183,586

	Six-month period ended June 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	-	-	-	17,088	17,088
Cash flows	-	(20,736)	1,719	(19,428)	(38,445)
Foreign exchange differences	-	32,044	4,378	5,463	41,885
Other non-financial changes	74	1,311	-	(3,774)	(2,389)
Ending balance	$ 49,709	$ 1,187,557	$ 51,379	$ 123,328	$ 1,411,973

37. Events after the reporting period

Pursuant to the shareholder value enhancement plan announced on December 16, 2024, the Company introduced dividends paid on a quarterly basis. At a meeting of the board of directors held on July 23, 2026, an interim dividend for the second quarter amounting to USD 24,845 thousand was approved, which is scheduled to be paid on August 24, 2026.