Doosan Bobcat Inc. and its subsidiaries

Consolidated financial statements
for the year ended December 31, 2024
with the independent auditor's report

Doosan Bobcat Inc.

Independent auditor's report

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Independent auditor's report on internal control over financial reporting for consolidation purposes

Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes

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Independent auditor's report

(English translation of a report originally issued in Korean)

The Shareholders and Board of Directors
Doosan Bobcat Inc.

Opinion

We have audited the consolidated financial statements of Doosan Bobcat Inc. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS").

We have audited the Group's internal control over financial reporting ("ICFR") as of December 31, 2024 based on the *Conceptual Framework for Design and Operation of ICFR* established by the Operating Committee of ICFR in Korea, in accordance with Korean Standards on Auditing ("KSA"), and our report dated March 14, 2025 expressed an unqualified opinion thereon.

Basis for opinion

We conducted our audit in accordance with KSA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

(1) Revenue recognition - Estimation of the amounts of promotions to customers

As described in Note 3 to the consolidated financial statements, the Group provides various promotions, incentives, and rebates (hereinafter referred to as "promotions") to customers such as dealers, and recognizes amounts expected to be paid in the future as accrued expenses, which are deducted from revenues. These accounting policies on revenue recognition significantly apply to the subsidiaries of the Group, notably, Doosan Bobcat North America, Inc. and Doosan Bobcat EMEA s.r.o. Especially, significant judgment by management is required in estimating the promotional amounts to be determined after the sale to the end customers by dealer.

The estimation of these promotional amounts, which involves management judgment, is influenced by input variables such as future end customer sales volume and promotional rates under contractual agreements, which may vary and thus have a significant impact on the consolidated financial statements. Therefore, we have selected the measurement of the promotional amounts to be determined after the sale to the end customers by dealers of Doosan Bobcat North America, Inc. and Doosan Bobcat EMEA s.r.o. as a key audit matter as of December 31, 2024.

We performed the relevant audit procedures, including the following, by engaging the component auditors:

- Evaluating the design and operating effectiveness of related internal controls in relation to the measurement of promotional amounts to customers.
- Assessing whether the estimation method for promotional payments to customers is applied reasonably and consistently.
- Conducting external confirmations for sales volume information related to incentive targets selected through sampling methods.
- Performing document inspection for dealer sales prices, past promotional expenditures, and relevant contractual ratios selected through sampling methods.
- Comparing prior year-end estimates with actual payments for selected transactions and reviewing any significant changes.

(2) Goodwill impairment assessment

As described in Note 10 to the consolidated financial statements, the Group conducted an impairment testing on a cash-generating unit ("CGU") or a group of CGUs to which the goodwill of Doosan Bobcat segment is allocated as of December 31, 2024. In order to determine the recoverable amount of a CGU or a group of CGUs, the Group estimated the value-in-use, by considering the future cash flows estimated based on the future financial budgets.

As of December 31, 2024, the carrying amount of goodwill of Doosan Bobcat segment is USD 2,592 thousand, accounting for 33% of total assets. In addition, the recoverable amount may vary depending on the estimated future cash flows, applicable discount rates and comparable companies selected, all of which are inputs requiring management's judgement and accordingly have a significant impact on the consolidated financial statements of the Group. Therefore, we have identified the estimation of the recoverable amounts of a CGU (or a group of CGUs) to which the goodwill of Doosan Bobcat segment is allocated as a key audit matter.

We performed the relevant audit procedures, including the following:

- Obtaining an understanding of and assessing internal control related to goodwill impairment testing.
- Obtaining an understanding of the CGU (or the group of CGUs) identified by management for goodwill impairment testing and assessing reasonableness of the identified CGU.
- Making inquiries about and reviewing the valuation models used by management.
- Assessing independence and qualification of the external experts engaged by management for internal assessment.
- Assessing the business plan approved in the Group and comparing it with market information in order to assess the feasibility of key assumptions such as revenue, operating expense and growth rate estimated for the CGUs used in value-in-use calculation.
- Comparing prior year's estimated cash flows with actual results and assessing significant

changes in order to assess the appropriateness of estimated future cash flows used in management's assessment.

- Comparing the discount rates applied and the discount rates recalculated based on observable information by engaging auditor's valuation experts in order to assess the appropriateness of the discount rates applied.
- Performing an independent recalculation of the recoverable amounts provided by the Group.

Other matter

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 or loss, 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 purpose, is not different, in all material respects, from the above audited consolidated statement of financial position.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with KIFRS, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with KSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jee-Hoon Kim.

Ernst & Young Han Young

Seoul, Korea

March 14, 2025

This audit report is effective as of March 14, 2025, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying consolidated financial statements and may result in modifications to this report.

Doosan Bobcat Inc. and its subsidiaries

Consolidated financial statements
for each of the two years in the period ended December 31, 2024

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

Scott Park
Chief Executive Officer
Doosan Bobcat Inc.

Doosan Bobcat Inc. and its subsidiaries
Consolidated statements of financial position
December 31, 2024 and 2023

(in thousands of USD)

	Notes	December 31, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents	4,5	$ 1,263,123	$ 1,085,801
Short-term financial instruments	4,5	4,896	5,041
Trade and other receivables, net	4,5,6,25,35	358,029	437,370
Inventories, net	7	1,350,329	1,406,961
Derivative assets	4,5,8	560	125
Other current assets	4,5	75,329	78,198
Total current assets		$ 3,052,266	$ 3,013,496
Non-current assets			
Long-term financial instruments	4,5	$ 759	$ 1,342
Long-term financial investments	4,5	8,312	8,581
Other receivables, net	4,5,6,25,35	17,722	17,476
Investment in associates	12	6,874	4,714
Property, plant and equipment, net	9	1,124,224	976,400
Intangible assets, net	10	3,800,821	3,865,879
Investment properties	11	75,879	87,081
Deferred tax assets	31	48,533	40,107
Long-term derivative assets	4,5,8	1,638	-
Net defined benefit assets	17	11,297	7,250
Other non-current assets	4,5	21,479	21,535
Total non-current assets		$ 5,117,538	$ 5,030,365
Total assets		$ 8,169,804	$ 8,043,861
Liabilities			
Current liabilities			
Trade and other payables	4,5,14,26,35	$ 1,179,182	$ 1,387,588
Short-term borrowings	4,5,15	85,290	48,454
Current portion of long-term borrowings	4,5,15	34,467	21,995
Income tax payable		49,421	48,740
Derivative liabilities	5,8	3,220	1,861
Lease liabilities	4,5,13,35	34,808	32,300
Provisions	18	85,647	94,698
Sales and leaseback liabilities	4,5,16	12,470	13,393
Other current liabilities	4,5,26	193,561	220,699
Total current liabilities		$ 1,678,066	$ 1,869,728
Non-current liabilities			
Other non-current payables	4,5,14,35	$ 11,645	$ 9,044
Bonds	4,5,15	49,635	-
Long-term borrowings	4,5,15	1,055,181	850,192
Net defined benefit liabilities	17	104,006	112,044
Deferred tax liabilities		269,434	287,827
Long-term derivative liabilities	5,8	1,240	435
Non-current lease liabilities	4,5,13,35	89,171	96,736
Non-current provisions	18	79,867	83,508
Non-current sales and leaseback liabilities	4,5,16	32,812	38,026
Other non-current liabilities	26	108,608	78,039
Total non-current liabilities		$ 1,801,599	$ 1,555,851
Total liabilities		$ 3,479,665	$ 3,425,579
Equity			
Equity attributable to owners of the Parent Company			
Capital stocks	1,19	$ 43,096	$ 43,096
Capital surplus	19	1,479,496	1,479,496
Other equity component	20,21	(223,052)	(180,206)
Accumulated other comprehensive loss	22	(428,974)	(247,208)
Retained earnings	23	3,819,573	3,523,104
Total equity		$ 4,690,139	$ 4,618,282
Total liabilities and equity		$ 8,169,804	$ 8,043,861

