

# **Doosan Bobcat Inc. and its subsidiaries**

Interim consolidated financial statements  
for the nine-month period ended September 30, 2024  
with the independent auditor's review report

**Doosan Bobcat Inc.**

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## **Report on review of interim consolidated financial statements**

(English translation of a report originally issued in Korean)

### **The Shareholders and Board of Directors Doosan Bobcat Inc.**

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

The interim consolidated statements of profit or loss, interim consolidated statements of comprehensive income or loss for each of the three-month and nine-month periods ended September 30, 2023, the interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the nine-month period then ended, prepared in accordance with KIFRS 1034 and presented for comparative purposes, have been reviewed by Samil PricewaterhouseCoopers whose review report dated November 9, 2023 expressed an unqualified review conclusion thereon.

Moreover, the consolidated statement of financial position as of December 31, 2023, 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) have been audited by Samil PricewaterhouseCoopers, in accordance with KSA, whose report dated March 14, 2024 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2023, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.



November 8, 2024

This review report is effective as of November 8, 2024, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim consolidated financial statements and may result in modification to this review report.

# **Doosan Bobcat Inc. and its subsidiaries**

Interim consolidated financial statements

for each of the nine-month periods ended September 30, 2024 and  
2023

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

Scott Park, Duckje Cho  
Chief Executive Officers  
Doosan Bobcat Inc.

**Doosan Bobcat Inc. and its subsidiaries**  
**Interim consolidated statements of financial position**  
**as of September 30, 2024 and December 31, 2023**

(in USD)

|  | Notes        | September 30, 2024<br>(Unaudited) | December 31, 2023       |
|--|--------------|-----------------------------------|-------------------------|
| <b>Assets</b>  |              |                                   |                         |
| <b>Current assets</b>                                      |              |                                   |                         |
| Cash and cash equivalents                                  | 4,5          | \$ 1,229,269,242                  | \$ 1,085,800,576        |
| Short-term financial instruments                           | 4,5          | 5,285,787                         | 5,041,104               |
| Short-term financial investments                           | 4,5          | 267,590                           | -                       |
| Trade and other receivables, net                           | 4,5,6,25,35  | 368,568,733                       | 437,369,916             |
| Inventories, net   | 7            | 1,628,435,746                     | 1,406,960,510           |
| Derivative assets  | 4,5,8        | 874,830                           | 125,177                 |
| Other current assets                                       |              | 77,990,518                        | 78,197,757              |
| Total current assets                                       |              | <u>\$ 3,310,692,446</u>           | <u>\$ 3,013,495,040</u> |
| <b>Non-current assets</b>                                  |              |                                   |                         |
| Long-term financial instruments                            | 4,5          | \$ 811,720                        | \$ 1,342,247            |
| Long-term financial investments                            | 4,5          | 10,492,057                        | 8,581,140               |
| Other receivables, net                                     | 4,5,6,25,35  | 17,153,104                        | 17,475,768              |
| Investment in associates                                   | 12           | 4,804,563                         | 4,714,113               |
| Property, plant and equipment, net                         | 9,13         | 1,049,473,364                     | 976,400,358             |
| Intangible assets, net                                     | 10           | 3,888,170,582                     | 3,865,879,152           |
| Investment properties                                      | 11           | 84,811,779                        | 87,080,595              |
| Deferred tax assets  |              | 40,533,482                        | 40,106,777              |
| Net defined benefit assets                                 | 17           | 9,912,473                         | 7,250,082               |
| Other non-current assets                                   | 4,5          | 40,765,679                        | 21,535,243              |
| Total non-current assets                                   |              | <u>\$ 5,146,928,803</u>           | <u>\$ 5,030,365,475</u> |
| <b>Total assets</b>  |              | <u>\$ 8,457,621,249</u>           | <u>\$ 8,043,860,515</u> |
| <b>Liabilities</b>   |              |                                   |                         |
| <b>Current liabilities</b>                                 |              |                                   |                         |
| Trade and other payables                                   | 4,5,14,26,35 | \$ 1,305,512,571                  | \$ 1,387,587,708        |
| Short-term borrowings                                      | 4,5,15       | 90,576,393                        | 48,453,514              |
| Current portion of long-term borrowings                    | 4,5,15       | 230,978,424                       | 21,995,092              |
| Income tax payable   |              | 20,153,297                        | 48,740,089              |
| Derivative liabilities                                     | 5,8          | 1,782,790                         | 1,861,013               |
| Lease liabilities  | 4,5,13,35    | 35,171,236                        | 32,299,902              |
| Provisions   | 18           | 85,954,113                        | 94,697,919              |
| Sales and leaseback liabilities                            | 4,5,16       | 13,146,945                        | 13,393,336              |
| Other current liabilities                                  | 4,5,26       | 193,685,815                       | 220,699,231             |
| Total current liabilities                                  |              | <u>\$ 1,976,961,584</u>           | <u>\$ 1,869,727,804</u> |
| <b>Non-current liabilities</b>                             |              |                                   |                         |
| Other non-current payables                                 | 4,5,14,35    | \$ 10,721,436                     | \$ 9,043,689            |
| Bonds  | 4,5,15       | 49,597,260                        | -                       |
| Long-term borrowings                                       | 4,5,15       | 895,482,763                       | 850,192,156             |
| Net defined benefit liabilities                            | 17           | 122,658,309                       | 112,043,559             |
| Deferred tax liabilities                                   |              | 271,215,776                       | 287,827,053             |
| Long-term derivative liabilities                           | 5,8          | 5,109,931                         | 434,800                 |
| Non-current lease liabilities                              | 4,5,13,35    | 89,196,680                        | 96,735,719              |
| Non-current provisions                                     | 18           | 82,635,870                        | 83,508,213              |
| Non-current sales and leaseback liabilities                | 4,5,16       | 35,733,412                        | 38,025,726              |
| Other non-current liabilities                              | 26           | 88,298,399                        | 78,039,997              |
| Total non-current liabilities                              |              | <u>\$ 1,650,649,836</u>           | <u>\$ 1,555,850,912</u> |
| <b>Total liabilities</b>                                   |              | <u>\$ 3,627,611,420</u>           | <u>\$ 3,425,578,716</u> |
| <b>Equity</b>  |              |                                   |                         |
| <b>Equity attributable to owners of the Parent Company</b> |              |                                   |                         |
| Capital stocks   | 1,19         | \$ 43,095,528                     | \$ 43,095,528           |
| Capital surplus  | 19           | 1,479,496,483                     | 1,479,496,483           |
| Other equity component                                     | 20,21        | (181,440,988)                     | (180,206,037)           |
| Accumulated other comprehensive loss                       | 22           | (240,949,842)                     | (247,208,643)           |
| Retained earnings  | 23           | 3,729,808,648                     | 3,523,104,468           |
| <b>Total equity</b>  |              | <u>\$ 4,830,009,829</u>           | <u>\$ 4,618,281,799</u> |
| <b>Total liabilities and equity</b>                        |              | <u>\$ 8,457,621,249</u>           | <u>\$ 8,043,860,515</u> |

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

**Doosan Bobcat Inc. and its subsidiaries**  
**Interim consolidated statements of profit or loss**

**for each of the three-month and nine-month periods ended September 30, 2024 and 2023**

(in USD)

|   | Notes       | Periods ended September 30 |                       |                       |                       |
|---|-------------|----------------------------|-----------------------|-----------------------|-----------------------|
|   |             | 2024                       |                       | 2023                  |                       |
|   |             | (Unaudited)                |                       | (Unaudited)           |                       |
|   |             | Three months               | Nine months           | Three months          | Nine months           |
| <b>Sales</b>  | 24,25,26,35 | \$ 1,305,541,887           | \$ 4,737,347,726      | \$ 1,803,448,687      | \$ 5,724,182,566      |
| <b>Cost of sales</b>                                    | 27          | (1,013,265,617)            | (3,603,965,240)       | (1,376,239,353)       | (4,328,122,510)       |
| <b>Gross profit</b>                                     |             | 292,276,270                | 1,133,382,486         | 427,209,334           | 1,396,060,056         |
| Selling and administrative expenses                     | 27,28       | (200,395,529)              | (622,449,678)         | (200,996,418)         | (524,098,717)         |
| <b>Operating profit</b>                                 |             | 91,880,741                 | 510,932,808           | 226,212,916           | 871,961,339           |
| <b>Non-operating income (expenses)</b>                  |             |                            |                       |                       |                       |
| Finance income  | 5,29        | 15,300,204                 | 91,590,008            | 25,601,733            | 76,645,697            |
| Finance expenses  | 5,29        | (29,992,739)               | (115,215,020)         | (42,880,064)          | (137,135,683)         |
| Other non-operating income                              | 30          | 595,767                    | 1,458,270             | 397,143               | 1,308,488             |
| Other non-operating expenses                            | 30          | (7,915,960)                | (18,605,157)          | (4,952,387)           | (19,264,149)          |
| Loss on equity method                                   | 12          | 130,386                    | 153,792               | 161,615               | 141,552               |
|   |             | (21,882,342)               | (40,618,107)          | (21,671,960)          | (78,304,095)          |
| <b>Profit before income tax expense</b>                 |             | 69,998,399                 | 470,314,701           | 204,540,956           | 793,657,244           |
| <b>Income tax expense</b>                               | 31          | (23,170,452)               | (145,821,304)         | (60,786,275)          | (251,835,954)         |
| <b>Profit for the period</b>                            |             | <u>\$ 46,827,947</u>       | <u>\$ 324,493,397</u> | <u>\$ 143,754,681</u> | <u>\$ 541,821,290</u> |
| <b>Profit that is attributable to:</b>                  |             |                            |                       |                       |                       |
| Owners of the Parent Company                            |             | \$ 46,827,947              | \$ 324,493,397        | \$ 143,754,681        | \$ 541,821,290        |
| <b>Earnings per share</b>                               | 32          |                            |                       |                       |                       |
| <b>attributable to the owners of the Parent Company</b> |             |                            |                       |                       |                       |
| Basic earnings per share                                |             | \$ 0.47                    | \$ 3.24               | \$ 1.44               | \$ 5.41               |
| Diluted earnings per share                              |             | \$ 0.47                    | \$ 3.24               | \$ 1.43               | \$ 5.41               |

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 or loss**
**for each of the three-month and nine-month periods ended September 30, 2024 and 2023**
*(in USD)*

|   | Period ended September 30 |                       |                       |                       |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
|   | 2024                      |                       | 2023                  |                       |
|   | (Unaudited)               |                       | (Unaudited)           |                       |
|   | Three months              | Nine months           | Three months          | Nine months           |
| <b>Profit for the period</b>  | <b>\$ 46,827,947</b>      | <b>\$ 324,493,397</b> | <b>\$ 143,754,681</b> | <b>\$ 541,821,290</b> |
| <b>Other comprehensive income</b>   |                           |                       |                       |                       |
| <i>Items that will not be reclassified to profit or loss</i>              |                           |                       |                       |                       |
| Remeasurements of net defined benefit liabilities                         | -                         | 9,650                 | -                     | (1,292,434)           |
| Gain on revaluation of property, plant and equipment                      | -                         | 748                   | -                     | -                     |
| <i>Items that may be subsequently reclassified to profit or loss</i>      |                           |                       |                       |                       |
| Gain (loss) on translation of foreign operations                          | 90,588,410                | 7,149,427             | (57,720,838)          | (23,083,964)          |
| Gain (loss) on valuation of derivatives                                   | 250,863                   | (891,374)             | (81,444)              | (173,306)             |
|   | <u>90,839,273</u>         | <u>6,268,451</u>      | <u>(57,802,282)</u>   | <u>(24,549,704)</u>   |
| <b>Total comprehensive income for the period</b>                          | <b>\$ 137,667,220</b>     | <b>\$ 330,761,848</b> | <b>\$ 85,952,399</b>  | <b>\$ 517,271,586</b> |
| <b>Total comprehensive income for the period that is attributable to:</b> |                           |                       |                       |                       |
| Owners of the Parent Company  | \$ 137,667,220            | \$ 330,761,848        | \$ 85,952,399         | \$ 517,271,586        |

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 nine-month periods ended September 30, 2024 and 2023

(in USD)

|  | Attributable to owners of the Parent Company |                  |                            |   |                   |                  |
|--|--|------------------|----------------------------|---|-------------------|------------------|
|  | Capital stock                                | Capital surplus  | Other components of equity | Accumulated other comprehensive income (loss) | Retained earnings | Total equity     |
| <b>Balance as of January 1, 2023</b>                                   | \$ 43,095,528                                | \$ 2,254,870,601 | \$ (179,177,950)           | \$ (318,615,934)                              | \$ 2,164,467,278  | \$ 3,964,639,523 |
| <b>Total comprehensive income:</b>                                     |  |                  |                            |   |                   |                  |
| Profit for the period  | -  | -                | -                          | -   | 541,821,290       | 541,821,290      |
| Losses on remeasurements of net defined benefit liabilities            | -  | -                | -                          | -   | (1,292,434)       | (1,292,434)      |
| Losses on translation of foreign operations                            | -  | -                | -                          | (23,083,964)                                  | -                 | (23,083,964)     |
| Losses on valuation of derivatives                                     | -  | -                | -                          | (173,306)                                     | -                 | (173,306)        |
|  | -  | -                | -                          | (23,257,270)                                  | 540,528,856       | 517,271,586      |
| <b>Capital transactions with owners</b>                                |  |                  |                            |   |                   |                  |
| Acquisition of treasury shares   | -  | -                | (1,928,113)                | -   | -                 | (1,928,113)      |
| Share-based compensation expenses                                      | -  | -                | 671,498                    | -   | -                 | 671,498          |
| Annual dividend  | -  | -                | -                          | -   | (57,648,441)      | (57,648,441)     |
| Interim dividend   | -  | -                | -                          | -   | (62,595,423)      | (62,595,423)     |
| Transferred to retained earnings                                       | -  | (775,374,118)    | -                          | -   | 775,374,118       | -                |
| Replacement of retained earnings due to disposal of equity instruments | -  | -                | -                          | (325,470)                                     | 325,470           | -                |
|  | -  | (775,374,118)    | (1,256,615)                | (325,470)                                     | 655,455,724       | (121,500,479)    |
| <b>Balance as of September 30, 2023 (unaudited)</b>                    | \$ 43,095,528                                | \$ 1,479,496,483 | \$ (180,434,565)           | \$ (342,198,674)                              | \$ 3,360,451,858  | \$ 4,360,410,630 |
| <b>Balance as of January 1, 2024</b>                                   | \$ 43,095,528                                | \$ 1,479,496,483 | \$ (180,206,037)           | \$ (247,208,643)                              | \$ 3,523,104,468  | \$ 4,618,281,799 |
| <b>Total comprehensive income:</b>                                     |  |                  |                            |   |                   |                  |
| Profit for the period  | -  | -                | -                          | -   | 324,493,397       | 324,493,397      |
| Gains on remeasurements of net defined benefit liabilities             | -  | -                | -                          | -   | 9,650             | 9,650            |
| Gains on translation of foreign operations                             | -  | -                | -                          | 7,149,427                                     | -                 | 7,149,427        |
| Losses on valuation of derivatives                                     | -  | -                | -                          | (891,374)                                     | -                 | (891,374)        |
| Gains on revaluation of property, plant and equipment                  | -  | -                | -                          | 748   | -                 | 748              |
|  | -  | -                | -                          | 6,258,801                                     | 324,503,047       | 330,761,848      |
| <b>Capital transactions with owners</b>                                |  |                  |                            |   |                   |                  |
| Acquisition of treasury shares   | -  | -                | (2,424,913)                | -   | -                 | (2,424,913)      |
| Share-based compensation expenses                                      | -  | -                | 1,189,962                  | -   | -                 | 1,189,962        |
| Annual dividend  | -  | -                | -                          | -   | (59,967,174)      | (59,967,174)     |
| Interim dividend   | -  | -                | -                          | -   | (57,831,693)      | (57,831,693)     |
|  | -  | -                | (1,234,951)                | -   | (117,798,867)     | (119,033,818)    |
| <b>Balance as of September 30, 2024 (unaudited)</b>                    | \$ 43,095,528                                | \$ 1,479,496,483 | \$ (181,440,988)           | \$ (240,949,842)                              | \$ 3,729,808,648  | \$ 4,830,009,829 |