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

Doosan Bobcat Inc. and its subsidiaries
Consolidated statements of profit or loss
for each of the two years in the period ended December 31, 2024

(in thousands of USD)		Year ended December 31	
	Notes	**2024**	**2023**
Sales	24,25,26,35	$ 6,269,305	$ 7,475,741
Cost of sales	27	(4,809,489)	(5,655,217)
Gross profit		1,459,816	1,820,524
Selling and administrative expenses	27,28	(820,949)	(755,801)
Operating profit		638,867	1,064,723
Non-operating income (expenses)			
Finance income	5,29	158,924	87,998
Finance expenses	5,29	(180,193)	(158,253)
Other non-operating income	30,35	1,999	2,402
Other non-operating expenses	30,35	(34,159)	(34,169)
Gain (Loss) on equity method	12	(63)	415
		(53,492)	(101,607)
Profit before income tax expense		585,375	963,116
Income tax expense	31	(172,346)	(257,223)
Profit for the Year		$ 413,029	$ 705,893
Profit is attributable to:			
Owners of the Parent Company		$ 413,029	$ 705,892
Earnings per share attributable to the owners of the Parent Company	32		
Basic earnings per share (unit : USD)		$ 4.14	$ 7.05
Diluted earnings per share (unit : USD)		$ 4.13	$ 7.04

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

Doosan Bobcat Inc. and its subsidiaries
Consolidated statements of comprehensive income or loss
for each of the two years in the period ended December 31, 2024

(in thousands of USD)	Year ended December 31	
	2024	**2023**
Profit for the Year	$ 413,029	$ 705,892
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of net defined benefit liabilities	1,130	(2,818)
Gain on revaluation of property, plant and equipment	1	3,724
Other comprehensive income attributable to the associates' share	23	-
Items that may be subsequently reclassified to profit or loss		
Gain (loss) on translation of foreign operations	(177,977)	68,197
Gain (loss) on valuation of derivatives	(3,704)	(81)
	(180,527)	69,022
Total comprehensive income for the year	$ 232,502	$ 774,914
Total comprehensive income for the year attributable to:		
Owners of the Parent Company	$ 232,502	$ 774,914

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

Doosan Bobcat Inc. and its subsidiaries

Consolidated statements of changes in equity

for each of the two years in the period ended December 31, 2024

(in thousands of 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
Balance as of January 1, 2023	$ 43,096	$ 2,254,871	$ (179,178)	$ (318,616)	$ 2,164,467	$ 3,964,640
Total comprehensive income:						
Profit for the year	-	-	-	-	705,892	705,892
Gains on remeasurements of net defined benefit liabilities	-	-	-	-	(2,818)	(2,818)
Gain on revaluation of property, plant and equipment	-	-	-	3,724	-	3,724
Gains on translation of foreign operations	-	-	-	68,197	-	68,197
Losses on valuation of derivatives	-	-	-	(81)	-	(81)
Reclassification of retained earnings due to disposal of equity instruments at fair value through other comprehensive income	-	-	-	(432)	432	-
	-	-	-	71,408	703,506	774,914
Capital transactions with owners						
Acquisition of treasury shares	-	-	(1,928)	-	-	(1,928)
Share-based payment transactions	-	-	900	-	-	900
Annual dividend	-	-	-	-	(57,648)	(57,648)
Interim dividend	-	-	-	-	(62,596)	(62,596)
Transferred to retained earnings	-	(775,375)	-	-	775,375	-
	-	(775,375)	(1,028)	-	655,131	(121,272)
Balance as of December 31, 2023	$ 43,096	$ 1,479,496	$ (180,206)	$ (247,208)	$ 3,523,104	$ 4,618,282
Balance as of January 1, 2024	$ 43,096	$ 1,479,496	$ (180,206)	$ (247,208)	$ 3,523,104	$ 4,618,282
Total comprehensive income:						
Profit for the year	-	-	-	-	413,029	413,029
Gains on remeasurements of net defined benefit liabilities	-	-	-	-	1,130	1,130
Losses on translation of foreign operations	-	-	-	(177,977)	-	(177,977)
Losses on valuation of derivatives	-	-	-	(3,704)	-	(3,704)
Gains on revaluation of property,plant and equipment	-	-	-	1	-	1
Other comprehensive income attributable to the associates' share	-	-	-	23	-	23
Reclassification of retained earnings due to disposal of equity	-	-	-	(109)	109	-
Capital transactions with owners	-	-	-	(181,766)	414,268	232,502
Acquisition of treasury shares	-	-	(44,267)	-	-	(44,267)
Share-based payment transactions	-	-	1,421	-	-	1,421
Annual dividend	-	-	-	-	(59,967)	(59,967)
Interim dividend	-	-	-	-	(57,832)	(57,832)
Balance as of December 31, 2024	-	-	(42,846)	-	(117,799)	(160,645)
	$ 43,096	$ 1,479,496	$ (223,052)	$ (428,974)	$ 3,819,573	$ 4,690,139

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

Doosan Bobcat Inc. and its subsidiaries

Consolidated statements of cash flows

for each of the two years in the period ended December 31, 2024

(in thousands of USD)

	Note	Year ended December 31 2024		Year ended December 31 2023	
Cash flows from operating activities					
Cash generated from operations:	36	$	775,137	$	1,284,969
Profit for the Year			413,029		705,892
Adjustments			426,210		504,250
Changes in operating assets and liabilities			(64,102)		74,827
Interest received			47,235		30,123
Interest paid			(85,236)		(83,219)
Income tax paid			(203,992)		(239,230)
Net cash flows provided by operating activities			533,144		992,643
Cash flows from investing activities					
Cash inflows from investing activities:					
Decrease in loan			-		222
Disposal of property, plant and equipment			3,202		3,082
Disposal of Intangible assets			1,026		-
Disposal of business			-		11,258
Decrease in long-term financial instruments			514		-
Disposal of short-term financial assets			256		-
Disposal of long-term financial assets			-		996
			4,998		15,558
Cash outflows for investing activities:					
Purchase of property, plant and equipment			201,163		132,125
Purchase of intangible asset			68,931		69,476
Purchase of investment properties			538		846
Purchase of investment in associates			2,558		-
Purchase of long-term financial investments			-		6,015
Business combination			155,508		-
Net cash flows used in investing activities			(428,698)		(208,462)
Cash flows from financing activities			(423,700)		(192,904)
Cash inflows from financing activities:					
Increase in borrowings			315,259		120,584
Issuance of corporate bonds			49,550		-
Increase in sales and leaseback liabilities			10,541		6,316
			375,350		126,900
Cash outflows for financing activities:					
Repayment of borrowings			50,188		219,930
Payment of dividends			117,799		120,244
Payment of lease liabilities			35,547		34,814
Repayment of sales and leaseback liabilities			16,007		19,067
Acquisition of treasury shares			44,267		1,928
			(263,808)		(395,983)
Net cash flows provided by(used in) financing activities			111,542		(269,083)
Effects of exchange rate changes on cash and cash equivalents			(43,664)		3,575
Net increase in cash and cash equivalents			177,322		534,231
Cash and cash equivalents at the beginning of year			1,085,801		551,570
Cash and cash equivalents at the end of year		$	1,263,123	$	1,085,801

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

1. General Information

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

On November 18, 2016, the Company listed its shares on the securities market established by the Korea Stock Exchange. After several capital increases and capital reductions, the capital stock as of December 31, 2024 is $ 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 December 31, 2024 are as follows:

Shareholder	Number of shares owned	Percentages of ownership (%)
Doosan Enerbility Co., Ltd.	46,176,250	46.06
Treasury shares	1,484,015	1.48
Others	52,588,901	52.46
	100,249,166	100.00

1.1 Consolidated Subsidiaries

Details of the consolidated subsidiaries as of December 31, 2024 and 2023 are as follows:

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

Subsidiary	Main business	Location	Ownership interest held by the Group (%) December 31, 2024	December 31, 2023	Fiscal year end
Rushlift GSE Limited.[3]	Other service	England	100	-	December

1.1 Consolidated Subsidiaries (cont'd)

Subsidiary	Main business	Location	Ownership interest held by the Group (%) December 31, 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. (formerly, Doosan Industrial Vehicle Co., Ltd.)[4]	Manufacturing and sales	Korea	100	100	December
Doosan Bobcat Korea Co., Ltd.'s subsidiaries :					
Doosan Bobcat China Yantai Co., Ltd.[2]	Manufacturing and sales	China	100	100	December
Doosan Bobcat India Private Ltd.[5]	Manufacturing and sales	India	100	100	March
Doosan Bobcat Japan[2, 5]	Sales	Japan	100	100	December
Doosan Bobcat Mexico S.A. de C.V.[5]	Other service	Mexico	100	100	December
Doosan Mottrol Co., Ltd.[6]	Manufacturing and sales	Korea	100	-	December
Doosan Mottrol Co., Ltd.'s subsidiaries :					
Doosan Mottrol China Jiangyin Co., Ltd.[6]	Manufacturing and sales	China	100	-	December
Doosan Bobcat Korea Co., Ltd. [4]	Sales	Korea	-	100	December

[1] Newly established during the year ended December 31, 2023.
[2] Changed its name during the year ended December 31, 2023.
[3] Newly established during the year ended December 31, 2024.
[4] During the year ended December 31, 2024, Doosan Bobcat Korea Co., Ltd. (formerly, Doosan Industrial Vehicle Co., Ltd.) merged with Doosan Bobcat Korea Co., Ltd. and changed its name to Doosan Bobcat Korea Co., Ltd.
[5] During the year ended December 31, 2024, the shares were transferred from Doosan Bobcat Singapore Pte. Ltd. to Doosan Bobcat Korea Co., Ltd.
[6] During the year ended December 31, 2024, the Group acquired Doosan Mottrol Co., Ltd. and its subsidiaries.

1.2 Summarized Financial Information

Summarized financial information of the consolidated subsidiaries as of and for the year ended December 31, 2024 is as follows:

	December 31, 2024		Year ended December 31, 2024		
	Assets	Liabilities	Sales	Profit for the period	Total comprehensive income
Doosan Bobcat North America, Inc. and its subsidiaries	$ 5,334,272	$ 2,671,113	$ 4,815,790	$ 373,261	$ 377,722
Doosan Bobcat Canada Ltd.	161,628	55,818	300,628	25,354	25,354
Doosan Bobcat EMEA s.r.o. and its subsidiaries	2,178,223	533,124	1,392,478	16,941	17,022
Bobcat France S.A.S.	67,855	32,329	193,328	4,178	4,215
Doosan Bobcat Belgium BV	73,913	53,080	135,664	2,985	2,985
Rushlift Ltd.	117,935	108,687	60,766	(161)	(161)
Doosan Bobcat Singapore Pte., Ltd. and its subsidiaries	99,855	44,860	155,421	(36,704)	(36,704)
Doosan Bobcat China Co., Ltd	87,877	48,023	96,611	1,686	1,686
Doosan Bobcat Korea Co., Ltd. and its subsidiaries	840,883	472,812	1,125,816	112,756	106,081
Doosan Bobcat India Private Ltd.	128,169	85,354	105,465	604	604
Doosan Mottrol Co., Ltd. and its subsidiaries	194,366	41,292	153,563	(6,747)	(6,854)
Doosan Mottrol China Jiangyin Co., Ltd.	61,427	15,913	72,903	(383)	(383)

1.3 Changes in Scope for Consolidation

Changes in the scope of consolidation for each of the two years in the period ended December 31, 2024 are as follows:

Name of Subsidiary	Year ended December 31, 2024	
	Details	Reason
Doosan Bobcat Korea Co., Ltd.	Excluded from the consolidation	Merged
Doosan Mottrol Co., Ltd	Included in the consolidation	Acquired
Doosan Mottrol China Jiangyin Co., Ltd	Included in the consolidation	Acquired
Rushlift GSE Ltd	Included in the consolidation	Establishment

Name of Subsidiary	Year ended December 31, 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
Doosan Bobcat Global Collaboration Center, Inc.	Excluded from the consolidation	Liquidation
Doosan Equipment South East, LLC	Excluded from the consolidation	Liquidation
Doosan Industrial Vehicle America Corp.	Excluded from the consolidation	Merged

2. Material Accounting Policies

The principal accounting policies applied in the preparation of these 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 prepares statutory financial statements in Korean in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS"), enacted by the *Act on External Audit of Stock Companies*. The accompanying consolidated financial statements have been translated into English from Korean financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's report thereon, Korean version, which is used for regulatory reporting purposes, shall prevail. KIFRS are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments), certain classes of property, plant and equipment and investment property measured at fair value;
- assets held-for-sale measured at fair value less costs to sell; and
- defined benefit pension plans and plan assets measured at fair value.

The preparation of financial statements requires the use of critical accounting estimates. Management also needs to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

2.2 Changes in Accounting Policies and Disclosures

(a) New standards and interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing on January 1, 2024.

Amendments to KIFRS 1116 *Leases - Lease Liabilities in a Sale and Leaseback*

The amendments to KIFRS 1116 *Leases* clarify that a seller-lessee does not recognize any gain or loss on the retained right-of-use asset in a sale and leaseback transaction. These amendments have no impact on the consolidated financial statements.

Amendments to KIFRS 1001 *'Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

The amendments to 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 terms of a liability that could result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the entity classifies the option as an equity instrument, recognizing it separately from the liability as an equity component of a compound financial instrument.

In addition, an entity is required to disclose 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

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.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement (refer to Note 33).

(b) Standards issued but not yet effective

The following new and amended standards and interpretations have been issued but are not yet effective and have not been applied by the Group:

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

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
The amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments* include the following:
• clarifying that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize financial liabilities that are settled by using electronic payment system before the settlement date (if specific criteria are met);
• providing additional guidance as to how to assess contractual cash flows of financial assets with environmental, social and corporate governance (ESG) and similar features;
• clarifying what constitutes non-recourse features and the characteristics of contractually linked financial instruments; and
• introducing disclosures on financial instruments with contingent features and additional disclosure requirements for equity instruments measured at fair value through other comprehensive income.

The amendments will be effective for annual periods beginning on or after January 1, 2026. Earlier adoption is permitted, and the Group may elect to only adopt amendments for the classification of financial assets and related disclosures. The amendments are not expected to have a material impact on the Group's consolidated financial statements.

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

The amendments will be effective for annual periods beginning on or after January 1, 2026. Earlier adoption is permitted, but will need to be disclosed. The amendments are not expected to have a material impact on the Group's consolidated financial statements.

2.3 Consolidation

The Group has prepared the consolidated financial statements in accordance with KIFRS 1110 *Consolidated Financial Statements*.

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or business under common control. The assets and liabilities acquired under business combinations under common control are recognized at the carrying amounts recognized previously in the consolidated financial statements of the ultimate parent. The difference between consideration transferred and carrying amounts of net assets acquired is recognized in capital surplus.

In the case of accounting by the acquisition method, the consideration transferred is measured at the fair values of the assets transferred, and identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. All other non-controlling interests are measured at fair values, unless otherwise required by other standards. Acquisition-related costs are expensed as incurred.

The excess of consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in the profit or loss as a bargain purchase.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of the Parent Company.

When the Group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the subsidiary is remeasured to its fair value with the changed in carrying amount recognized in profit or loss.

(b) Associates

Associates are entities over which the Group has significant influence but not hold control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. If the Group's share of losses of an associate equals or exceeds its interest in the associate (including long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If there is an objective evidence of impairment for the investment in the associate, the Group recognizes the difference between the recoverable amount of the associate and its book amount as impairment loss. If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, if necessary, adjustments shall be made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

(c) Joint Arrangements

A joint arrangement, wherein two or more parties have joint control, is classified as either a joint operation or a joint venture. A joint operator recognizes its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated statement of financial position.

2.4 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The parent company's functional currency is Korean Won, whereas the consolidated financial statements are presented in US dollar.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities held at fair value through other comprehensive income are recognized in other comprehensive income.

(c) Translation to the presentation currency

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates for the period, unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions; and

- all resulting exchange differences are recognized in other comprehensive income.

Exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.5 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash with insignificant risk of change in value.

2.6 Financial Assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss;

- those to be measured at fair value through other comprehensive income; and

- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Group reclassifies debt investments when, and only when its business model for managing those assets changes.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

A. Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into one of the following three measurement categories:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in "finance income" using the effective interest rate method.

- Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment loss (reversal of impairment loss), interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is included in "finance income" using the effective interest rate method. Foreign exchange gains and losses are presented in "finance income or expenses" and impairment losses are presented in "other non-operating expenses".

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit or loss within "finance income or expenses" in the year in which it arises.

B. Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments, which held for long-term investment or strategic purpose, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividend income from such investments continue to be recognized in profit or loss as "finance income" when the right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in "other income and expenses" in the statement of profit or loss as applicable. Impairment loss (reversal of impairment loss) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(c) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables and lease receivables, the Group applies the simplified approach, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

(d) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognized or derecognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

If a transfer does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognize the transferred asset in its entirety and recognizes a financial liability for the consideration received. The Group classified the financial liability as “borrowings” in the statement of financial position.

(e) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.7 Derivative Instruments

Derivatives are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in profit or loss.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within other comprehensive income or loss and the ineffective portion is recognized in profit or loss.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group has hedge relationships and designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges);
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.
The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 8. Movements in the cash flow hedge reserve are shown in Note 22.