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 nine-month periods ended September 30, 2024 and 2023**

(in USD)

|  | Note | Nine-month periods ended September 30 |                         |
|--|------|---------------------------------------|-------------------------|
|  |      | 2024<br>(unaudited)                   | 2023<br>(unaudited)     |
| <b>Cash flows from operating activities</b>                      |      |                                       |                         |
| Cash generated from operations:                                  | 36   | \$ 385,737,694                        | \$ 1,112,593,186        |
| Profit for the period  |      | 324,493,397                           | 541,821,290             |
| Adjustments  |      | 339,431,659                           | 431,914,709             |
| Changes in operating assets and liabilities                      |      | (278,187,362)                         | 138,857,187             |
| Interest received  |      | 37,966,952                            | 17,797,871              |
| Interest paid  |      | (63,096,035)                          | (63,275,238)            |
| Income tax paid  |      | (191,125,422)                         | (175,244,123)           |
| <b>Net cash flows provided operating activities</b>              |      | <b>169,483,189</b>                    | <b>891,871,696</b>      |
| <b>Cash flows from investing activities</b>                      |      |                                       |                         |
| Cash inflows from investing activities:                          |      |                                       |                         |
| Decrease in loan   |      | -                                     | 223,022                 |
| Disposal of property, plant and equipment                        |      | 1,698,414                             | 1,879,166               |
| Disposal of business   |      | -                                     | 11,266,187              |
| Decrease in long-term financial instruments                      |      | 516,346                               | -                       |
| Disposal of long-term financial investments                      |      | -                                     | 747,070                 |
|  |      | <b>2,214,760</b>                      | <b>14,115,445</b>       |
| Cash outflows for investing activities:                          |      |                                       |                         |
| Purchase of property, plant and equipment                        |      | 149,616,103                           | 77,254,076              |
| Purchase of intangible asset                                     |      | 47,001,710                            | 51,843,098              |
| Purchase of investment properties                                |      | 542,400                               | 848,837                 |
| Purchase of long-term financial investments                      |      | 2,025,354                             | 6,015,381               |
| Cash outflows for other investing activities                     |      | 18,183,834                            | -                       |
| <b>Net cash flows used in investing activities</b>               |      | <b>(217,369,401)</b>                  | <b>(135,961,392)</b>    |
| <b>Cash flows from financing activities</b>                      |      | <b>(215,154,641)</b>                  | <b>(121,845,947)</b>    |
| Cash inflows from financing activities:                          |      |                                       |                         |
| Increase in borrowing  |      | 311,691,926                           | 89,612,065              |
| Issuance of corporate bonds                                      |      | 49,550,003                            | -                       |
| Increase of sales and leaseback liabilities                      |      | 7,573,875                             | 6,320,753               |
|  |      | <b>368,815,804</b>                    | <b>95,932,818</b>       |
| Cash outflows for financing activities:                          |      |                                       |                         |
| Repayment of borrowing   |      | 18,947,385                            | 188,526,356             |
| Payment of dividend  |      | 117,798,870                           | 120,243,863             |
| Payment of lease liabilities                                     |      | 26,410,593                            | 23,918,057              |
| Repayment of sales and leaseback liabilities                     |      | 12,487,347                            | 15,503,812              |
| Acquisition of treasury shares                                   |      | 2,424,913                             | 1,928,113               |
|  |      | <b>(178,069,108)</b>                  | <b>(350,120,201)</b>    |
| <b>Net cash flows provided by (used in) financing activities</b> |      | <b>190,746,696</b>                    | <b>(254,187,383)</b>    |
| Effects of exchange rate changes on cash and cash equivalents    |      | (1,606,578)                           | (10,259,777)            |
| Net increase in cash and cash equivalents                        |      | 143,468,666                           | 505,578,589             |
| Cash and cash equivalents at the beginning of period             |      | 1,085,800,576                         | 551,570,225             |
| <b>Cash and cash equivalents at the end of period</b>            |      | <b>\$ 1,229,269,242</b>               | <b>\$ 1,057,148,814</b> |

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

# Doosan Bobcat Inc. and its subsidiaries

## Notes to the interim consolidated financial statements

### September 30, 2024 and 2023 (Unaudited)

#### 1. General Information

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

On November 18, 2016, the Company listed its shares on the securities market established by the Korea Stock Exchange. After several capital increases and capital reductions, the capital stock as of September 30, 2024 records \$ 43,096 thousand.

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

The Company's shareholders as of September 30, 2024 are as follows:

| Shareholder                 | Number of shares owned | Percentages of ownership (%) |
|-----------------------------|------------------------|------------------------------|
| Doosan Enerbility Co., Ltd. | 46,176,250             | 46.06%                       |
| Treasury shares             | 156,957                | 0.16%                        |
| Others                      | 53,915,959             | 53.78%                       |
|                             | 100,249,166            | 100.00%                      |

#### 1.1 Consolidated Subsidiaries

Details of the Group's consolidated subsidiaries as of September 30, 2024 and December 31, 2023 are as follows:

| Subsidiary  | Main business           | Location     | Ownership interest held by the Group (%) |                   | Fiscal year end |
|---|-------------------------|--------------|--|-------------------|-----------------|
|   |                         |              | September 30, 2024                       | December 31, 2023 |                 |
| Doosan Bobcat North America Inc. <sup>2</sup>                   | Manufacturing and sales | USA          | 100                                      | 100               | December        |
| Doosan Bobcat North America Inc.'s subsidiaries :               |                         |              |  |                   |                 |
| Doosan Bobcat Canada Ltd. <sup>2</sup>                          | Sales                   | Canada       | 100                                      | 100               | December        |
| Doosan Bobcat Mexico Monterrey, S. de R.L. de C.V. <sup>1</sup> | Other service           | Mexico       | 100                                      | 100               | December        |
| Doosan Bobcat EMEA s.r.o  | Manufacturing and sales | Czech        | 100                                      | 100               | December        |
| Doosan Bobcat EMEA s.r.o's subsidiaries :                       |                         |              |  |                   |                 |
| Doosan Bobcat Bensheim GmbH <sup>2</sup>                        | Sales                   | Germany      | 100                                      | 100               | December        |
| Doosan Bobcat Holdings France S.A.S. <sup>2</sup>               | Holdings                | France       | 100                                      | 100               | December        |
| JSC Doosan International Russia                                 | Sales                   | Russia       | 100                                      | 100               | December        |
| Doosan Bobcat UK Ltd. <sup>2</sup>                              | Sales                   | England      | 100                                      | 100               | December        |
| Doosan Bobcat South Africa (PTY) Ltd. <sup>2</sup>              | Sales                   | South Africa | 100                                      | 100               | December        |
| Doosan Bobcat France S.A.S <sup>2</sup>                         | Manufacturing           | France       | 100                                      | 100               | December        |
| Geith International Ltd.  | Sales                   | Ireland      | 100                                      | 100               | December        |
| Doosan Bobcat Belgium B.V. <sup>2</sup>                         | Sales                   | Belgium      | 100                                      | 100               | December        |
| Doosan Bobcat UK Northampton Ltd. <sup>2</sup>                  | Sales                   | England      | 100                                      | 100               | December        |
| Doosan Bobcat Germany GmbH <sup>2</sup>                         | Manufacturing and sales | Germany      | 100                                      | 100               | December        |
| Rushlift Ltd.   | Rental and sales        | England      | 100                                      | 100               | December        |

# Doosan Bobcat Inc. and its subsidiaries

## Notes to the interim consolidated financial statements

### September 30, 2024 and 2023 (Unaudited)

#### 1.1 Consolidated Subsidiaries (cont'd)

| Subsidiary  | Main business           | Location  | Ownership interest held by the Group (%) |                   |                 |
|---|-------------------------|-----------|--|-------------------|-----------------|
|   |                         |           | September 30, 2024                       | December 31, 2023 | 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 Korea Co., Ltd.<br>(formerly, Doosan Industrial Vehicle Co., Ltd.) <sup>3</sup> | Manufacturing and sales | Korea     | 100                                      | 100               | December        |
| Doosan Bobcat Korea Co., Ltd.'s subsidiaries :  |                         |           |  |                   |                 |
| Doosan Bobcat China Yantai Co., Ltd. <sup>2</sup>   | Manufacturing and sales | China     | 100                                      | 100               | December        |
| Doosan Bobcat India Private Ltd. <sup>4</sup>   | Manufacturing and sales | India     | 100                                      | 100               | March           |
| Doosan Bobcat Japan <sup>2, 4</sup>   | Sales                   | Japan     | 100                                      | 100               | December        |
| Doosan Bobcat Mexico S.A. de C.V. <sup>4</sup>  | Other service           | Mexico    | 100                                      | 100               | December        |
| Doosan Bobcat Korea Co., Ltd. <sup>3</sup>  | Sales                   | Korea     | -  | 100               | December        |

<sup>1</sup> Newly established during the year ended December 31, 2023.

<sup>2</sup> Changed its name during the year ended December 31, 2023.

<sup>3</sup> During the nine-month period ended September 30, 2024, Doosan Industrial Vehicle Co., Ltd. merged with Doosan Bobcat Korea Co., Ltd. and changed its name to Doosan Bobcat Korea Co., Ltd.

<sup>4</sup> During the nine-month period ended September 30, 2024, the shares of the entity were transferred from Doosan Bobcat Singapore Pte. Ltd. to Doosan Bobcat Korea Co., Ltd.

#### 1.2 Summarized Financial Information

The summarized financial information of the consolidated subsidiaries as of September 30, 2024 and for the nine-month period ended September 30, 2024 is as follows (in thousands of USD):

|   | September 30, 2024 |              | Nine-month period ended September 30, 2024 |                       |                            |
|---|--------------------|--------------|--|-----------------------|----------------------------|
|   | Assets             | Liabilities  | Sales                                      | Profit for the period | Total comprehensive income |
| Doosan Bobcat North America, Inc. and its subsidiaries  | \$ 5,354,154       | \$ 2,764,709 | \$ 3,652,528                               | \$ 275,063            | \$ 275,063                 |
| Doosan Bobcat Canada Ltd.                               | 156,788            | 54,994       | 239,217                                    | 14,988                | 14,988                     |
| Doosan Bobcat EMEA s.r.o. and its subsidiaries          | 2,407,343          | 626,983      | 1,083,039                                  | 30,178                | 30,178                     |
| Bobcat France S.A.S.                                    | 83,359             | 47,183       | 157,828                                    | 2,306                 | 2,306                      |
| Doosan Bobcat Belgium BV                                | 70,551             | 46,319       | 101,606                                    | 2,043                 | 2,043                      |
| Rushlift Ltd.   | 123,005            | 113,684      | 44,800                                     | (680)                 | (680)                      |
| Doosan Bobcat Singapore Pte., Ltd. and its subsidiaries | 110,302            | 54,598       | 130,549                                    | (37,733)              | (37,733)                   |
| Doosan Bobcat China Co., Ltd                            | 98,691             | 57,954       | 71,739                                     | 817                   | 817                        |
| Doosan Bobcat Korea Co., Ltd. and its subsidiaries      | 880,211            | 506,703      | 842,464                                    | 78,240                | 77,348                     |
| Doosan Bobcat India Private Ltd.                        | 128,308            | 84,299       | 75,130                                     | 890                   | 890                        |

# Doosan Bobcat Inc. and its subsidiaries

## Notes to the interim consolidated financial statements

### September 30, 2024 and 2023 (Unaudited)

#### 1.3 Changes in Scope of Consolidation

Changes in the scope of consolidation for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

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

  

| Name of Subsidiary                                 | Nine-month period ended September 30, 2023 |               |
|--|--|---------------|
|  | Details                                    | Reason        |
| Genesis Forklift Trucks Limited                    | Excluded from the consolidation            | Liquidation   |
| Rushlift Holdings Ltd.                             | Excluded from the consolidation            | Liquidation   |
| Doosan Materials Handling UK Ltd.                  | Excluded from the consolidation            | Liquidation   |
| Doosan Bobcat Mexico Monterrey, S. de R.L. de C.V. | Included in the consolidation              | Establishment |

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

The Group’s interim consolidated financial statements for the nine-month period ended September 30, 2024 have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim consolidated financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of September 30, 2024.

(a) *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, 2024.

##### Amendments to KIFRS 1007 and KIFRS 1107- *Supplier Finance Arrangements*

The amendments to KIFRS 1007 *Statement of Cash Flows* and KIFRS 1107 *Financial Instruments: Disclosures* clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. The transitional rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group’s interim consolidated financial statements.

# Doosan Bobcat Inc. and its subsidiaries

## Notes to the interim consolidated financial statements

### September 30, 2024 and 2023 (Unaudited)

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#### 2.1 Basis of Preparation (cont'd)

##### - Amendments to KIFRS 1116 – *Lease Liability in a Sale and Leaseback*

The amendments to KIFRS 1116 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's interim consolidated financial statements.

##### - Amendments to KIFRS 1001– *Classification of liabilities as current or non-current*

The amendments to paragraphs 69 to 76 of KIFRS 1001 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- what is meant by a right to defer settlement;
- that a right to defer must exist at the end of the reporting period;
- that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Group's interim consolidated financial statements.

##### (b) *New and amended standards and interpretations not yet adopted by the Group*

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

#### 2.2 Material Accounting Policies

Material accounting policies and method of computation adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2023, except for the adoption of new and amended standards and interpretations described in Note 2.1(a) and other Notes 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.

In 2023, the IASB amended IAS 12 (equivalent to KIFRS 1012) *Income Taxes*. The amendment introduces a temporary exception to the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also introduce disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to Pillar Two income taxes, particularly before the effective date of the related legislation.

The Group adopted the temporary exception to the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes and assessed its business structure considering the jurisdictional implementation of the Pillar Two Model Rules. Since it is expected that all constituent entities of the Group shall be either levied income taxes at the effective tax rate well above 15% or qualified for transitional safe harbour, the Group determined that Pillar Two top-up taxes will not be levied on the Group. Therefore, the Group's consolidated financial statements do not contain the information required by paragraphs 88A to 88D of KIFRS 1012. Meanwhile, the judgment on whether to apply Pillar Two top-up taxes involves estimates and assumptions about the future, and these accounting estimates may differ from actual results.

# Doosan Bobcat Inc. and its subsidiaries

## Notes to the interim consolidated financial statements

### September 30, 2024 and 2023 (Unaudited)

### 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, 2023, except for the estimates used to determine income tax expense.