The entirety of fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. A non-derivative financial asset and a non-derivative financial liability is classified as a current or non-current based on its expected maturity and its settlement, respectively.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within equity, limited to the cumulative change in fair value (present value) of the hedged item (the present value of the cumulative change in the future expected cash flows of the hedged item) from the inception of the hedge. The ineffective portion is recognized in profit or loss.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the option contract as the hedging instrument. Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognized in the cash flow hedge reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ("aligned time value") are recognized within the costs of hedging in other comprehensive income within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot element as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot element of the forward contracts are recognized in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item is recognized within other comprehensive income within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognized in profit or loss as the hedged item affects profit or loss (for example through cost of sales); and

- the gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognized in profit or loss within "finance cost" at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any accumulated cash flow hedge reserve at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cash flow hedge reserve and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

2.8 Inventory

Inventories are stated at the lower of cost and net realizable value. Cost of inventories includes fixed and variable manufacturing overhead costs that are systematically allocated to inventories using appropriate methods based on each category of inventory. The cost of inventories is determined using the weighted average method, except for materials in transit which are determined using specific identification method. During the year, perpetual inventory systems are used to value inventories, which are adjusted to physical inventory counts performed at the end of the year.

The Group periodically reviews changes in net realizable value of its inventories (current replacement cost for raw materials) due to damage, obsolescence, decline in selling prices and others and, if appropriate, recognizes loss on inventory valuation. Loss on inventory valuation is charged to cost of sales when it is ordinary and to other expense when it is extraordinary. When the circumstances that previously caused inventories to be written down below cost no longer exist and the new market value of inventories subsequently recovers, the related valuation loss is reversed to the extent of the original valuation loss when the reversal is deducted from cost of sales.

2.9 Non-current Assets (or Disposal Group) Held-for-sale

Non-current assets (or disposal group) are classified as held-for-sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The assets are measured at the lower amount between their carrying amount and the fair value less costs to sell.

2.10 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost and subsequently recorded at cost, less accumulated depreciation and accumulated impairment losses, except for land, which is recorded using the valuation model. When the useful life of each part of an item of property, plant and equipment is different compared to that of the item, each part is recognized separately. The cost of an item of property, plant and equipment is directly attributable to its purchase or construction, including the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Land is carried at its revalued amount, which is the fair value at the date of revaluation less any subsequent accumulated impairment losses. Revaluations are performed periodically to ensure that the carrying amount does not differ materially from the fair value at the end of the reporting period. Increases in the carrying amount arising from revaluation are credited to revaluation surplus in other comprehensive income. However, to the extent that an increase reverses a revaluation decrease previously recognized in profit or loss for the same asset, the increase is recognized in profit or loss. Revaluation losses are recognized in profit or loss. However, to the extent that a decrease reverses a revaluation surplus previously recognized in other comprehensive income for the same asset, the decrease is recognized in other comprehensive income.

Subsequent costs incurred to replace part of previously recognized item of property, plant and equipment are added to the carrying amount of an asset, or recognized as a separate asset, if it is probable that future economic benefits associated with the assets will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of what was replaced is derecognized. Routine maintenance and repairs are expenses as incurred.

Land is not depreciated. Depreciation expense for property, plant and equipment other than land is computed using the straight-line method, which reflects most closely the pattern in which the asset's economic benefits are expected to be consumed by the Group over the estimated useful lives of the assets as follows:

	Useful lives
Buildings	10 – 40 year
Machinery	5 – 15 year
Vehicles	3 – 6 year
Office equipment	3 – 10 year

If a part of a property, plant and equipment has a cost that is significant in relation to the total cost of property, plant and equipment, it is depreciated separately.

The Group reviews the depreciation method, the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

When the carrying amount of property, plant and equipment is higher than the recoverable amount, the carrying amount is adjusted to the recoverable amount and the difference is recognized as an impairment loss. Meanwhile, when the recoverable amount subsequently exceeds the carrying amount of the impaired asset, the excess is recorded as a reversal of impairment loss to the extent that the reversed asset does not exceed the carrying amount before previous impairment as adjusted by depreciation. Upon derecognition of property, plant and equipment, the difference between the net disposal proceed and the carrying amount of the item is recognized in other non-operating income (expense).

2.11 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Investment income earned on the temporary investment of specific borrowings on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.12 Government Grants

For the purpose of acquisition of certain assets, government grants related to assets are accounted for as a deduction from related assets on the date that the related assets are received.

If a government grant that will be received is not subject to specific conditions attached to it, government grants related to primary operating activity are recognized in operating income; otherwise, those are recognized in other non-operating income. Meanwhile, expense related to the government grants is to be offset first and then recognized in profit and loss.

2.13 Intangible Assets

Intangible assets are initially measured at cost and are carried at cost, less accumulated amortization and accumulated impairment losses. Subsequent expenditure on an intangible asset is capitalized only when it is probable that the expected future economic benefits that are attributable to the asset will increase.

Intangible assets other than goodwill and intangible assets with indefinite useful lives are amortized using the straight-line method with no residual value, with amortization beginning when the asset is available for use. However, useful lives of membership and other intangible assets with similar nature are determined to be indefinite as there is no foreseeable limit to the period over which the assets are expected to generate net cash inflow from the Group and they are not amortized, but tested for impairment once a year.

	Useful lives
Industrial rights	5 – 10 year
Development costs	5 year
Other intangible assets	3 – 20 year

Goodwill acquired from business combination is measured as the consideration transferred in excess of acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired and is classified as intangible assets. Goodwill is not subject to amortization and tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses, if any. Impairment loss recognized for goodwill is not reversed. For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination.

Expenditures relating to development activities are capitalized when the result of the development is for the development of new products or substantial improvement of functions of existing products, there is technical and commercial feasibility of completing the development and the Group has the ability to measure reliably the expenditure attributable to the development. Capitalized development costs include expenditure on materials, salaries, wages and other employment-related costs of personnel directly engaged in generating assets and related overhead cost that is systematically allocated. Capitalized development costs are presented at the acquisition cost, less accumulated amortization and accumulated impairment losses. Capitalized development costs are amortized using the straight-line method over the estimated useful life and amortization expenses are included in cost of goods manufactured and amortization in selling and administrative expenses. The expenditure on research and development that does not meet the conditions noted above is recognized as an expense when it is incurred.

The estimated useful life and amortization method for intangible assets with finite useful lives are reviewed at the end of each reporting period and for the assets that have been assessed as having indefinite useful life, that assessment is revisited each period, with the effect of any changes in estimate being accounted for as a change in accounting estimate.

2.14 Investment Property

Investment property is property held to earn rentals or for capital appreciation or both. An investment property is measured initially at its cost. After recognition as an asset, investment property is carried at cost less accumulated depreciation and impairment losses. The Group depreciates investment properties, except for land and investment property replaced by leased assets, using the straight-line method over their useful lives of 19 year.

2.15 Impairment of Non-financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.16 Financial Liabilities

(a) Classification and measurement

The Group’s financial liabilities at fair value through profit or loss are financial instruments held for trading. A financial liability is held for trading if it is incurred principally for the purpose of repurchasing in the near term. A derivative that is not a designated as hedging instruments and an embedded derivative that is separated are also classified as held for trading.

Financial liabilities at fair value through profit or loss, financial guarantee contracts, and financial liabilities arising when a transfer of a financial asset does not qualify for derecognition are classified as financial liabilities measured at amortized cost. All financial liabilities are initially recognized at fair value, and in the case of borrowings, net of directly attributable transaction costs.

The Group classifies financial liabilities arising from supplier finance arrangements as trade and other payables in the consolidated statement of financial position if they have similar characteristics and functions to trade payables. This is the case when the supplier finance arrangement is part of the working capital used in the normal operating cycle, the level of collateral provided is similar to that of trade payables, and the terms of the liability arising from the supplier finance arrangement are not substantially different from those of trade payables not subject to supplier finance arrangements. Cash flows related to financial liabilities arising from supplier finance arrangements classified as trade and other payables are included in operating activities in the consolidated statement of cash flows.

(b) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability expired or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(d) Financial Guarantee Contracts

A financial guarantee contract refers to the contract that requires the issuer to pay the specified amounts to reimburse the holder for a loss because the specified debtor fails to make payment when due under original or revised contractual terms of debt instruments.

Financial guarantee contracts are initially recognized at fair value. The liability is initially measured at fair value, subsequently at the higher of following and recognized in the statement of financial position within "other liabilities".

- the amount determined in accordance with the expected credit loss model; and
- the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with KIFRS 1115 *Revenue from Contracts with Customers.*

2.17 Provisions and Contingent Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is measured using the present value of the cash flows estimated to settle the present obligation when the effect of the time value of money is material. At the end of each reporting period, the remaining provision balance is reviewed and assessed to determine if the current best estimate is being recognized. The increase in provision due to passage of time is recognized as interest expense. If the existence of an obligation to transfer economic benefit is no longer probable, the related provision is reversed during the period. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received. In the consolidated statements of profit or loss, a net amount is presented, being the anticipated cost of the obligation, less the reimbursement.

2.18 Current and Deferred Tax

The tax expense for the year consists of current and deferred tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is measured at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In addition, The Group recognizes a deferred tax asset for all deductible temporary differences arising from such investments to the extent that it is probable the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to settle on a net basis.

2.19 Employee Benefits

(a) Post-employment benefits

The Group operates both defined contribution and defined benefit pension plans.

For defined contribution plans, the Group pays contribution to publicly or privately administered pension insurance plans on mandatory, contractual or voluntary basis. The Group has no further payment obligation once the contribution has been paid. The contribution is recognized as employee benefit expense when due.

A defined benefit plan is a pension plan that is not a defined contribution plan. Generally, post-employment benefits are payable after the completion of employment, and the benefit amount depends on the employee’s age, periods of service and salary levels. The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs.

(b) Share-based Compensation

The Group’s share-based payment transactions for services received from its employees are share-settled or cash-settled. Share-settled transactions granted to employees are measured at the fair value of equity instruments at the grant date and are recognized as profit or loss and other capital items at a fixed rate over the vesting period. Furthermore, cash-settled transactions granted to employees are remeasured at the fair value of the equity instrument at the end of each reporting period and at the settlement date until the liability is settled, and changes in fair value are recognized in profit or loss. It is recognized as current expenses and liabilities over the vesting period until settlement.

2.20 Revenue Recognition

(a) Identification of performance obligation

The Group engages in manufacturing and distributing compact construction equipment. The Group provides an extended warranty service in connection with the sale of product based on the contract.

(b) Performance obligations recognized over the period of time: Extended warranty services

The Group provides an extended warranty for products for coverage beyond the standard warranty period, and a customer has an option to purchase the extended warranty separately. Therefore, the extended warranty is classified as separate performance obligation according to the KIFRS 1115, and a portion of the transaction price is allocated to that performance obligation in order to recognize revenue based on the progress towards complete satisfaction of the performance obligation.

(c) Allocation of the transaction price to each of the separate performance obligations

The Group allocates the transaction price in an arrangement to each separate performance obligation based on the relative stand-alone selling prices of the goods or services being provided to a customer. The stand-alone selling prices of goods or services are observable in most cases. However, if the stand-alone selling prices are not directly observable, the Group estimates the selling prices by using expected cost plus a margin approach.

(d) Sales with a right of return

The Group estimates an amount of variable consideration by using the expected value which the Group expects to better predict the amount of consideration. The Group recognize revenue with transaction price including variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the refund period has lapsed. The refund liability is measured at the amount of consideration received for which the Group does not expect to be entitled.

2.21 Lease

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group determines the lease term as the non-cancellable period of a lease, together with both (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. When the lessee and the lessor each has the right to terminate the lease without permission from the other party, the Group should consider a termination penalty in determining the period for which the contract is enforceable.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as of the commencement date;
- amounts expected to be payable by the Group (the lessee) under residual value guarantees;
- the exercise price of a purchase option if the Group (the lessee) is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group (the lessee) exercising that option.

Lease liability measurement also include payments to be made in option periods if the lessee is reasonably certain to exercise an option to extend the lease.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group determines the incremental borrowing rate as follows:

- Borrowing rate borne by Doosan Bobcat North America, Inc. which received financing from third party.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If the Group as a lessee is reasonably certain to exercise the option, the right-to-use asset is depreciated over the useful life of the underlying asset.

Lease payments for short-term lease (a lease term of 12 months or less at the commencement date) and lease of low value assets (at acquisition cost less than or equal to $ 5,000) will be recognized immediately in profit or loss.

2.22 Earnings Per Share

Basic earnings per common share are computed by dividing net income attributable to owners of the Group by the weighted-average number of common shares outstanding during the period. Diluted earnings per common share are computed by dividing diluted net income attributable to the owners of the Group, which is adjusted by adding back the after-tax amount of expenses related to dilutive potential ordinary shares, by the weighted-average number of common shares and dilutive potential ordinary shares outstanding during the period. Antidilutive potential ordinary shares are disregarded in the calculation of diluted earnings per share.

2.23 Dividend

Dividend payable is recognized as liability when declaration of the dividend is approved at the shareholders' meeting.

2.24 Segment Reporting

Information of each operating segment is reported in a manner consistent with the internal business segment reporting provided to management. The management of the Group is responsible for allocating resources and assessing performance of the operating segments.

2.25 Approval of Issuance of the Financial Statements

The consolidated financial statements were approved for issue by the Board of Directors on February 10, 2025, and are subject to change with the approval of shareholders at their Annual General Meeting.