### 4. Financial Risk Management

#### 4.1 Financial Risk Factors

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

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

#### 4.1.1 Market Risk

##### (a) Foreign exchange risk

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

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

The Group's financial assets and liabilities exposed to foreign exchange risk as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                       | September 30, 2024 |             |           |                     |            |
|-----------------------|--------------------|-------------|-----------|---------------------|------------|
|                       | USD                | EUR         | GBP       | Others <sup>1</sup> | Total      |
| Financial assets      | \$ 673,083         | \$ 46,866   | \$ 23,720 | \$ 8,907            | \$ 752,576 |
| Financial liabilities | (518,557)          | (97,864)    | (715)     | (26,359)            | (643,495)  |
| Net                   | \$ 154,526         | \$ (50,998) | \$ 23,005 | \$ (17,452)         | \$ 109,081 |

  

|                       | December 31, 2023 |             |           |                     |             |
|-----------------------|-------------------|-------------|-----------|---------------------|-------------|
|                       | USD               | EUR         | GBP       | Others <sup>1</sup> | Total       |
| Financial assets      | \$ 643,187        | \$ 72,860   | \$ 36,095 | \$ 7,465            | \$ 759,607  |
| Financial liabilities | (649,505)         | (98,724)    | (572)     | (29,139)            | (777,940)   |
| Net                   | \$ (6,318)        | \$ (25,864) | \$ 35,523 | \$ (21,674)         | \$ (18,333) |

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

**Doosan Bobcat Inc. and its subsidiaries**  
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**4.1.1 Market Risk (cont'd)**

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.

|                                  | Nine-month period ended<br>September 30, 2024           |   | Year ended<br>December 31, 2023                         |   |
|----------------------------------|---|---|---|---|
|                                  | 10% increase<br>in foreign<br>exchange<br>currency rate | 10% decrease<br>in foreign<br>exchange<br>currency rate | 10% increase<br>in foreign<br>exchange<br>currency rate | 10% decrease<br>in foreign<br>exchange<br>currency rate |
| Profit before income tax expense | \$ 10,908   | \$ (10,908)   | \$ (1,833)  | \$ 1,833  |

*(b) Interest rate risk*

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

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

Financial assets and liabilities with floating interest rates exposed to interest rate risk as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD). However, borrowings invested in derivative products for the purpose of hedging risk of interest fluctuations are excluded (see Note 8).

|                                   | September 30, 2024    | December 31, 2023   |
|-----------------------------------|-----------------------|---------------------|
| Financial assets                  | \$ 98,193             | \$ -                |
| Financial liabilities             | 1,183,405             | 888,804             |
| Net Financial assets(liabilities) | <u>\$ (1,085,212)</u> | <u>\$ (888,804)</u> |

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<br>Nine-month period ended<br>September 30, 2024 |                    | Year ended<br>December 31, 2023 |                    |
|----------------------------------|---|--------------------|---------------------------------|--------------------|
|                                  | 100 bp<br>increase  | 100 bp<br>decrease | 100 bp<br>increase              | 100 bp<br>decrease |
| Profit before income tax expense | \$ (10,852)   | \$ 10,852          | \$ (8,888)                      | \$ 8,888           |



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

Maximum exposures of financial assets of the Group exposed to credit risk as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|   | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|---|---------------------------|--------------------------|
| Cash and cash equivalents                     | \$ 1,229,269              | \$ 1,085,801             |
| Short-term financial instruments <sup>1</sup> | 5,286                     | 5,041                    |
| Short-term financial investments              | 268                       | -                        |
| Trade and other receivables                   | 368,569                   | 437,370                  |
| Long-term financial instruments <sup>2</sup>  | 812                       | 1,342                    |
| Long-term financial investments               | 10,492                    | 8,581                    |
| Long-term other receivables                   | 17,153                    | 17,476                   |
| Derivative assets                             | 875                       | 125                      |
| Other non-current assets                      | 7,777                     | 8,981                    |
|   | <u>\$ 1,640,501</u>       | <u>\$ 1,564,717</u>      |

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

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

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

**Doosan Bobcat Inc. and its subsidiaries**  
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**4.1.2 Credit Risk (cont'd)**

The aging analysis of the Group's trade and other receivables as of September 30, 2024 and December 31, 2023 is as follows (in thousands of USD):

| <b>September 30, 2024</b>   |  |  |                  |                  |                 |                  |                   |
|-----------------------------|--|--|------------------|------------------|-----------------|------------------|-------------------|
|                             | <b>Individually<br/>impaired<br/>receivables</b> | <b>Receivables<br/>assessed for impairment on a collective basis</b> |                  |                  |                 |                  | <b>Total</b>      |
|                             |  | <b>Within due</b>  | <b>0-3</b>       | <b>3-6</b>       | <b>6-12</b>     | <b>Over</b>      |                   |
|                             |  |  | <b>months</b>    | <b>months</b>    | <b>months</b>   | <b>12 months</b> |                   |
| Trade receivables           | \$ 4,009   | \$ 247,450   | \$ 53,440        | \$ 23,206        | \$ 6,234        | \$ 4,464         | \$ 338,803        |
| Other receivables           | 6,209  | 14,654   | 5,009            | 2,482            | -               | -                | 28,354            |
| Accrued income              | 174  | 10,220   | -                | -                | -               | -                | 10,394            |
| Short-term loans            | 73   | -  | -                | -                | -               | -                | 73                |
| Long-term other receivables | -  | 17,153   | -                | -                | -               | -                | 17,153            |
|                             | <u>\$ 10,465</u>                                 | <u>\$ 289,477</u>  | <u>\$ 58,449</u> | <u>\$ 25,688</u> | <u>\$ 6,234</u> | <u>\$ 4,464</u>  | <u>\$ 394,777</u> |

  

| <b>December 31, 2023</b>    |  |  |                  |                 |                 |                  |                   |
|-----------------------------|--|--|------------------|-----------------|-----------------|------------------|-------------------|
|                             | <b>Individually<br/>impaired<br/>receivables</b> | <b>Receivables<br/>assessed for impairment on a collective basis</b> |                  |                 |                 |                  | <b>Total</b>      |
|                             |  | <b>Within due</b>  | <b>0-3</b>       | <b>3-6</b>      | <b>6-12</b>     | <b>Over</b>      |                   |
|                             |  |  | <b>months</b>    | <b>months</b>   | <b>months</b>   | <b>12 months</b> |                   |
| Trade receivables           | \$ 4,992   | \$ 342,070   | \$ 60,613        | \$ 5,398        | \$ 5,002        | \$ 3,503         | \$ 421,578        |
| Other receivables           | 5,561  | 13,286   | 7,386            | -               | -               | -                | 26,233            |
| Accrued income              | 28   | 78   | -                | -               | -               | -                | 106               |
| Short-term loans            | 23   | 63   | -                | -               | -               | -                | 86                |
| Long-term other receivables | -  | 17,476   | -                | -               | -               | -                | 17,476            |
|                             | <u>\$ 10,604</u>                                 | <u>\$ 372,973</u>  | <u>\$ 67,999</u> | <u>\$ 5,398</u> | <u>\$ 5,002</u> | <u>\$ 3,503</u>  | <u>\$ 465,479</u> |

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

The aging analysis of the Group's allowance for doubtful accounts for trade and other receivables as of September 30, 2024 and December 31, 2023 is as follows (in thousands of USD):

| <b>September 30, 2024</b> |  |  |               |               |               |                  |                 |
|---------------------------|--|--|---------------|---------------|---------------|------------------|-----------------|
|                           | <b>Allowance<br/>for doubtful<br/>accounts<br/>for<br/>individually<br/>impaired<br/>receivables</b> | <b>Allowance for doubtful accounts assessed<br/>for impairment on a collective basis</b> |               |               |               |                  | <b>Total</b>    |
|                           |  | <b>Within due</b>  | <b>0-3</b>    | <b>3-6</b>    | <b>6-12</b>   | <b>Over</b>      |                 |
|                           |  |  | <b>months</b> | <b>months</b> | <b>months</b> | <b>12 months</b> |                 |
| Trade receivables         | \$ 3,183   | \$ 1,018   | \$ 534        | \$ 627        | \$ 727        | \$ 2,743         | \$ 8,832        |
| Other receivables         | -  | -  | 36            | 187           | -             | -                | 223             |
|                           | <u>\$ 3,183</u>  | <u>\$ 1,018</u>  | <u>\$ 570</u> | <u>\$ 814</u> | <u>\$ 727</u> | <u>\$ 2,743</u>  | <u>\$ 9,055</u> |

**Doosan Bobcat Inc. and its subsidiaries**  
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**4.1.2 Credit Risk (cont'd)**

|                   |   | December 31, 2023   |               |               |               |                 |                  |
|-------------------|---|---|---------------|---------------|---------------|-----------------|------------------|
|                   | Allowance for doubtful accounts for individually impaired receivables | Allowance for doubtful accounts assessed for impairment on a collective basis |               |               |               |                 | Total            |
|                   |   | Within due  | 0-3 months    | 3-6 months    | 6-12 months   | Over 12 months  |                  |
| Trade receivables | \$ 4,732  | \$ 866  | \$ 544        | \$ 724        | \$ 973        | \$ 2,752        | \$ 10,591        |
| Other receivables | -   | -   | 42            | -             | -             | -               | 42               |
|                   | <u>\$ 4,732</u>   | <u>\$ 866</u>   | <u>\$ 586</u> | <u>\$ 724</u> | <u>\$ 973</u> | <u>\$ 2,752</u> | <u>\$ 10,633</u> |

**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 September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|  |                     | September 30, 2024             |                     |                   |                     |                   |       |
|--|---------------------|--------------------------------|---------------------|-------------------|---------------------|-------------------|-------|
|  | Book value          | Contractual nominal cash flows |                     |                   |                     |                   | Total |
|  |                     | Total                          | Less than 1 year    | 1-2 years         | 2-5 years           | More than 5 years |       |
| Trade payables                           | \$ 764,711          | \$ 764,711                     | \$ 764,711          | \$ -              | \$ -                | \$ -              | -     |
| Other payables (current and non-current) | 551,523             | 551,523                        | 540,802             | 5,759             | 2,364               | 2,598             | -     |
| Other current liabilities                | 2,842               | 2,842                          | 2,842               | -                 | -                   | -                 | -     |
| Borrowings                               | 1,217,038           | 1,471,306                      | 382,800             | 133,870           | 954,636             | -                 | -     |
| Lease liabilities                        | 124,368             | 140,044                        | 40,206              | 30,230            | 53,485              | 16,123            | -     |
| Bonds                                    | 49,597              | 56,300                         | 2,291               | 2,297             | 51,712              | -                 | -     |
| Sales and leaseback Liabilities          | 48,880              | 56,581                         | 16,064              | 13,648            | 22,017              | 4,852             | -     |
|  | <u>\$ 2,758,959</u> | <u>\$ 3,043,307</u>            | <u>\$ 1,749,716</u> | <u>\$ 185,804</u> | <u>\$ 1,084,214</u> | <u>\$ 23,573</u>  | -     |

  

|  |                     | December 31, 2023              |                     |                   |                   |                   |       |
|--|---------------------|--------------------------------|---------------------|-------------------|-------------------|-------------------|-------|
|  | Book value          | Contractual nominal cash flows |                     |                   |                   |                   | Total |
|  |                     | Total                          | Less than 1 year    | 1-2 years         | 2-5 years         | More than 5 years |       |
| Trade payables                           | \$ 895,350          | \$ 895,350                     | \$ 895,350          | \$ -              | \$ -              | \$ -              | -     |
| Other payables (current and non-current) | 501,281             | 501,281                        | 493,801             | 2,928             | 1,577             | 2,975             | -     |
| Other current liabilities                | 3,353               | 3,353                          | 3,353               | -                 | -                 | -                 | -     |
| Borrowings                               | 920,641             | 1,255,535                      | 138,222             | 133,703           | 274,173           | 709,437           | -     |
| Lease liabilities                        | 129,036             | 145,448                        | 36,906              | 29,405            | 57,537            | 21,600            | -     |
| Sales and leaseback Liabilities          | 51,419              | 59,544                         | 16,477              | 14,009            | 25,733            | 3,325             | -     |
|  | <u>\$ 2,501,080</u> | <u>\$ 2,860,511</u>            | <u>\$ 1,584,109</u> | <u>\$ 180,045</u> | <u>\$ 359,020</u> | <u>\$ 737,337</u> | -     |

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**4.1.3 Liquidity Risk (cont'd)**

The amounts of financial liabilities by remaining maturity included in above represent undiscounted contractual nominal cash flows (including interest expenses), assuming the earliest period in which the Group can be required to pay, and therefore differ from the financial liabilities recognized in the consolidated statements of financial position. In addition, apart from the financial liabilities above, the maximum exposure related with financial guarantees provided by the Group as of September 30, 2024 is 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 September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                      | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|----------------------|---------------------------|--------------------------|
| Debt                 | \$ 3,627,611              | \$ 3,425,579             |
| Equity               | 4,830,010                 | 4,618,282                |
| Debt-to-equity ratio | <u>75.11%</u>             | <u>74.17%</u>            |

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**5. Financial Instruments by Category**

**5.1 Carrying Amounts of Financial Instruments by Category**

The classification of financial assets and liabilities by category as of September 30, 2024 and December 31, 2023 is as follows (in thousands of USD):

|   | September 30, 2024                 |   |  |                                     |                     |
|---|------------------------------------|---|--|-------------------------------------|---------------------|
|   | Financial assets at amortized cost | Financial assets at fair value through profit or loss | Financial assets at fair value through OCI | Other financial Assets <sup>1</sup> | Total               |
| <b>Assets:</b>                              |                                    |   |  |                                     |                     |
| Cash and cash equivalents                   | \$ 1,229,269                       | \$ -  | \$ -                                       | \$ -                                | \$ 1,229,269        |
| Short-term financial instruments            | 5,286                              | -   | -  | -                                   | 5,286               |
| Short-term financial investments            | -                                  | -   | 268  | -                                   | 268                 |
| Trade and other receivables                 | 358,103                            | -   | 10,466                                     | -                                   | 368,569             |
| Derivative assets (current and non-current) | -                                  | -   | -  | 875                                 | 875                 |
| Long-term other receivables                 | 17,153                             | -   | -  | -                                   | 17,153              |
| Long-term financial instruments             | 812                                | -   | -  | -                                   | 812                 |
| Long-term financial investments             | -                                  | 10,492  | -  | -                                   | 10,492              |
| Other non-current assets                    | 7,777                              | -   | -  | -                                   | 7,777               |
|   | <u>\$ 1,618,400</u>                | <u>\$ 10,492</u>                                      | <u>\$ 10,734</u>                           | <u>\$ 875</u>                       | <u>\$ 1,640,501</u> |

|   | September 30, 2024                      |  |  |                     |
|---|---|--|--|---------------------|
|   | Financial liabilities at amortized cost | Financial liabilities at fair value through profit or loss | Other financial liabilities <sup>1</sup> | Total               |
| <b>Liabilities:</b>                                       |   |  |  |                     |
| Trade and other payables                                  | \$ 1,305,513                            | \$ -   | \$ -                                     | \$ 1,305,513        |
| Bonds   | 49,597                                  | -  | -  | 49,597              |
| Borrowings  | 1,217,038                               | -  | -  | 1,217,038           |
| Derivative liabilities (current and non-current)          | -                                       | 1,323  | 5,570                                    | 6,893               |
| Sales and leaseback liabilities (current and non-current) | 48,880                                  | -  | -  | 48,880              |
| Other current liabilities                                 | 2,842                                   | -  | -  | 2,842               |
| Other non-current payables                                | 10,721                                  | -  | -  | 10,721              |
| Financial guarantee liability                             | -                                       | -  | 23,226                                   | 23,226              |
| Lease liabilities (current and non-current)               | -                                       | -  | 124,368                                  | 124,368             |
|   | <u>\$ 2,634,591</u>                     | <u>\$ 1,323</u>  | <u>\$ 153,164</u>                        | <u>\$ 2,789,078</u> |

<sup>1</sup> Includes lease liabilities and derivatives designated as hedging instruments.