3. Critical Accounting Estimates and Assumptions

The preparation of financial statements requires assumptions and estimates about the future, and management is required to make judgments in applying the Group's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from these estimates, which could result in significant adjustments in future periods. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows. Additional information on significant judgments and estimates for certain items is included in the respective notes.

Revenue recognition – Revenue deductions

The Group offers customers a variety of promotion and incentive programs and its costs incurred are recognized as deductions from revenue. Any unsettled amounts are recognized on an accrual basis. These liabilities related to revenue deductions are estimated by the expected value based on historical experience and judgement of management when the related revenue recognized. The Group's revenue is affected by these estimated revenue deductions.

Impairment of goodwill

The Group annually performs impairment assessment on goodwill. Recoverable amount of cash-generating units is based on the higher of value in use or net fair value (fair value less cost of disposals). In determining a value in use, management estimates future cash flows to be derived from the asset or cash generating units, and applies the appropriate discount rate to those future cash flows. Refer to Note 10 for details including key assumptions.

Impairment of capitalized development cost

The Group performs an assessment for impairment of capitalized development costs at the end of each reporting period by reviewing project's business forecast, technical feasibility and future economic benefit. The assessment on indication of impairment or calculation of recoverable amount of capitalized development costs involves management's estimates and judgments (Note 10).

Income taxes

The Group's taxable income generated from these operations are subject to income taxes based on tax laws and interpretations of tax authorities in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain.

Current and deferred income tax is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period when the asset is realized or the liability is settled. However, the ultimate corporate income tax may not correspond to the related assets and liabilities recognized at the end of the current reporting period. Such difference may affect current and deferred tax assets and liabilities at the time when final tax effect is determined.

A deferred tax asset is recognized for the carryforward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. The future taxable profit measured by management's estimate involves management's significant judgement, and this could affect the Group's deferred tax assets.

If certain portion of the taxable income is not used for investments, increase in wages or others in accordance with the tax system for recirculation of corporate Income, the Group is liable to pay additional income tax calculated based on the tax laws. Accordingly, the measurement of current and deferred income tax is affected by these tax effects. As the Group's income tax is dependent on the investments, increase in wages and others, there is an uncertainty measuring the final tax effects. (Note 31).

Net defined benefit liability

The present value of net defined benefit liability depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate (Note 17).

Warranty provision

The Group provides warranty for products when the related revenue is recognized. At the end of each reporting period, provisions are recorded for the best estimated costs to fulfill current and future warranty obligations. These estimates may change in future due to additional provisions required under local legislation and practice (Note 18).

Impairment of financial assets

The provision for impairment for financial assets are based on assumptions about risk of default and expected loss rates in accordance with KIFRS 1109. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past experience, existing market conditions as well as forward looking estimates at the end of each reporting period (Note 4).

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

	December 31, 2024				
	USD	EUR	GBP	Others[1]	Total
Financial assets	$ 625,048	$ 59,353	$ 19,681	$ 26,559	$ 730,641
Financial liabilities	(588,733)	(69,710)	(11,030)	(29,438)	(698,911)
Net	$ 36,315	$ (10,357)	$ 8,651	$ (2,879)	$ 31,730

	December 31, 2023				
	USD	EUR	GBP	Others[1]	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)

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

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

	Year ended December 31, 2024		Year ended December 31, 2023	
	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate
Profit before income tax expense	$ 3,173	$ (3,173)	$ (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 December 31, 2024 and 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).

	December 31, 2024	December 31, 2023
Financial assets	$ 56,767	$ -
Financial liabilities	1,151,265	888,804
Net Financial assets(liabilities)	$ (1,094,498)	$ (888,804)

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			
	Year ended December 31, 2024		Year ended December 31, 2023	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Profit before income tax expense	$ (10,945)	$ 10,945	$ (8,888)	$ 8,888

4.1.2 Credit Risk

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

Credit risk arises from cash and cash equivalents, derivatives and deposits in banks and financial institutions, as well as the Group's receivables.

Main objectives of credit risk management are to efficiently manage credit risk based on the Group's credit policies, to promptly support decision-making processes and to minimize financial losses through safeguarding receivables. An allowance for doubtful accounts is specifically recognized for the receivables with impairment indicators individually identified. The Group uses the simplified approach to recognize the loss allowance for lifetime expected credit loss for a group of receivables with similar credit-risk nature that are not individually significant.

4.1.2 Credit Risk (cont'd)

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

	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 1,263,123	$ 1,085,801
Short-term financial instruments[1]	4,896	5,041
Trade and other receivables	358,029	437,370
Long-term financial instruments[2]	759	1,342
Long-term financial investments	8,312	8,581
Long-term other receivables	17,722	17,476
Derivative assets	560	125
Long-term derivative assets	1,638	-
Other non-current assets	7,914	8,981
	$ 1,662,953	$ 1,564,717

[1] Short-term financial instruments include deposits restricted in use in relation to Win-win growth fund.
[2] Long-term financial instruments include deposits restricted in use in relation to government bids, and deposits pledged as collaterals in relation to sublease deposits.

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

4.1.2 Credit Risk (cont'd)

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

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

	December 31, 2023						
	Individually impaired receivables	Receivables assessed for impairment on a collective basis					Total
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	
Trade receivables	$ 4,992	$ 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
	$ 10,604	$ 372,973	$ 67,999	$ 5,398	$ 5,002	$ 3,503	$ 465,479

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.

Aging analysis of the Group's allowance for doubtful accounts for trade and other receivables as of December 31, 2024 and 2023 are as follows (in thousands of USD):

	December 31, 2024						
	Allowance for doubtful accounts for individually impaired receivables	Allowance for doubtful accounts assessed for impairment on a collective basis					Total
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	
Trade receivables	$ 3,288	$ 852	$ 209	$ 84	$ 337	$ 1,849	$ 6,619
Other receivables	-	-	33	31	-	-	64
	$ 3,288	$ 852	$ 242	$ 115	$ 337	$ 1,849	$ 6,683

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					
		Within due	0–3 months	3–6 months	6–12 months	Over 12 months	Total
Trade receivables	$ 4,732	$ 866	$ 544	$ 724	$ 973	$ 2,752	$ 10,591
Other receivables	-	-	42	-	-	-	42
	$ 4,732	$ 866	$ 586	$ 724	$ 973	$ 2,752	$ 10,633

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

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

	December 31, 2023					
		Contractual nominal cash flows				
	Book value	Total	Less than 1 year	1-2 year	2-5 year	More than 5 year
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
	$ 2,501,080	$ 2,860,511	$ 1,584,109	$ 180,045	$ 359,020	$ 737,337

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 December 31, 2024 is discussed in Note 33.