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

| December 31, 2023                           |   |  |   |   |                     |
|---|---|--|---|---|---------------------|
|   | Financial<br>assets at<br>amortized<br>cost | Financial<br>assets at fair<br>value through<br>profit or loss | Financial<br>assets at fair<br>value through<br>OCI | Other<br>financial<br>Assets <sup>1</sup> | Total               |
| <b>Assets:</b>                              |   |  |   |   |                     |
| Cash and cash equivalents                   | \$ 1,085,801                                | \$ -   | \$ -  | \$ -                                      | \$ 1,085,801        |
| Short-term financial instruments            | 5,041                                       | -  | -   | -   | 5,041               |
| Trade and other receivables                 | 416,731                                     | -  | 20,639  | -   | 437,370             |
| Derivative assets (current and non-current) | -   | -  | -   | 125                                       | 125                 |
| Long-term other receivables                 | 17,476                                      | -  | -   | -   | 17,476              |
| Long-term financial instruments             | 1,342                                       | -  | -   | -   | 1,342               |
| Long-term financial investments             | -   | 8,326  | 255   | -   | 8,581               |
| Other non-current assets                    | 8,981                                       | -  | -   | -   | 8,981               |
|   | <u>\$ 1,535,372</u>                         | <u>\$ 8,326</u>  | <u>\$ 20,894</u>                                    | <u>\$ 125</u>                             | <u>\$ 1,564,717</u> |

| December 31, 2023   |   |   |  |                     |
|---|---|---|--|---------------------|
|   | Financial<br>liabilities at<br>amortized cost | Financial<br>liabilities at fair<br>value through<br>profit or loss | Other<br>financial<br>liabilities <sup>1</sup> | Total               |
| <b>Liabilities:</b>                                       |   |   |  |                     |
| Trade and other payables                                  | \$ 1,387,588                                  | \$ -  | \$ -   | \$ 1,387,588        |
| Borrowings  | 920,641                                       | -   | -  | 920,641             |
| Derivative liabilities (current and non-current)          | -   | 435   | 1,861  | 2,296               |
| Sales and leaseback liabilities (current and non-current) | 51,419  | -   | -  | 51,419              |
| Other current liabilities                                 | 3,353   | -   | -  | 3,353               |
| Other non-current payables                                | 9,044   | -   | -  | 9,044               |
| Financial guarantee liability                             | -   | -   | 21,061   | 21,061              |
| Lease liabilities (current and non-current)               | -   | -   | 129,036  | 129,036             |
|   | <u>\$ 2,372,045</u>                           | <u>\$ 435</u>   | <u>\$ 151,958</u>                              | <u>\$ 2,524,438</u> |

<sup>1</sup> Includes lease liabilities and derivatives designated as hedging instruments.

During the nine-month period ended September 30, 2024, there have been no significant changes in the business and economic environment affecting the fair value of the Group's financial assets and liabilities.

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**5.2 Fair Value Hierarchy**

The fair value hierarchy classifications of the financial instruments that are measured at fair value as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

| <b>September 30, 2024</b>                                  |                             |                             |                             |                  |
|--|-----------------------------|-----------------------------|-----------------------------|------------------|
|  | <b>Level 1 <sup>1</sup></b> | <b>Level 2 <sup>1</sup></b> | <b>Level 3 <sup>1</sup></b> | <b>Total</b>     |
| Financial assets:  |                             |                             |                             |                  |
| Financial assets at fair value through profit or loss      | \$ -                        | \$ -                        | \$ 10,492                   | \$ 10,492        |
| Financial assets at fair value through OCI                 | -                           | 10,466                      | 268                         | 10,734           |
| Other financial assets (Hedging derivatives)               | -                           | 875                         | -                           | 875              |
|  | <u>\$ -</u>                 | <u>\$ 11,341</u>            | <u>\$ 10,760</u>            | <u>\$ 22,101</u> |
| Financial liabilities:                                     |                             |                             |                             |                  |
| Financial liabilities at fair value through profit or loss | \$ -                        | \$ 1,323                    | \$ -                        | \$ 1,323         |
| Other financial liabilities (Hedging derivatives)          | -                           | 5,570                       | -                           | 5,570            |
|  | <u>\$ -</u>                 | <u>\$ 6,893</u>             | <u>\$ -</u>                 | <u>\$ 6,893</u>  |
| <b>December 31, 2023</b>                                   |                             |                             |                             |                  |
|  | <b>Level 1 <sup>1</sup></b> | <b>Level 2 <sup>1</sup></b> | <b>Level 3 <sup>1</sup></b> | <b>Total</b>     |
| Financial assets:  |                             |                             |                             |                  |
| Financial assets at fair value through profit or loss      | \$ -                        | \$ -                        | \$ 8,326                    | \$ 8,326         |
| Financial assets at fair value through OCI                 | -                           | 20,639                      | 255                         | 20,894           |
| Other financial assets (Hedging derivatives)               | -                           | 125                         | -                           | 125              |
|  | <u>\$ -</u>                 | <u>\$ 20,764</u>            | <u>\$ 8,581</u>             | <u>\$ 29,345</u> |
| Financial liabilities:                                     |                             |                             |                             |                  |
| Financial liabilities at fair value through profit or loss | \$ -                        | \$ 435                      | \$ -                        | \$ 435           |
| Other financial liabilities (Hedging derivatives)          | -                           | 1,861                       | -                           | 1,861            |
|  | <u>\$ -</u>                 | <u>\$ 2,296</u>             | <u>\$ -</u>                 | <u>\$ 2,296</u>  |

<sup>1</sup> 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.

Assets and liabilities whose carrying value is a reasonable approximation of fair value are excluded from the fair value disclosure above.

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**5.3 Changes in Fair Value of Level 3 Financial Instruments**

Changes in level 3 financial instruments measured at fair value for the nine-month period ended September 30, 2024 are as follows (in thousands of USD):

|   | Nine-month period ended September 30, 2024 |                          |                 |                     |                  |
|---|--|--------------------------|-----------------|---------------------|------------------|
|   | Beginning                                  | Fair value<br>evaluation | Acquisition     | Others <sup>1</sup> | Ending           |
| Financial assets at fair<br>value through profit or<br>loss | \$ 8,326                                   | \$ 1                     | \$ 2,114        | \$ 51               | \$ 10,492        |
| Financial assets at fair<br>value through OCI               | 255  | -                        | -               | 13                  | 268              |
|   | <u>\$ 8,581</u>                            | <u>\$ 1</u>              | <u>\$ 2,114</u> | <u>\$ 64</u>        | <u>\$ 10,760</u> |

<sup>1</sup> Others include effect of foreign exchange translation, etc.



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**5.4 Net Gains or Losses by Category of Financial Instruments**

Net gains or losses of each category of financial instruments for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

| Nine-month period ended September 30, 2024                 |                             |                         |                            |                          |             |                   |                          |
|--|-----------------------------|-------------------------|----------------------------|--------------------------|-------------|-------------------|--------------------------|
| Profit for the period                                      |                             |                         |                            |                          |             |                   | Other comprehensive loss |
| Interest income (expense)                                  | Bad debt expense (reversal) | Gain (loss) on disposal | Gain (loss) on derivatives | Gain (loss) on valuation | Others      |                   |                          |
| Financial assets:  |                             |                         |                            |                          |             |                   |                          |
| Financial assets at amortized cost                         | \$ 38,038                   | \$ (2,126)              | \$ -                       | \$ -                     | \$ -        | \$ -              | \$ -                     |
| Financial assets at fair value through profit or loss      | -                           | -                       | -                          | 302                      | 1           | -                 | -                        |
| Financial assets at fair value through OCI                 | -                           | -                       | (5,280)                    | -                        | -           | -                 | -                        |
| Other financial assets (Hedging derivatives)               | -                           | -                       | -                          | -                        | -           | -                 | (1,210)                  |
|  | <u>\$ 38,038</u>            | <u>\$ (2,126)</u>       | <u>\$ (5,280)</u>          | <u>\$ 302</u>            | <u>\$ 1</u> | <u>\$ -</u>       | <u>\$ (1,210)</u>        |
| Financial liabilities:                                     |                             |                         |                            |                          |             |                   |                          |
| Financial liabilities at amortized cost                    | \$ (53,988)                 | \$ -                    | \$ (1,606)                 | \$ -                     | \$ -        | \$ (2,251)        | \$ -                     |
| Financial liabilities at fair value through profit or loss | -                           | -                       | -                          | (860)                    | -           | -                 | -                        |
| Other financial liabilities                                | (4,589)                     | -                       | -                          | -                        | -           | (133)             | -                        |
|  | <u>\$ (58,577)</u>          | <u>\$ -</u>             | <u>\$ (1,606)</u>          | <u>\$ (860)</u>          | <u>\$ -</u> | <u>\$ (2,384)</u> | <u>\$ -</u>              |
|  |                             |                         |                            |                          |             |                   |                          |
| Nine-month period ended September 30, 2023                 |                             |                         |                            |                          |             |                   |                          |
| Profit for the period                                      |                             |                         |                            |                          |             |                   | Other comprehensive loss |
| Interest income (expense)                                  | Bad debt expense (reversal) | Loss on disposal        | Gain (loss) on derivatives | Gain (loss) on valuation | Others      |                   |                          |
| Financial assets:  |                             |                         |                            |                          |             |                   |                          |
| Financial assets at amortized cost                         | \$ 17,624                   | \$ (4,092)              | \$ -                       | \$ -                     | \$ -        | \$ -              | \$ -                     |
| Financial assets at fair value through profit or loss      | -                           | -                       | -                          | 464                      | 1           | -                 | -                        |
| Financial assets at fair value through OCI                 | -                           | -                       | (6,131)                    | -                        | -           | -                 | -                        |
| Other financial assets (Hedging derivatives)               | -                           | -                       | -                          | -                        | -           | -                 | (189)                    |
|  | <u>\$ 17,624</u>            | <u>\$ (4,092)</u>       | <u>\$ (6,131)</u>          | <u>\$ 464</u>            | <u>\$ 1</u> | <u>\$ -</u>       | <u>\$ (189)</u>          |
| Financial liabilities:                                     |                             |                         |                            |                          |             |                   |                          |
| Financial liabilities at amortized cost                    | \$ (61,297)                 | \$ -                    | \$ (1,699)                 | \$ -                     | \$ -        | \$ (1,569)        | \$ -                     |
| Other financial liabilities                                | (4,364)                     | -                       | -                          | (30)                     | -           | (71)              | -                        |
|  | <u>\$ (65,661)</u>          | <u>\$ -</u>             | <u>\$ (1,699)</u>          | <u>\$ (30)</u>           | <u>\$ -</u> | <u>\$ (1,640)</u> | <u>\$ -</u>              |

Other comprehensive 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, financial assets at fair value through OCI and financial liabilities at amortized cost.

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**5.5 Offsetting Financial Assets and Financial Liabilities**

The following table presents the recognized financial instruments subject to enforceable master netting arrangements and other similar agreements as of September 30, 2024 (in thousands of USD):

|                        | <b>Subject to application of master netting agreement</b>           |  |   |
|------------------------|---|--|---|
|                        | <b>Gross amount of<br/>financial<br/>instruments<br/>recognized</b> | <b>Gross amount of<br/>financial<br/>instruments set off</b> | <b>Net amounts<br/>presented in the<br/>statement of<br/>financial<br/>position</b> |
| Financial assets:      |   |  |   |
| Trade receivables      | \$ 8,484  | \$ (3,488)   | \$ 4,996  |
| Other receivables      | 30  | (28)   | 2   |
|                        | <u>\$ 8,514</u>   | <u>\$ (3,516)</u>  | <u>\$ 4,998</u>   |
| Financial liabilities: |   |  |   |
| Trade payables         | \$ (12,473)   | \$ 3,516   | \$ (8,957)  |

**6. Trade and Other Receivables**

Trade and other receivables as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                             | <b>September 30, 2024</b> |  |                   |
|-----------------------------|---------------------------|--|-------------------|
|                             | <b>Gross</b>              | <b>Allowance for<br/>doubtful accounts</b> | <b>Net</b>        |
| Current:                    |                           |  |                   |
| Trade receivables           | \$ 338,803                | \$ (8,832)                                 | \$ 329,971        |
| Other receivables           | 28,354                    | (223)                                      | 28,131            |
| Accrued income              | 10,394                    | -  | 10,394            |
| Short-term loans            | 73                        | -  | 73                |
|                             | <u>\$ 377,624</u>         | <u>\$ (9,055)</u>                          | <u>\$ 368,569</u> |
| Non-current:                |                           |  |                   |
| Long-term other receivables | \$ 17,153                 | \$ -                                       | \$ 17,153         |
|                             |                           |  |                   |
|                             | <b>December 31, 2023</b>  |  |                   |
|                             | <b>Gross</b>              | <b>Allowance for<br/>doubtful accounts</b> | <b>Net</b>        |
| Current:                    |                           |  |                   |
| Trade receivables           | \$ 421,578                | \$ (10,591)                                | \$ 410,987        |
| Other receivables           | 26,233                    | (42)                                       | 26,191            |
| Accrued income              | 106                       | -  | 106               |
| Short-term loans            | 86                        | -  | 86                |
|                             | <u>\$ 448,003</u>         | <u>\$ (10,633)</u>                         | <u>\$ 437,370</u> |
| Non-current:                |                           |  |                   |
| Long-term other receivables | \$ 17,476                 | \$ -                                       | \$ 17,476         |

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**6. Trade and Other Receivables (cont'd)**

Changes in allowance for doubtful accounts for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

|                   | <b>Nine-month period ended September 30, 2023</b> |                              |                  |
|-------------------|---|------------------------------|------------------|
|                   | <b>Trade<br/>receivables</b>                      | <b>Other<br/>receivables</b> | <b>Total</b>     |
| Beginning balance | \$ 8,005  | \$ 45                        | \$ 8,050         |
| Increase          | 3,917   | 175                          | 4,092            |
| Write-off         | (1,343)   | -                            | (1,343)          |
| Others            | (272)   | (9)                          | (281)            |
| Ending balance    | <u>\$ 10,307</u>                                  | <u>\$ 211</u>                | <u>\$ 10,518</u> |

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.

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**7. Inventories**

Inventories as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                                | <b>September 30, 2024</b>   |                                |                           |
|--------------------------------|-----------------------------|--------------------------------|---------------------------|
|                                | <b>Acquisition<br/>cost</b> | <b>Valuation<br/>allowance</b> | <b>Net<br/>book value</b> |
| Merchandise and finished goods | \$ 845,389                  | \$ (45,120)                    | \$ 800,269                |
| Work in progress               | 57,167                      | -                              | 57,167                    |
| Raw materials                  | 657,142                     | (37,487)                       | 619,655                   |
| Materials in transit           | 151,345                     | -                              | 151,345                   |
|                                | <u>\$ 1,711,043</u>         | <u>\$ (82,607)</u>             | <u>\$ 1,628,436</u>       |
|                                |                             |                                |                           |
|                                | <b>December 31, 2023</b>    |                                |                           |
|                                | <b>Acquisition<br/>cost</b> | <b>Valuation<br/>allowance</b> | <b>Net<br/>book value</b> |
| Merchandise and finished goods | \$ 660,434                  | \$ (40,568)                    | \$ 619,866                |
| Work in progress               | 73,870                      | -                              | 73,870                    |
| Raw materials                  | 574,622                     | (22,617)                       | 552,005                   |
| Materials in transit           | 161,220                     | -                              | 161,220                   |
|                                | <u>\$ 1,470,146</u>         | <u>\$ (63,185)</u>             | <u>\$ 1,406,961</u>       |

The cost of inventories recognized as expense and included in cost of sales for the nine-month period ended September 30, 2024 amounts to \$ 3,415,092 thousand (September 30, 2023: \$ 4,124,514 thousand). Losses on inventory valuation included in cost of sales amount to \$ 19,422 thousand for the nine-month period ended September 30, 2024 (September 30, 2023: \$ 7,941 thousand).

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**8. Derivatives**

The Group's derivative contracts are classified as follows:

| <b>Purpose</b>  | <b>Type of derivative instruments</b> | <b>Description</b>  |
|-----------------|---------------------------------------|---|
| Cash flow hedge | Foreign currency forward              | A contract in which currency forward is designated as hedging instrument in order to hedge cash flow risk arising from forecasted payment of borrowings and forecasted sales in foreign currencies            |
|                 | Foreign currency swap                 | A contract in which currency swap is designated as hedging instrument in order to hedge cash flow risk arising from changes in currency rate of forecasted cash flows in foreign currencies and interest rate |
| Trading purpose | Interest rate swap                    | A contract in which an interest rate swap is entered into in order to hedge risk arising from future interest rate changes, but hedge accounting is not applied   |

Details of valuation of derivatives as of September 30, 2024 and December 31, 2023 are as follows (in thousands of respective currencies and in thousands of USD):

| <b>September 30, 2024</b> |                 |   |             |                 |   |          |
|---------------------------|-----------------|---|-------------|-----------------|---|----------|
| <b>Buy</b>                |                 |   | <b>Sell</b> |                 |   |          |
|                           |                 | <b>Contract exchange rate(won)/ interest rate</b> |             |                 | <b>Contract exchange rate(won)/ interest rate</b> |          |
|                           | <b>Currency</b> | <b>Amount</b>                                     |             | <b>Currency</b> | <b>Amount</b>                                     |          |
| Foreign currency forward  | JPY             | 1,864   | 1,072.52    | KRW             | 19,994  | 1,072.52 |
| Foreign currency forward  | KRW             | 20,647,200  | 1,376.48    | USD             | 15,000  | 1,376.48 |
| Foreign currency swap     | JPY             | 1,906,578   | 1.00%       | KRW             | 20,000,000  | 2.88%    |
| Foreign currency swap     | USD             | 50,000  | SOFR +1.05% | KRW             | 68,575,000  | 4.42%    |
| Interest rate swap        | EUR             | 33,911  | 3M EURIBOR  | EUR             | 33,911  | 3.09%    |

| <b>September 30, 2024</b> |  |  |  |  |
|---------------------------|--|--|--|--|
|                           | <b>Derivative assets (liabilities)</b> | <b>Gain (loss) on valuation of derivatives</b> | <b>Accumulated other comprehensive income (loss)<sup>1</sup></b> |  |
| Foreign currency forward  | \$ (2)                                 | \$ -   | \$ (2)   |  |
| Foreign currency forward  | 687                                    | -  | 687  |  |
| Foreign currency swap     | (1,781)                                | -  | 18   |  |
| Foreign currency swap     | (3,599)                                | -  | (1,633)  |  |
| Interest rate swap        | (1,323)                                | (860)  | -  |  |
|                           | <b>\$ (6,018)</b>                      | <b>\$ (860)</b>                                | <b>\$ (930)</b>  |  |

<sup>1</sup> Presents the amount before taxes.

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**8. Derivatives (cont'd)**

| December 31, 2023        |        |  |            |        |  |          |
|--------------------------|--------|--|------------|--------|--|----------|
| Buy                      |        |  | Sell       |        |  |          |
| Currency                 | Amount | Contract exchange rate(won)/ interest rate | Currency   | Amount | Contract exchange rate(won)/ interest rate |          |
| Foreign currency forward | JPY    | 7,732                                      | 1,072.52   | KRW    | 82,930                                     | 1,072.52 |
| Foreign currency forward | KRW    | 11,724,300                                 | 1,302.70   | USD    | 9,000                                      | 1,302.70 |
| Foreign currency swap    | JPY    | 1,906,578                                  | 1.00%      | KRW    | 20,000,000                                 | 2.88%    |
| Interest rate swap       | EUR    | 39,832                                     | 3M EURIBOR | EUR    | 39,832                                     | 3.09%    |

| December 31, 2023        |                                 |   |  |
|--------------------------|---------------------------------|---|--|
|                          | Derivative assets (liabilities) | Gain (loss) on valuation of derivatives | Accumulated other comprehensive income (loss) <sup>1</sup> |
| Foreign currency forward | \$ (8)                          | \$ -                                    | \$ (8)   |
| Foreign currency forward | 125                             | -                                       | 125  |
| Foreign currency swap    | (1,853)                         | -                                       | 163  |
| Interest rate swap       | (435)                           | (425)                                   | -  |
|                          | <u>\$ (2,171)</u>               | <u>\$ (425)</u>                         | <u>\$ 280</u>  |

<sup>1</sup> Presents the amount before taxes.

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

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**9. Property, Plant and Equipment**

Changes in property, plant and equipment for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

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

|                                      | Nine-month period ended September 30, 2023 |                   |                   |                 |                  |                             |                        |                   |  |
|--------------------------------------|--|-------------------|-------------------|-----------------|------------------|-----------------------------|------------------------|-------------------|--|
|                                      | Land                                       | Buildings         | Machinery         | Vehicles        | Equipment        | Construction<br>in progress | Right-of-use<br>assets | Total             |  |
| Beginning                            | \$ 131,550                                 | \$ 220,153        | \$ 304,730        | \$ 1,739        | \$ 33,846        | \$ 76,273                   | \$ 108,617             | \$ 876,908        |  |
| Acquisition / capital<br>expenditure | -  | 1,795             | 17,285            | 1,287           | 3,771            | 58,800                      | 30,863                 | 113,801           |  |
| Disposal                             | (21)                                       | (23)              | (949)             | (44)            | (854)            | -                           | -                      | (1,891)           |  |
| Impairment                           | -  | -                 | -                 | (12)            | -                | -                           | -                      | (12)              |  |
| Depreciation                         | -  | (8,746)           | (57,891)          | (980)           | (8,703)          | -                           | (26,092)               | (102,412)         |  |
| Others & transfer <sup>1</sup>       | (5,447)                                    | 16,332            | 48,724            | 49              | 3,151            | (66,735)                    | 1,363                  | (2,563)           |  |
| Ending                               | <u>\$ 126,082</u>                          | <u>\$ 229,511</u> | <u>\$ 311,899</u> | <u>\$ 2,039</u> | <u>\$ 31,211</u> | <u>\$ 68,338</u>            | <u>\$ 114,751</u>      | <u>\$ 883,831</u> |  |
| Acquisition cost                     | \$ 126,082                                 | \$ 346,270        | \$ 753,274        | \$ 6,793        | \$ 87,052        | \$ 68,338                   | \$ 183,765             | \$ 1,571,574      |  |
| Accumulated<br>depreciation          | -  | (114,365)         | (440,215)         | (4,754)         | (55,818)         | -                           | (69,014)               | (684,166)         |  |
| Government grants                    | -  | (1,134)           | (643)             | -               | (22)             | -                           | -                      | (1,799)           |  |
| Accumulated<br>impairment losses     | -  | (1,260)           | (517)             | -               | (1)              | -                           | -                      | (1,778)           |  |

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

After initial recognition, land is measured using a revaluation model. As of September 30, 2024, the carrying amount of land would be \$ 148,476 thousand if measured based on a cost model.

As of September 30, 2024, certain property, plant and equipment included above are pledged as collateral in relation to the borrowings (see Notes 15 and 34).

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

The classification of depreciation expenses for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                                     | Nine-month<br>period ended<br>September 30, 2024 | Nine-month<br>period ended<br>September 30, 2023 |
|-------------------------------------|--|--|
| Cost of sales                       | \$ 86,811  | \$ 82,079  |
| Selling and administrative expenses |  |  |
| Depreciation expenses               | 16,787   | 17,078   |
| Research and development expenses   | 3,550  | 3,255  |
|                                     | <u>\$ 107,148</u>                                | <u>\$ 102,412</u>                                |

**10. Intangible Assets**

Changes in intangible assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

|  | Nine-month period ended September 30, 2023 |                      |                      |                             |                  |                     |
|--|--|----------------------|----------------------|-----------------------------|------------------|---------------------|
|  | Goodwill                                   | Industrial<br>rights | Development<br>costs | Construction<br>in progress | Others           | Total               |
| Beginning  | \$ 2,616,809                               | \$ 977,687           | \$ 136,534           | \$ -                        | \$ 63,460        | \$ 3,794,490        |
| Internal development                                 | -  | -                    | 18,567               | -                           | -                | 18,567              |
| Acquisition  | -  | 123                  | -                    | 17,555                      | 15,221           | 32,899              |
| Amortization   | -  | (80)                 | (26,209)             | -                           | (11,347)         | (37,636)            |
| Impairment   | -  | -                    | (1,107)              | -                           | -                | (1,107)             |
| Others & transfer                                    | (10,513)                                   | (2,812)              | (1,742)              | 18,826                      | (17,314)         | (13,555)            |
| Ending   | <u>\$ 2,606,296</u>                        | <u>\$ 974,918</u>    | <u>\$ 126,043</u>    | <u>\$ 36,381</u>            | <u>\$ 50,020</u> | <u>\$ 3,793,658</u> |
| Acquisition cost                                     | \$ 2,606,296                               | \$ 1,112,867         | \$ 417,074           | \$ 36,381                   | \$ 175,922       | \$ 4,348,540        |
| Accumulated<br>amortization and<br>impairment losses | -  | (137,949)            | (291,031)            | -                           | (125,902)        | (554,882)           |

As of September 30, 2024, the carrying amount of goodwill and other intangible assets with indefinite useful lives included in others above is \$ 3,657,199 thousand (December 31, 2023: \$ 3,646,367 thousand).



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

Certain intangible assets included above are pledged as collateral as of September 30, 2024 in connection with the borrowings (see Notes 15 and 34).

Details of development costs as of September 30, 2024 are as follows (in thousands of USD):

|   |                         | <b>Balance</b>    | <b>Remaining<br/>amortization year<br/>(months)</b> |
|---|-------------------------|-------------------|---|
| Compact product development<br>(relating to new models and emission regulations)        | Development in progress | \$ 48,564         |   |
|   | Being amortized         | 43,286            | 32  |
| Portable Power product development<br>(relating to new models and emission regulations) | Development in progress | -                 |   |
|   | Being amortized         | 6,519             | 32  |
| Forklift product development<br>(relating to new models and emission regulations)       | Development in progress | 6,794             |   |
|   | Being amortized         | 5,952             | 33  |
|   |                         | <u>\$ 111,115</u> |   |

Impairment losses on intangible assets for the nine-month period ended September 30, 2024 and for the year ended December 31, 2023 are as follows (in thousands of USD):

|                            |                                   | <b>Accumulated impairment losses</b>                          |   |
|----------------------------|-----------------------------------|---|---|
|                            |                                   | <b>Nine-month<br/>period ended<br/>September 30,<br/>2024</b> | <b>Year ended<br/>December 31,<br/>2023</b> |
| <b>Individual asset</b>    | <b>Book value</b>                 |   |   |
| Development costs          | Medium Frame GenV and others      | \$ -  | \$ 4,139                                    |
|                            | eMEX Shells E32e, E19e and others | 367   | 2,376                                       |
|                            | MEX 1-2T Upgrade                  | 999   | 3,418                                       |
| Industrial property rights | RYAN trademark right              | -   | 4,943                                       |
| Other Intangible assets    | Membership                        | 895   | 176   |

The classification of impairment losses on intangible assets for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                              | <b>Nine-month period ended<br/>September 30, 2024</b> | <b>Nine-month period ended<br/>September 30, 2023</b> |
|------------------------------|---|---|
| Other non-operation expenses | <u>\$ 3,325</u>                                       | <u>\$ 1,107</u>                                       |

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

The classification of amortization expenses for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                                     | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|-------------------------------------|---|---|
| Cost of sales                       | \$ 27,969   | \$ 29,281   |
| Selling and administrative expenses | 9,656   | 8,355   |
|                                     | <u>\$ 37,625</u>  | <u>\$ 37,636</u>  |

Expenditures on research and development recognized as expenses amount to \$ 116,770 thousand for the nine-month period ended September 30, 2024 (September 30, 2023: \$ 110,139 thousand).

**11. Investment Properties**

Changes in investment properties for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

|  | <b>Nine-month period ended September 30, 2023</b> |                  |                  |
|--|---|------------------|------------------|
|  | <b>Land</b>                                       | <b>Building</b>  | <b>Total</b>     |
| Beginning balance                            | \$ 72,734   | \$ 19,844        | \$ 92,578        |
| Acquisition / capital expenditure            | -   | 849              | 849              |
| Transfer <sup>1</sup>                        | -   | (3,733)          | (3,733)          |
| Depreciation                                 | -   | (810)            | (810)            |
| Others                                       | (4,193)   | (929)            | (5,122)          |
| Ending balance                               | <u>\$ 68,541</u>                                  | <u>\$ 15,221</u> | <u>\$ 83,762</u> |
| Acquisition cost                             | \$ 68,541   | \$ 19,344        | \$ 87,885        |
| Accumulated depreciation and impairment loss | -   | (4,123)          | (4,123)          |

<sup>1</sup> During the nine-month period ended September 30, 2023, due to the modification of the contract, the leased area has been adjusted, and the right-of-use assets classified as investment property have been transferred to lease assets.

Rental income from investment properties occurred during the nine-month period ended September 30, 2024 amounts to \$ 2,558 thousand (September 30, 2023: \$ 3,102 thousand).

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**12. Investment in Associates**

Investments in associates that are accounted for using the equity method as of September 30, 2024 are as follows:

| <b>Associates</b>              | <b>Principal business activity</b>                     | <b>Location</b> | <b>Fiscal year end</b> | <b>Percentages of ownership (%)</b> |
|--------------------------------|--|-----------------|------------------------|-------------------------------------|
| Ainstein AI, Inc. <sup>1</sup> | Manufacturing of electronic sensing devices and others | U.S.A           | December               | 9.09                                |
| Presto Lite Asia Co., Ltd.     | Manufacturing of motors and generators                 | Korea           | December               | 32.31                               |

<sup>1</sup> The Group considers it has significant influence over the entity with the right of decision-making in the entity's Board of Directors.

Details of investments in associates that are accounted for using the equity method as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                            | <b>Percentages of ownership (%)</b> | <b>September 30, 2024</b> |                   |                        |
|----------------------------|-------------------------------------|---------------------------|-------------------|------------------------|
|                            |                                     | <b>Acquisition cost</b>   | <b>Book value</b> | <b>Net asset value</b> |
| Ainstein AI, Inc.          | 9.09                                | \$ 2,000                  | \$ 1,997          | \$ 119                 |
| Presto Lite Asia Co., Ltd. | 32.31                               | 2,467                     | 2,808             | 2,808                  |
|                            |                                     | <u>\$ 4,467</u>           | <u>\$ 4,805</u>   | <u>\$ 2,927</u>        |

  

|                            | <b>Percentages of ownership (%)</b> | <b>December 31, 2023</b> |                   |                        |
|----------------------------|-------------------------------------|--------------------------|-------------------|------------------------|
|                            |                                     | <b>Acquisition cost</b>  | <b>Book value</b> | <b>Net asset value</b> |
| Ainstein AI, Inc.          | 9.09                                | \$ 2,000                 | \$ 1,892          | \$ 87                  |
| Presto Lite Asia Co., Ltd. | 32.31                               | 2,467                    | 2,822             | 2,822                  |
|                            |                                     | <u>\$ 4,467</u>          | <u>\$ 4,714</u>   | <u>\$ 2,909</u>        |

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**12. Investment in Associates (cont'd)**

Changes in investment in associates for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                            |    | <b>Nine-month period ended September 30, 2024</b> |                          |                |                 |
|----------------------------|----|---|--------------------------|----------------|-----------------|
|                            |    | <b>Gain (loss) on</b>                             |                          |                |                 |
|                            |    | <b>Beginning</b>                                  | <b>equity<br/>method</b> | <b>Others</b>  | <b>Ending</b>   |
| Ainstein AI, Inc.          | \$ | 1,892   | \$ 105                   | \$ -           | \$ 1,997        |
| Presto Lite Asia Co., Ltd. |    | 2,822   | 49                       | (63)           | 2,808           |
|                            | \$ | <u>4,714</u>                                      | <u>\$ 154</u>            | <u>\$ (63)</u> | <u>\$ 4,805</u> |

  

|                            |    | <b>Nine-month period ended September 30, 2023</b> |                          |                 |                 |
|----------------------------|----|---|--------------------------|-----------------|-----------------|
|                            |    | <b>Gain (loss) on</b>                             |                          |                 |                 |
|                            |    | <b>Beginning</b>                                  | <b>equity<br/>method</b> | <b>Others</b>   | <b>Ending</b>   |
| Ainstein AI, Inc.          | \$ | 1,859   | \$ (2)                   | \$ -            | \$ 1,857        |
| Presto Lite Asia Co., Ltd. |    | 2,478   | 144                      | (148)           | 2,474           |
|                            | \$ | <u>4,337</u>                                      | <u>\$ 142</u>            | <u>\$ (148)</u> | <u>\$ 4,331</u> |

The summarized financial information of associates as of September 30, 2024 and for the nine-month period ended September 30, 2024 is as follows (in thousands of USD):

|                            |    | <b>September 30, 2024</b> |                    | <b>Nine-month period ended<br/>September 30, 2024</b> |   |  |
|----------------------------|----|---------------------------|--------------------|---|---|--|
|                            |    | <b>Assets</b>             | <b>Liabilities</b> | <b>Sales</b>  | <b>Profit<br/>(loss) for<br/>the period</b> | <b>Total<br/>comprehensive<br/>income (loss)</b> |
| Ainstein AI, Inc.          | \$ | 6,920                     | \$ 5,609           | \$ 4,220  | \$ (177)                                    | \$ (177)   |
| Presto Lite Asia Co., Ltd. |    | 11,751                    | 3,061              | 8,575   | 152   | 152  |

**Doosan Bobcat Inc. and its subsidiaries**  
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**13. Lease**

Changes in right-of-use assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

| Nine-month period ended September 30, 2023 |          |            |           |           |       |           |            |
|--|----------|------------|-----------|-----------|-------|-----------|------------|
|  | Land     | Buildings  | Machinery | Vehicles  | Tools | Equipment | Total      |
| Beginning balance                          | \$ 4,288 | \$ 90,321  | \$ 5,776  | \$ 6,151  | \$ 6  | \$ 2,075  | \$ 108,617 |
| Acquisition                                | -        | 21,773     | 3,480     | 4,229     | 1     | 1,380     | 30,863     |
| Depreciation                               | (46)     | (19,782)   | (1,852)   | (3,176)   | (2)   | (1,234)   | (26,092)   |
| Transfer <sup>1</sup>                      | -        | 3,733      | -         | -         | -     | -         | 3,733      |
| Others                                     | (560)    | (1,535)    | -         | (771)     | (1)   | 497       | (2,370)    |
| Ending balance                             | \$ 3,682 | \$ 94,510  | \$ 7,404  | \$ 6,433  | \$ 4  | \$ 2,718  | \$ 114,751 |
| Acquisition cost                           | \$ 4,233 | \$ 147,938 | \$ 11,195 | \$ 14,789 | \$ 15 | \$ 5,595  | \$ 183,765 |
| Accumulated depreciation                   | (551)    | (53,428)   | (3,791)   | (8,356)   | (11)  | (2,877)   | (69,014)   |

<sup>1</sup> During the nine-month period ended September 30, 2023, the investment properties were replaced with lease assets as the lease area changed due to the modification of the contract.

Changes in lease liabilities for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                                | Nine-month<br>period ended<br>September 30, 2024 | Nine-month<br>period ended<br>September 30, 2023 |
|--------------------------------|--|--|
| Beginning balance              | \$ 129,036                                       | \$ 115,551                                       |
| Lease payments                 | (30,999)   | (28,282)   |
| Acquisition of lease assets    | 24,853   | 30,961   |
| Interest expenses              | 4,589  | 4,364  |
| Termination of lease agreement | (5,824)  | (186)  |
| Foreign exchange differences   | 2,713  | (3,874)  |
| Ending balance                 | \$ 124,368                                       | \$ 118,534                                       |

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**13. Lease (cont'd)**

The classification of depreciation expenses of lease assets for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                                     | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|-------------------------------------|---|---|
| Cost of sales                       | \$ 13,643   | \$ 12,992   |
| Selling and administrative expenses | 12,857  | 12,682  |
| Research and development expenses   | 411   | 418   |
|                                     | <u>\$ 26,911</u>  | <u>\$ 26,092</u>  |

The maturity profile of lease liability as of September 30, 2024 is as follows (in thousands of USD):

|                   | <b>Contractual nominal cash flow</b> |                             |                              |                              |                              |
|-------------------|--------------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|
|                   | <b>Total</b>                         | <b>Less than<br/>1 year</b> | <b>Less than<br/>2 years</b> | <b>Less than<br/>5 years</b> | <b>More than<br/>5 years</b> |
| Lease liabilities | \$ 140,044                           | \$ 40,206                   | \$ 30,230                    | \$ 53,485                    | \$ 16,123                    |

Expenditures on short-term leases or leases of low-value assets which are not included in lease assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|   | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|---|---|---|
| Cost of sales                           | \$ 191  | \$ 390  |
| Selling and administrative expenses     | 4,261   | 3,693   |
| Research and development expenses, etc. | 15  | 1   |
|   | <u>\$ 4,467</u>   | <u>\$ 4,084</u>   |

Total cash outflows for leases for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|  | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|--|---|---|
| Lease liabilities  | \$ 30,999   | \$ 28,282   |
| Lease payments on short-term leases and leases of low-value assets | 4,467   | 4,084   |
|  | <u>\$ 35,466</u>  | <u>\$ 32,366</u>  |

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**14. Trade and Other Payables**

Trade and other payables as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                             | <b>September 30, 2024</b> | <b>December 31, 2023</b> |
|-----------------------------|---------------------------|--------------------------|
| Current:                    |                           |                          |
| Trade payables              | \$ 764,711                | \$ 895,350               |
| Other payables              | 76,827                    | 97,938                   |
| Accrued expenses            | 463,975                   | 394,300                  |
|                             | <u>\$ 1,305,513</u>       | <u>\$ 1,387,588</u>      |
| Non-current:                |                           |                          |
| Other payables              | \$ 114                    | \$ 21                    |
| Accrued expenses            | 5,759                     | 4,491                    |
| Leasehold deposits received | 4,848                     | 4,532                    |
|                             | <u>\$ 10,721</u>          | <u>\$ 9,044</u>          |

**15. Bonds and Borrowings**

Bonds as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

| <b>Category</b>                     | <b>Annual interest rate</b> | <b>September 30, 2024</b> | <b>December 31, 2023</b> |
|-------------------------------------|-----------------------------|---------------------------|--------------------------|
| Private bonds                       | SOFR+1.05%                  | \$ 50,000                 | \$ -                     |
| Subtotal                            |                             | 50,000                    | -                        |
| Less: discount on issuance of bonds |                             | (403)                     | -                        |
| Total                               |                             | <u>\$ 49,597</u>          | <u>\$ -</u>              |

Borrowings as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

1) Short-term Borrowings

| <b>Lender</b>             | <b>Annual interest rate</b> | <b>September 30, 2024</b> | <b>December 31, 2023</b> |
|---------------------------|-----------------------------|---------------------------|--------------------------|
| SB China                  | 3.30%                       | \$ 21,454                 | \$ 21,038                |
| CSOB <sup>1</sup>         | EURIBOR+1.5%                | 17,638                    | 17,470                   |
| SB China                  | 3.30%                       | 10,727                    | 9,946                    |
| Yes/Sundaram <sup>2</sup> | -                           | 2,867                     | -                        |
| Hana Bank                 | 6M MOR+1.76%                | 22,734                    | -                        |
| Kookmin Bank              | CD91D+1.55%                 | 15,156                    | -                        |
|                           |                             | <u>\$ 90,576</u>          | <u>\$ 48,454</u>         |

<sup>1</sup> Collateral is provided in relation to this loan. (see Note 34).

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

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**15. Bonds and Borrowings (cont'd)**

2) Long-term Borrowings

| <b>Lender</b>                     | <b>Annual interest rate</b> | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|-----------------------------------|-----------------------------|-------------------------------|------------------------------|
| Syndicated lenders <sup>1</sup>   | 3M SOFR+2.00%               | \$ 729,049                    | \$ 735,125                   |
| CSOB <sup>1</sup>                 | EURIBOR+1.5%                | 114,645                       | 71,334                       |
| Mizuho Bank                       | CD91D+1.5%                  | 30,312                        | 31,022                       |
| NongHyup Bank <sup>1</sup>        | 3M MOR+1.88%                | 30,312                        | 31,022                       |
| Shinhan Bank Japan <sup>1,2</sup> | 2.88%                       | 13,357                        | 13,495                       |
| Shinhan Bank <sup>1</sup>         | CD91D+1.80%                 | 37,890                        | -                            |
| Shinhan Bank Japan <sup>1</sup>   | Japan ST Prime              | 2,802                         | 2,831                        |
|                                   | Lending Rate-0.575%         |                               |                              |
| Syndicated lenders <sup>1</sup>   | 3M SOFR+1.60%               | 180,000                       | -                            |
| Subtotal                          |                             | 1,138,367                     | 884,829                      |
| Less: present value discount      |                             | (11,906)                      | (12,642)                     |
|                                   |                             | 1,126,461                     | 872,187                      |
| Less: current portion             |                             | (230,978)                     | (21,995)                     |
| Total                             |                             | \$ 895,483                    | \$ 850,192                   |

<sup>1</sup> Collateral is provided in relation to this borrowing (see Note 34).

<sup>2</sup> The Group has entered into the currency swap agreement receiving a fixed interest rate of 1.00% for Japanese Yen (JPY) and paying a fixed interest rate of 2.88% for Korean won (KRW), and the interest rate presented has taken into account the effect of the currency swap agreement, in relation to this borrowing (see Note 8).

**16. Sales and Leaseback Liabilities**

Sales and leaseback liabilities as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

| <b>Lender</b>         | <b>Annual<br/>interest rate</b> | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|-----------------------|---------------------------------|-------------------------------|------------------------------|
| HSBC                  | 7.00%                           | \$ 28,232                     | \$ 28,801                    |
| Investec              | 7.00%                           | 3,539                         | 4,085                        |
| CMF                   | 7.00%                           | 1,335                         | 1,977                        |
| Lombard               | 7.00%                           | 15,774                        | 16,556                       |
| Subtotal              |                                 | 48,880                        | 51,419                       |
| Less: current portion |                                 | (13,147)                      | (13,393)                     |
| Total                 |                                 | \$ 35,733                     | \$ 38,026                    |



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**17. Net Defined Benefit Liabilities**

Details of net defined benefit liabilities recognized in the statements of financial position as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|  | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|--|---------------------------|--------------------------|
| Present value of defined benefit obligations | \$ 469,752                | \$ 452,775               |
| Fair value of plan assets                    | (358,714)                 | (349,689)                |
| Effects of asset ceiling                     | 1,708                     | 1,708                    |
| Net defined benefit liabilities              | 122,658                   | 112,044                  |
| Net defined benefit assets                   | 9,912                     | 7,250                    |

Components of retirement benefits presented on the statements of profit or loss for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|  | <u>September 30, 2024</u> |                    | <u>September 30, 2023</u> |                    |
|--|---------------------------|--------------------|---------------------------|--------------------|
|  | <u>Three months</u>       | <u>Nine months</u> | <u>Three months</u>       | <u>Nine months</u> |
| Current service cost                       | \$ 3,466                  | \$ 10,683          | \$ 3,334                  | \$ 11,157          |
| Past service cost and gains on settlements | -                         | -                  | -                         | (52,041)           |
| Net interest cost                          | 1,184                     | 3,768              | 1,440                     | 5,734              |
|  | <u>\$ 4,650</u>           | <u>\$ 14,451</u>   | <u>\$ 4,774</u>           | <u>\$ (35,150)</u> |

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**18. Provisions**

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

Changes in provisions for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

| Nine-month period ended September 30, 2023 |                   |                  |                    |                 |                   |                  |                  |
|--|-------------------|------------------|--------------------|-----------------|-------------------|------------------|------------------|
|  | Beginning         | Increase         | Decrease           | Others          | Ending            | Current          | Non-current      |
| Warranty                                   | \$ 152,704        | \$ 40,767        | \$ (46,589)        | \$ (716)        | \$ 146,166        | \$ 79,988        | \$ 66,178        |
| Product liability                          | 25,445            | 4,102            | (3,839)            | -               | 25,708            | 3,699            | 22,009           |
| Litigation                                 | 1,114             | 767              | (111)              | (114)           | 1,656             | 1,656            | -                |
| Restructuring                              | 833               | -                | -                  | (7)             | 826               | 826              | -                |
| Others                                     | 1,571             | 811              | (1,371)            | 178             | 1,188             | 776              | 412              |
|  | <u>\$ 181,667</u> | <u>\$ 46,447</u> | <u>\$ (51,910)</u> | <u>\$ (659)</u> | <u>\$ 175,544</u> | <u>\$ 86,945</u> | <u>\$ 88,599</u> |

**19. Capital Stock and Capital Surplus**

The Company, DBI, is authorized to issue up to 400,000,000 ordinary shares with a par value of ₩ 500 per share. As of September 30, 2024, 100,249,166 ordinary shares are issued out of which 156,957 shares are ordinary shares with restricted voting rights under the Korean Commercial Law.

Changes in capital stock and capital surplus for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                          | Capital stock | Capital surplus |                       | Total        |
|--------------------------|---------------|-----------------|-----------------------|--------------|
|                          |               | Share premium   | Other capital surplus |              |
| As of January 1, 2024    | \$ 43,096     | \$ 1,657,374    | \$ (177,878)          | \$ 1,479,496 |
| As of September 30, 2024 | \$ 43,096     | \$ 1,657,374    | \$ (177,878)          | \$ 1,479,496 |

  

|                                  | Capital stock | Capital surplus |                       | Total        |
|----------------------------------|---------------|-----------------|-----------------------|--------------|
|                                  |               | Share premium   | Other capital surplus |              |
| As of January 1, 2023            | \$ 43,096     | \$ 2,432,749    | \$ (177,878)          | \$ 2,254,871 |
| Transferred to retained earnings | -             | (775,375)       | -                     | (775,375)    |
| As of September 30, 2023         | \$ 43,096     | \$ 1,657,374    | \$ (177,878)          | \$ 1,479,496 |

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**20. Share-based Compensation**

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

|                   | <b>1st wave</b>  |
|-------------------|--|
| Grant type        | Registered common stock  |
| Granted to        | Directors incumbent as of the date of resolution and grant date  |
| Grant date        | March 8, 2022  |
| Grant 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 2 <sup>nd</sup> anniversary year from grant |
| Payment method    | Paid at the beginning of 3 <sup>rd</sup> anniversary year from grant   |

|                   | <b>2nd wave</b>  |
|-------------------|--|
| Grant type        | Registered common stock  |
| Granted to        | Directors incumbent as of the date of resolution and grant date  |
| Grant date        | March 2, 2023  |
| Grant 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 2 <sup>nd</sup> anniversary year from grant |
| Payment method    | Paid at the beginning of 3 <sup>rd</sup> anniversary year from grant   |

|                   | <b>3rd wave</b>  |
|-------------------|--|
| Grant type        | Registered common stock  |
| Granted to        | Directors incumbent as of the date of resolution and grant date  |
| Grant date        | April 29, 2024   |
| Grant 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 2 <sup>nd</sup> anniversary year from grant |
| Payment method    | Paid at the beginning of 3 <sup>rd</sup> anniversary year from grant   |

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**20. Share-based Compensation (cont'd)**

Equity-settled share-based compensations as of September 30, 2024 and December 31, 2023 are as follows (in shares):

|           | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|-----------|---------------------------|--------------------------|
| Beginning | \$ 96,490                 | \$ 33,117                |
| Granted   | 60,467                    | 67,107                   |
| Canceled  | -                         | (3,734)                  |
| Ending    | <u>\$ 156,957</u>         | <u>\$ 96,490</u>         |

Cash-settled share-based compensations as of September 30, 2024 and December 31, 2023 are as follows (in shares):

|                      | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|----------------------|---------------------------|--------------------------|
| Beginning            | \$ 81,268                 | \$ 29,044                |
| Granted <sup>1</sup> | 55,585                    | 60,601                   |
| Canceled             | (27,033)                  | (8,377)                  |
| Ending               | <u>\$ 109,820</u>         | <u>\$ 81,268</u>         |

<sup>1</sup> 2,754 shares of cash-settled payment linked to the value of equity shares of the ultimate parent company are included.

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**21. Other Components of Equity**

Other components of equity as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|  | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|--|---------------------------|--------------------------|
| Capital adjustment from equity transactions among subsidiaries | \$ 7,700                  | \$ 7,700                 |
| Ordinary shares issued in kind <sup>1</sup>                    | (186,108)                 | (186,108)                |
| Treasury shares <sup>2</sup>                                   | (5,437)                   | (3,012)                  |
| Share-based compensation expenses <sup>2</sup>                 | 2,404                     | 1,214                    |
|  | <u>\$ (181,441)</u>       | <u>\$ (180,206)</u>      |

<sup>1</sup> The Group received Doosan Engine's investment in its subsidiaries as an investment in kind before the year ended December 31, 2023. The difference from the reduced book value of non-controlling interests was recognized as other equity item.

<sup>2</sup> As of September 30, 2024, 156,957 shares are held by the Group for the purpose of share-based compensation.

**22. Accumulated Other Comprehensive Loss**

Changes in accumulated other comprehensive loss for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

| <u>Nine-month period ended September 30, 2023</u> |  |  |   |   |                     |
|---|--|--|---|---|---------------------|
|   | <u>Gain (loss) on translation of foreign operation</u> | <u>Gain (loss) on valuation of derivatives</u> | <u>Gain on revaluation of property, plant and equipment</u> | <u>Gain (loss) on valuation of equity instruments at fair value through OCI</u> | <u>Total</u>        |
| Beginning balance                                 | \$ (330,539)   | \$ 294   | \$ 11,087   | \$ 542  | \$ (318,616)        |
| Increase (decrease)                               | (23,085)   | (173)  | -   | (325)   | (23,583)            |
| Ending balance                                    | <u>\$ (353,624)</u>                                    | <u>\$ 121</u>                                  | <u>\$ 11,087</u>  | <u>\$ 217</u>   | <u>\$ (342,199)</u> |

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**23. Retained Earnings**

Details of retained earnings as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|  | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|--|---------------------------|--------------------------|
| Legal reserves                         | \$ 22,566                 | \$ 22,566                |
| Retained earnings before appropriation | 3,707,243                 | 3,500,538                |
|  | <u>\$ 3,729,809</u>       | <u>\$ 3,523,104</u>      |

**24. Segment Information**

The Group operates in a single operating segment and its main products are as follows:

| <u>Segment</u>         | <u>Main products</u>   |
|------------------------|--|
| Construction Equipment | Compact (Skid Steer Loader, Compact Track Loader, Mini Excavator), Portable Power, Material Handling |

Revenue by main products for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                   | <u>Sales</u>  |   |
|-------------------|---|---|
|                   | <u>Nine-month period ended<br/>September 30, 2024</u> | <u>Nine-month period ended<br/>September 30, 2023</u> |
| Compact           | \$ 3,701,057  | \$ 4,413,483  |
| Portable Power    | 251,014   | 300,351   |
| Material Handling | 785,277   | 1,010,349   |
|                   | <u>\$ 4,737,348</u>                                   | <u>\$ 5,724,183</u>                                   |

Revenue by region for each of the nine-month periods ended September 30, 2024 and 2023 is as follows (in thousands of USD):

|                               | <u>Sales</u>  |   |
|-------------------------------|---|---|
|                               | <u>Nine-month period ended<br/>September 30, 2024</u> | <u>Nine-month period ended<br/>September 30, 2023</u> |
| North America                 | \$ 3,513,928  | \$ 4,270,996  |
| Europe, Middle East & Africa  | 746,671   | 921,141   |
| Asia, Latin America & Oceania | 476,749   | 532,046   |
|                               | <u>\$ 4,737,348</u>                                   | <u>\$ 5,724,183</u>                                   |

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue for each of the nine-month periods ended September 30, 2024 and 2023.

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**24. Segment Information (cont'd)**

As of September 30, 2024 and December 31, 2023, the Group's non-current assets by region are as follows (in thousands of USD):

|                                 | <b>Non-current assets<sup>1</sup></b> |                          |
|---------------------------------|---------------------------------------|--------------------------|
|                                 | <b>September 30, 2024</b>             | <b>December 31, 2023</b> |
| North America                   | \$ 1,355,394                          | \$ 1,275,807             |
| Europe, Middle East and Africa  | 657,908                               | 651,141                  |
| Asia, Latin America and Oceania | 343,236                               | 344,092                  |
|                                 | <u>\$ 2,356,538</u>                   | <u>\$ 2,271,040</u>      |

<sup>1</sup> 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).

**25. Revenue**

Details of revenue for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|  | <b>September 30, 2024</b> |                     | <b>September 30, 2023</b> |                     |
|--|---------------------------|---------------------|---------------------------|---------------------|
|  | <b>Three months</b>       | <b>Nine months</b>  | <b>Three months</b>       | <b>Nine months</b>  |
| <b>Revenue from contracts with customers</b> |                           |                     |                           |                     |
| By type of goods or services                 |                           |                     |                           |                     |
| - Manufactured products/merchandise          | \$ 1,246,802              | \$ 4,627,664        | \$ 1,779,121              | \$ 5,648,656        |
| - Others                                     | 41,470                    | 55,298              | 4,548                     | 21,046              |
|  | <u>1,288,272</u>          | <u>4,682,962</u>    | <u>1,783,669</u>          | <u>5,669,702</u>    |
| By timing of recognition                     |                           |                     |                           |                     |
| - Products transferred at a point in time    | 1,246,802                 | 4,627,664           | 1,779,121                 | 5,648,656           |
| - Service rendered over time                 | 41,470                    | 55,298              | 4,548                     | 21,046              |
|  | <u>1,288,272</u>          | <u>4,682,962</u>    | <u>1,783,669</u>          | <u>5,669,702</u>    |
| <b>Revenue from other sources</b>            |                           |                     |                           |                     |
| - Rental income, etc.                        | 17,270                    | 54,386              | 19,780                    | 54,481              |
|  | <u>\$ 1,305,542</u>       | <u>\$ 4,737,348</u> | <u>\$ 1,803,449</u>       | <u>\$ 5,724,183</u> |

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**26. Contract Balances**

Details of receivables, contract assets and contract liabilities from contracts with customers as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                                   | <u>September 30, 2024</u> | <u>December 31, 2023</u> |
|-----------------------------------|---------------------------|--------------------------|
| Trade and other receivables       | \$ 338,803                | \$ 421,578               |
| Contract liabilities <sup>1</sup> | 553,193                   | 462,611                  |

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

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

Among the contract liabilities, \$ 52,419 thousand were recognized as revenue during the nine-month period ended September 30, 2024 (September 30, 2023: \$ 19,642 thousand).

**27. Expenses by Nature**

Expenses classified by nature for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|   | <u>September 30, 2024</u> |                     | <u>September 30, 2023</u> |                     |
|---|---------------------------|---------------------|---------------------------|---------------------|
|   | <u>Three months</u>       | <u>Nine months</u>  | <u>Three months</u>       | <u>Nine months</u>  |
| Purchases of inventories<br>(Raw materials &<br>merchandises) | \$ 724,925                | \$ 2,796,859        | \$ 1,012,207              | \$ 3,223,731        |
| Changes in inventories  | (27,393)                  | (221,475)           | 24,866                    | (47,423)            |
| Employee benefits   | 167,308                   | 544,998             | 179,741                   | 495,708             |
| Depreciation and amortization                                 | 49,693                    | 145,585             | 47,354                    | 140,858             |
| Other expenses  | 299,128                   | 960,448             | 313,068                   | 1,039,347           |
|   | <u>\$ 1,213,661</u>       | <u>\$ 4,226,415</u> | <u>\$ 1,577,236</u>       | <u>\$ 4,852,221</u> |



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**28. Selling and Administrative Expenses**

Selling and administrative expenses for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                                       | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|---------------------------------------|---------------------------|--------------------|---------------------------|--------------------|
|                                       | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Salaries                              | \$ 54,588                 | \$ 177,382         | \$ 55,207                 | \$ 162,557         |
| Retirement benefits                   | 3,727                     | 10,884             | 3,614                     | (40,441)           |
| Employee benefits                     | 10,767                    | 32,577             | 9,590                     | 28,557             |
| Rent                                  | 3,519                     | 9,763              | 2,281                     | 7,762              |
| Depreciation                          | 5,670                     | 16,787             | 5,794                     | 17,078             |
| Depreciation of investment properties | 276                       | 812                | 276                       | 810                |
| Amortization                          | 3,356                     | 9,656              | 2,966                     | 8,355              |
| Research and development              | 38,608                    | 116,770            | 38,173                    | 110,139            |
| Advertising                           | 17,676                    | 60,910             | 18,643                    | 55,248             |
| Commission expenses                   | 35,217                    | 97,617             | 31,148                    | 75,365             |
| Bad debt expenses                     | 464                       | 1,835              | 2,425                     | 3,917              |
| Insurance expenses                    | 1,754                     | 8,786              | (795)                     | 8,654              |
| Others <sup>1</sup>                   | 24,774                    | 78,671             | 31,674                    | 86,098             |
|                                       | <u>\$ 200,396</u>         | <u>\$ 622,450</u>  | <u>\$ 200,996</u>         | <u>\$ 524,099</u>  |

<sup>1</sup> Include share-based compensation expenses.

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**29. Finance Income and Expenses**

Finance income and expenses for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                                       | <b>September 30, 2024</b> |                     | <b>September 30, 2023</b> |                     |
|---------------------------------------|---------------------------|---------------------|---------------------------|---------------------|
|                                       | <b>Three months</b>       | <b>Nine months</b>  | <b>Three months</b>       | <b>Nine months</b>  |
| Finance income:                       |                           |                     |                           |                     |
| Interest income                       | \$ 11,308                 | \$ 38,038           | \$ 10,893                 | \$ 17,624           |
| Gain on foreign currency transactions | 8,279                     | 34,190              | 6,029                     | 41,386              |
| Gain on foreign currency translation  | (4,185)                   | 19,060              | 8,658                     | 17,172              |
| Gain on derivative transactions       | 112                       | 302                 | -                         | -                   |
| Gain on valuation of derivative       | (214)                     | -                   | 22                        | 464                 |
|                                       | <u>\$ 15,300</u>          | <u>\$ 91,590</u>    | <u>\$ 25,602</u>          | <u>\$ 76,646</u>    |
| Finance expenses:                     |                           |                     |                           |                     |
| Interest expenses                     | (18,684)                  | (58,577)            | (23,011)                  | (65,662)            |
| Loss on foreign currency transactions | (10,854)                  | (27,520)            | (7,770)                   | (28,167)            |
| Loss on foreign currency translation  | 3,106                     | (24,268)            | (9,864)                   | (39,938)            |
| Loss on derivative transactions       | -                         | -                   | 29                        | (30)                |
| Loss on derivative valuation          | (860)                     | (860)               | -                         | -                   |
| Loss on repayment of borrowings       | (1,606)                   | (1,606)             | (1,699)                   | (1,699)             |
| Loss on financial guarantee           | (72)                      | (133)               | (34)                      | (71)                |
| Others                                | (1,023)                   | (2,251)             | (531)                     | (1,569)             |
|                                       | <u>\$ (29,993)</u>        | <u>\$ (115,215)</u> | <u>\$ (42,880)</u>        | <u>\$ (137,136)</u> |
|                                       | <u>\$ (14,693)</u>        | <u>\$ (23,625)</u>  | <u>\$ (17,278)</u>        | <u>\$ (60,490)</u>  |

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**30. Other Non-operating Income and Expenses**

Other non-operating income and expenses for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|   | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|---|---------------------------|--------------------|---------------------------|--------------------|
|   | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Other non-operating income:                         |                           |                    |                           |                    |
| Gain on disposal of property, plant and equipment   | \$ (4)                    | \$ 109             | \$ 6                      | \$ 13              |
| Gain on disposal of non-current asset held for sale | -                         | -                  | (1)                       | 162                |
| Others  | 600                       | 1,349              | 392                       | 1,133              |
|   | <u>\$ 596</u>             | <u>\$ 1,458</u>    | <u>\$ 397</u>             | <u>\$ 1,308</u>    |
| Other non-operating expenses:                       |                           |                    |                           |                    |
| Loss on disposal of trade receivables               | (2,169)                   | (5,280)            | (2,540)                   | (6,131)            |
| Other bad debt expenses                             | (169)                     | (291)              | 118                       | (175)              |
| Loss on disposal of property, plant and equipment   | (154)                     | (198)              | -                         | (24)               |
| Loss on disposal of intangible assets               | (340)                     | (340)              | -                         | -                  |
| Loss on impairment of property, plant and equipment | -                         | -                  | (12)                      | (12)               |
| Loss on impairment of intangible assets             | (3,325)                   | (3,325)            | (1,107)                   | (1,107)            |
| Donations   | (776)                     | (7,725)            | (129)                     | (9,012)            |
| Loss on disposal of investment in subsidiaries      | -                         | -                  | -                         | (972)              |
| Loss on disposal of non-current asset held for sale | -                         | -                  | 1                         | (250)              |
| Others  | (983)                     | (1,446)            | (1,283)                   | (1,581)            |
|   | <u>\$ (7,916)</u>         | <u>\$ (18,605)</u> | <u>\$ (4,952)</u>         | <u>\$ (19,264)</u> |
| Net other non-operating expense                     | <u>\$ (7,320)</u>         | <u>\$ (17,147)</u> | <u>\$ (4,555)</u>         | <u>\$ (17,956)</u> |

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**31. Income Tax Expense**

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

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

**32. Earnings Per Share**

**32.1 Basic Earnings Per Share**

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

Earnings per share attributable to owners of the parent company for each of the nine-month periods ended September 30, 2024 and 2023 are computed as follows (in USD and in shares):

|  | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|--|---------------------------|--------------------|---------------------------|--------------------|
|  | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Profit for the period attributable to owners of the parent company | \$ 46,827,947             | \$ 324,493,397     | \$ 143,754,681            | \$ 541,821,290     |
| Weighted-average number of ordinary shares outstanding             | 100,092,209               | 100,121,604        | 100,152,676               | 100,170,318        |
| Basic earnings per share   | \$ 0.47                   | \$ 3.24            | \$ 1.44                   | \$ 5.41            |

The weighted-average number of shares is computed as follows (in shares):

|  | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|--|---------------------------|--------------------|---------------------------|--------------------|
|  | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Number of ordinary shares outstanding                  | 100,092,209               | 100,152,676        | 100,152,676               | 100,216,049        |
| Treasury shares  | -                         | (31,072)           | -                         | (45,731)           |
| Weighted-average number of ordinary shares outstanding | 100,092,209               | 100,121,604        | 100,152,676               | 100,170,318        |

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**32.2 Diluted Earnings Per Share**

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

Diluted earnings per share of owners of the parent company for each of the nine-month periods ended September 30, 2024 and 2023 are computed as follows (in USD and in shares):

|  | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|--|---------------------------|--------------------|---------------------------|--------------------|
|  | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Profit for the period attributable to owners of the parent company | \$ 46,827,947             | \$ 324,493,397     | \$ 143,754,681            | \$ 541,821,290     |
| Adjusted weighted-average number of ordinary shares outstanding    | 100,166,047               | 100,199,255        | 100,205,723               | 100,210,110        |
| Diluted earnings per share   | <u>\$ 0.47</u>            | <u>\$ 3.24</u>     | <u>\$ 1.43</u>            | <u>\$ 5.41</u>     |

Adjusted weighted-average number of shares is computed as follows (in shares):

|   | <b>September 30, 2024</b> |                    | <b>September 30, 2023</b> |                    |
|---|---------------------------|--------------------|---------------------------|--------------------|
|   | <b>Three months</b>       | <b>Nine months</b> | <b>Three months</b>       | <b>Nine months</b> |
| Weighted-average number of ordinary shares outstanding          | 100,092,209               | 100,121,604        | 100,152,676               | 100,170,318        |
| Restricted Stock Unit   | 73,838                    | 77,651             | 53,047                    | 39,792             |
| Adjusted weighted-average number of ordinary shares outstanding | <u>100,166,047</u>        | <u>100,199,255</u> | <u>100,205,723</u>        | <u>100,210,110</u> |

Potential ordinary shares for as of are as follows (in shares):

|                       | <b>September 30, 2024</b> | <b>September 30, 2023</b> |
|-----------------------|---------------------------|---------------------------|
| Restricted Stock Unit | <u>156,957</u>            | <u>96,490</u>             |

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**33. Commitments and Contingencies**

**33.1 Litigations**

As of September 30, 2024, the Group is a defendant in several legal actions arising from the ordinary course of business, including lawsuits related to product liability claim. Provisions are recognized for those cases with high probability of outflow of resources expected (see Note 18). For other cases, the assessments have been performed and it has been concluded that the outcome is uncertain and would not have a material impact on the consolidated financial statements.

**33.2 Financial Guarantees and Assets Provided as Collaterals**

As of September 30, 2024, guarantees provided by the Group for third parties are as follows (in thousands of USD):

| <b>Provided for</b>                         | <b>Provided to</b>  | <b>Amount guaranteed</b> |
|---|---------------------|--------------------------|
| Doosan Bobcat North America Inc. and others | End customers, etc. | \$ 96,337                |
| Doosan Bobcat EMEA s.r.o. and others        | End customers, etc. | 12                       |
| Doosan Bobcat Korea Co., Ltd. and others    | End customers, etc. | 28,675                   |
|   |                     | <u>\$ 125,024</u>        |

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

| <b>Provided by</b>                | <b>Type</b>                            | <b>Amount guaranteed</b> |
|-----------------------------------|--|--------------------------|
| Machinery Financial Cooperative   | Contracts and defects <sup>1</sup>     | \$ 1,457                 |
| Seoul Guarantee Insurance Company | Performance guarantee                  | 898                      |
| Woori Bank                        | Financial guarantee                    | 51,000                   |
|                                   | Foreign currency performance guarantee | 1,401                    |
| Shinhan Bank                      | Financial guarantee                    | 13,357                   |
|                                   | Foreign currency performance guarantee | 701                      |
| CSOB                              | Payment guarantees                     | 5,230                    |
| Unicredit                         | Payment guarantees                     | 3,351                    |
| Other guarantees                  | Other guarantees                       | 1,474                    |
|                                   |  | <u>\$ 78,869</u>         |

<sup>1</sup> The Group's share in Machinery Financial Cooperative is provided as collateral as of September 30, 2024.

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**33.3 Key Commitments**

**33.3.1 Credit agreement**

As of September 30, 2024, the Group has contracts with financial institutions for limit loans of \$ 1,334,877 thousand, including general loans and overdrafts, comprehensive loans of \$ 59,789 thousand, and loans secured by accounts receivables of \$ 33,343 thousand.

**33.3.2 Supply Chain Financing commitments**

The Group entered into a supply chain financing contract and \$ 51,778 thousand is recognized as trade payable.

**33.3.3 Other commitments**

As of September 30, 2024, the Group has signed a contract with Doosan New Technology Investment Association No. 1 for a total investment commitment of \$ 15,156 thousand, and the remaining investment commitment amount as of September 30, 2024 is \$ 12,989 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, 2023, Doosan Enerbility Co., Ltd. took over the relevant status and rights and obligations. Unless certain conditions are met, the lease contract will be extended for another 5 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 has the right to rental income equivalent to the portion excluding the portion for personal use within the rental ratio of 9.7% and bears the expenses. In addition, it jointly bears the rental obligation as a responsible lessor within the ratio. The Group accounts for as joint operations where the related rights to the assets and obligations to the liabilities are held.

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.

In connection with the business combination that incurred before the year ended December 31, 2023, 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.

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**34. Assets Provided as Collaterals**

Details of the assets provided as collaterals as of September 30, 2024 are as follows (in thousands of USD):

|                               | <b>Doosan Bobcat<br/>North America Inc.</b>  | <b>Doosan Bobcat<br/>EMEA s.r.o</b>     | <b>Doosan Bobcat<br/>Korea Co., Ltd. etc.</b> |
|-------------------------------|--|---|---|
| Agreement details             | Borrowings and credit limit agreements   | Borrowings and credit limit agreements  | Borrowings and credit limit agreements        |
| Agreement limit amount        | \$ 1,930,875   | \$ 223,410                              | \$ 99,518                                     |
| 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, etc.           |
| Collateral value              | \$ 2,625,976   | \$ 383,222                              | \$ 118,155                                    |
| Nominal amount of borrowing   | \$ 909,048   | \$ 132,283                              | \$ 84,361                                     |

**35. Related Party Transactions**

The Group's related party disclosures for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

| <b>Relationship</b> | <b>Name</b>  |
|---------------------|--|
| Ultimate parent     | Doosan Corp.   |
| Immediate parent    | Doosan Enerbility Co., Ltd.  |
| Associates          | Ainstein AI, Inc.<br>Presto Lite Asia Co., Ltd.  |
| Others              | Doosan Digital Innovation America, LLC<br>Oricom Inc.<br>Doosan Business Research Institute<br>Doosan Cuvex Co., Ltd.<br>Bundang Doosan Tower Reit Co., Ltd.<br>Doosan New Technology Investment Association, etc. |



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**35. Related Party Transactions (cont'd)**

Significant transactions with the related parties for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

|                  |  | Nine-month period ended September 30, 2023 |              |          |               |  |
|------------------|--|--|--------------|----------|---------------|--|
| Relationship     | Related party                          | Sales                                      | Other income | Purchase | Other expense | Purchases of investment properties & fixed asset |
| Ultimate parent  | Doosan Corp.                           | \$ 3,270                                   | \$ -         | \$ -     | \$ 36,938     | \$ 568   |
| Immediate parent | Doosan Enerbility Co., Ltd.            | 254  | -            | -        | -             | -  |
| Associate        | Presto Lite Asia Co., Ltd              | -  | 24           | 6,169    | -             | -  |
| Others           | Doosan Digital Innovation America, LLC | -  | 4            | -        | 30,291        | -  |
|                  | Oricom Inc.                            | -  | -            | -        | 3,699         | -  |
|                  | Doosan Business Research Institute     | -  | -            | -        | 1,264         | -  |
|                  | Doosan Cuvex Co., Ltd.                 | -  | -            | -        | 3,372         | -  |
|                  | Bundang Doosan Tower Reit Co., Ltd.    | -  | -            | -        | 233           | -  |
|                  | Others                                 | 752  | -            | 18       | 8,200         | 56   |
|                  | Subtotal                               | 752  | 4            | 18       | 47,059        | 56   |
|                  | Total                                  | \$ 4,276                                   | \$ 28        | \$ 6,187 | \$ 83,997     | \$ 624   |

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**35. Related Party Transactions (cont'd)**

Related significant balances as of September 30, 2024 and December 31, 2023 are as follows (in thousands of USD):

|                 |                                       | September 30, 2024 |                   |                |                |                   |
|-----------------|---------------------------------------|--------------------|-------------------|----------------|----------------|-------------------|
| Relationship    | Related party                         | Trade receivables  | Other receivables | Trade payables | Other payables | Lease liabilities |
| Ultimate parent | Doosan Corp.                          | \$ 429             | \$ 727            | \$ -           | \$ 8,498       | \$ -              |
| Associate       | Ainstein AI, Inc.                     | -                  | 1,075             | -              | -              | -                 |
|                 | Presto Lite Asia Co., Ltd.            | -                  | 4                 | 172            | -              | -                 |
|                 | Subtotal                              | -                  | 1,079             | 172            | -              | -                 |
| Others          | Doosan Digital Innovation America LLC | 1                  | 108               | -              | 4,997          | 1,720             |
|                 | Oricom Inc                            | -                  | -                 | -              | 970            | -                 |
|                 | Doosan Business Research Institute    | -                  | -                 | -              | 179            | -                 |
|                 | Doosan Cuvex Co., Ltd.                | -                  | 992               | -              | 191            | -                 |
|                 | Bundang Doosan Tower Reit Co., Ltd.   | -                  | -                 | -              | -              | 12,842            |
|                 | Others                                | 91                 | 2                 | -              | 2,030          | -                 |
|                 | Subtotal                              | 92                 | 1,102             | -              | 8,367          | 14,562            |
|                 | Total                                 | \$ 521             | \$ 2,908          | \$ 172         | \$ 16,865      | \$ 14,562         |

  

|                  |                                       | December 31, 2023 |                   |                |                |                   |
|------------------|---------------------------------------|-------------------|-------------------|----------------|----------------|-------------------|
| Relationship     | Related party                         | Trade receivables | Other receivables | Trade payables | Other payables | Lease liabilities |
| Ultimate parent  | Doosan Corp.                          | \$ 408            | \$ 719            | \$ -           | \$ 11,840      | \$ -              |
| Immediate parent | Doosan Enerbility Co., Ltd.           | 48                | -                 | -              | 271            | -                 |
| Associate        | Presto Lite Asia Co., Ltd.            | -                 | -                 | 239            | -              | -                 |
| Others           | Doosan Digital Innovation America LLC | -                 | 98                | -              | 4,149          | 1,744             |
|                  | Oricom Inc.                           | -                 | -                 | -              | 980            | -                 |
|                  | Doosan Business Research Institute    | -                 | -                 | -              | 176            | -                 |
|                  | Doosan Cuvex Co., Ltd.                | -                 | 552               | -              | 347            | -                 |
|                  | Bundang Doosan Tower Reit Co., Ltd.   | -                 | -                 | -              | -              | 14,522            |
|                  | Others                                | 94                | 452               | -              | 1,527          | -                 |
|                  | Subtotal                              | 94                | 1,102             | -              | 7,179          | 16,266            |
|                  | Total                                 | \$ 550            | \$ 1,821          | \$ 239         | \$ 19,290      | \$ 16,266         |

**Doosan Bobcat Inc. and its subsidiaries**  
**Notes to the interim consolidated financial statements**  
**September 30, 2024 and 2023 (Unaudited)**

**35. Related Party Transactions (cont'd)**

Fund transactions (including equity transactions) with the related parties for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

| Relationship     | Related party                                | Nine-month period ended September 30, 2024 |                                |                 |
|------------------|--|--|--------------------------------|-----------------|
|                  |  | Dividend paid                              | Repayment of lease liabilities | Investment      |
| Immediate parent | Doosan Enerbility Co., Ltd                   | \$ 54,319                                  | \$ -                           | \$ -            |
| Others           | Doosan Digital Innovation America, LLC       | -  | 474                            | -               |
|                  | Bundang Doosan Tower Reit Co., Ltd.          | -  | 1,515                          | -               |
|                  | Doosan New Technology Investment Association | -  | -                              | 2,114           |
|                  |  | <u>\$ 54,319</u>                           | <u>\$ 1,989</u>                | <u>\$ 2,114</u> |

| Relationship     | Related party                          | Nine-month period ended September 30, 2023 |                                |
|------------------|--|--|--------------------------------|
|                  |  | Dividend paid                              | Repayment of lease liabilities |
| Immediate parent | Doosan Enerbility Co., Ltd             | \$ 58,605                                  | \$ -                           |
| Others           | Doosan Digital Innovation America, LLC | -  | 422                            |
|                  | Bundang Doosan Tower Reit Co., Ltd.    | -  | 1,553                          |
|                  |  | <u>\$ 58,605</u>                           | <u>\$ 1,975</u>                |

The Parent Company defines key management personnel as a person that has an authority and responsibility for planning, directing and controlling the activities of the company, regardless of whether they are registered or non-registered officers. Compensations to key management personnel for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|                                   | Nine-month period ended September 30, 2024 | Nine-month period ended September 30, 2023 |
|-----------------------------------|--|--|
| Benefits                          | \$ 4,854                                   | \$ 3,696                                   |
| Share-based compensation expenses | 1,425                                      | 718  |
| Retirement benefits               | 583  | 562  |
|                                   | <u>\$ 6,862</u>                            | <u>\$ 4,976</u>                            |

**Doosan Bobcat Inc. and its subsidiaries**  
**Notes to the interim consolidated financial statements**  
**September 30, 2024 and 2023 (Unaudited)**

**36. Interim Consolidated Financial Statements of Cash Flows**

Details of adjustments and changes in operating assets and liabilities in the interim consolidated statements of cash flows for each of the nine-month periods ended September 30, 2024 and 2023 are as follows(in thousands of USD):

|  | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|--|---|---|
| Adjustments:   |   |   |
| Income tax expense                                   | \$ 145,821  | \$ 251,836  |
| Finance income                                       | (57,098)  | (35,260)  |
| Finance expenses                                     | 85,320  | 107,299   |
| Retirement benefits (defined benefit plan)           | 14,451  | (35,150)  |
| Depreciation   | 107,149   | 102,412   |
| Depreciation on investment properties                | 812   | 810   |
| Amortization   | 37,625  | 37,636  |
| Gain on disposal of property, plant and equipment    | (109)   | (13)  |
| Loss on disposal of property, plant and equipment    | 198   | 24  |
| Loss on impairment of property, plant and equipment  | -   | 12  |
| Loss on disposal of intangible assets                | 340   | -   |
| Loss on impairment of intangible assets              | 3,325   | 1,107   |
| Gain (loss) on equity method investments             | (154)   | (142)   |
| Gain on valuation of long-term financial investments | (1)   | (1)   |
| Gain (loss) on cancellation of lease agreement       | (3)   | 145   |
| Gain on disposal of non-current assets held for sale | -   | (162)   |
| Loss on disposal of non-current assets held for sale | -   | 250   |
| Share-based compensation                             | 1,756   | 1,113   |
|  | <u>\$ 339,432</u>   | <u>\$ 431,915</u>   |

**Doosan Bobcat Inc. and its subsidiaries**  
**Notes to the interim consolidated financial statements**  
**September 30, 2024 and 2023 (Unaudited)**

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

|   | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|---|---|---|
| Changes in operating assets and liabilities:          |   |   |
| Trade receivables and other receivables               | \$ 70,423   | \$ 17,269   |
| Inventories   | (228,994)   | (55,199)  |
| Other current assets                                  | 1,322   | (7,456)   |
| Other non-current assets                              | (15,019)  | (12,688)  |
| Trade payables and other payables                     | (77,152)  | 228,101   |
| Derivatives   | 1,769   | 651   |
| Provisions  | (8,681)   | (5,439)   |
| Other current liabilities                             | (29,178)  | (4,424)   |
| Payment of retirement benefits (defined benefit plan) | (6,750)   | (11,099)  |
| Plan assets   | 3,514   | (20,099)  |
| Other non-current liabilities                         | 10,559  | 9,240   |
|   | <u>\$ (278,187)</u>                                       | <u>\$ 138,857</u>   |

Significant non-cash transactions for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

|   | <b>Nine-month<br/>period ended<br/>September 30, 2024</b> | <b>Nine-month<br/>period ended<br/>September 30, 2023</b> |
|---|---|---|
| Transfer from construction-in-progress to property, plant and equipment and intangible assets     | \$ 72,343   | \$ 65,927   |
| Increase(decrease) in other payables related to the acquisition of property, plant, and equipment | (8,985)   | (7,458)   |
| Increase(decrease) in other payables related to the acquisition of intangible assets              | 4,564   | (376)   |
| Acquisition of right-of-use assets  | 26,160  | 30,863  |
|   | <u>\$ 94,082</u>  | <u>\$ 88,956</u>  |

**Doosan Bobcat Inc. and its subsidiaries**  
**Notes to the interim consolidated financial statements**  
**September 30, 2024 and 2023 (Unaudited)**

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

Details of adjustments to liabilities arising from financing activities for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (in thousands of USD):

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

  

|                                    | Nine-month period ended September 30, 2023 |                     |                   |                     |
|------------------------------------|--|---------------------|-------------------|---------------------|
|                                    | Borrowings                                 | Sales and Leaseback | Lease liabilities | Total               |
| Beginning balance                  | \$ 1,015,521                               | \$ 61,034           | \$ 115,551        | \$ 1,192,106        |
| Acquisition of right-of-use assets | -  | -                   | 30,961            | 30,961              |
| Cash flows                         | (98,914)                                   | (9,183)             | (28,282)          | (136,379)           |
| Foreign exchange differences       | (7,271)                                    | 725                 | (3,899)           | (10,445)            |
| Other non-financial changes        | 3,785                                      | -                   | 4,203             | 7,988               |
| Ending balance                     | <u>\$ 913,121</u>                          | <u>\$ 52,576</u>    | <u>\$ 118,534</u> | <u>\$ 1,084,231</u> |

**37. Events After the Reporting Period**

The Group, in accordance with the resolution of the board of directors on June 12, 2024, acquired 100% shares (493,948 shares) of Mottrol Co.,Ltd. and its subsidiaries for \$ 183,491 thousand on October, 4, 2024.