The carrying amount of the Group's liabilities arising from supplier finance arrangements as of December 31, 2024 are as follows (in thousands of USD):

	December 31, 2024
The carrying amount of financial liabilities (trade payables) subject to supplier finance arrangements	$ 91,052
The carrying amount corresponding to the portion for which the supplier has already received payment from the finance provider	43,791

The normal payment terms for the Group's trade payables and the payment terms for liabilities (trade payables) included in the supplier finance arrangements are the same.

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

	December 31, 2024	December 31, 2023
Debt	$ 3,479,665	$ 3,425,579
Equity	4,690,139	4,618,282
Debt-to-equity ratio	74.19%	74.17%

5. Financial Instruments by Category

5.1 Carrying Amounts of Financial Instruments by Category

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

	December 31, 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[1]	Total
Assets:					
Cash and cash equivalents	$ 1,263,123	$ -	$ -	$ -	$ 1,263,123
Short-term financial instruments	4,896	-	-	-	4,896
Trade and other receivables	351,388	-	6,641	-	358,029
Derivative assets (current and non-current)	-	-	-	2,198	2,198
Long-term other receivables	17,722	-	-	-	17,722
Long-term financial instruments	759	-	-	-	759
Long-term financial investments	-	8,312	-	-	8,312
Other non-current assets	7,914	-	-	-	7,914
	$ 1,645,802	$ 8,312	$ 6,641	$ 2,198	$ 1,662,953

[1] Includes derivative instruments used for hedging and other items that are not subject to the categories of financial assets.

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

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

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

	December 31, 2023									
	Financial assets at amortized cost		Financial assets at fair value through profit or loss		Financial assets at fair value through OCI		Other financial assets[1]		Total	
Assets:										
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
	$	1,535,372	$	8,326	$	20,894	$	125	$	1,564,717

	December 31, 2023							
	Financial liabilities at amortized cost		Financial liabilities at fair value through profit or loss		Other financial liabilities[1]		Total	
Liabilities:								
Trade and other payables	$	1,387,588	$	-	$	-	$	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
	$	2,372,045	$	435	$	151,958	$	2,524,438

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

During the year ended December 31, 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.

5.2 Fair Value Hierarchy

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

	December 31, 2024			
	Level 1 [1]	Level 2 [1]	Level 3 [1]	Total
Financial assets:				
Financial assets at fair value through profit or loss	$ -	$ -	$ 8,312	$ 8,312
Financial assets at fair value through OCI	-	6,641	-	6,641
Other financial assets (Hedging derivatives)	-	2,198	-	2,198
	$ -	$ 8,839	$ 8,312	$ 17,151
Financial liabilities:				
Financial liabilities at fair value through profit or loss	$ -	$ 1,240	$ -	$ 1,240
Other financial liabilities (Hedging derivatives)	-	3,220	-	3,220
	$ -	$ 4,460	$ -	$ 4,460

	December 31, 2023			
	Level 1 [1]	Level 2 [1]	Level 3 [1]	Total
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
	$ -	$ 20,764	$ 8,581	$ 29,345
Financial liabilities:				
Financial liabilities at fair value through profit or loss	$ -	$ 435	$ -	$ 435
Other financial liabilities (Hedging derivatives)	-	1,861	-	1,861
	$ -	$ 2,296	$ -	$ 2,296

[1] Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – All inputs other than quoted prices included in level 1 that are observable (either directly that is, prices, or indirectly that is, derived from prices) for the asset or liability.
Level 3 – Unobservable inputs for the asset or liability.

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

5.3 Changes in Fair Value of Level 3 Financial Instruments

Changes in level 3 financial instruments measured at fair value for the Year ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024				
	Beginning	Fair value evaluation	Disposal	Others[1]	Ending
Financial assets at fair value through profit or loss	$ 8,326	$ 1	$ -	$ (15)	$ 8,312
Financial assets at fair value through OCI	255	-	(256)	1	-
	$ 8,581	$ 1	$ (256)	$ (14)	$ 8,312

[1] Others include effect of foreign exchange translation, etc.

5.4 Net Gains or Losses by Category of Financial Instruments

Net gains or losses of each category of financial instruments for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024						
	Profit for the period						
	Interest income (expense)	Bad debt expense (income)	Loss on disposal	Gain on derivatives	Loss on valuation	Others	Other comprehensive loss
Financial assets:							
Financial assets at amortized cost	$ 48,747	$ (999)	$ -	$ -	$ -	$ -	$ -
Financial assets at fair value through profit or loss	594	-	(49)	384	1	-	-
Financial assets at fair value through OCI	-	-	(7,326)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	(4,652)
	$ 49,341	$ (999)	$ (7,375)	$ 384	$ 1	$ -	$ (4,652)
Financial liabilities:							
Financial liabilities at amortized cost	$ (72,369)	$ -	$ (1,606)	$ -	$ -	$ (3,186)	$ -
Financial liabilities at fair value through profit or loss	-	-	-	(864)	-	-	-
Other financial liabilities	(6,139)	-	-	-	-	(231)	-
	$ (78,508)	$ -	$ (1,606)	$ (864)	$ -	$ (3,417)	$ -

	Year ended December 31, 2023						
	Profit for the period						
	Interest income (expense)	Bad debt expense (income)	Loss on disposal	Gain on derivatives	Loss on valuation	Others	Other comprehensive loss
Financial assets:							
Financial assets at amortized cost	$ 29,705	$ (3,927)	$ -	$	$	$ -	$ -
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-
Financial assets at fair value through OCI	-	-	(8,354)	*53*	1	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	(111)
	$ 29,705	$ (3,927)	$ (8,354)	$ -	$ -	$ -	$ (111)
Financial liabilities:				*53*	1		
Financial liabilities at amortized cost	$ (80,184)	$ -	$ (1,699)	$	$	$ (2,214)	$ -
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-
Other financial liabilities	(5,938)	-	-	*(426)*	-	(95)	-
	$ (86,122)	$ -	$ (1,699)	$ -	$ -	$ (2,309)	$ -

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

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

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.

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 December 31, 2024 (in thousands of USD):

	Subject to application of master netting agreement		
	Gross amount of financial instruments recognized	Gross amount of financial instruments set off	Net amounts presented in the statement of financial position
Financial assets:			
Trade receivables	$ 7,431	$ (3,123)	$ 4,308
Other receivables	18	(14)	4
	$ 7,449	$ (3,137)	$ 4,312
Financial liabilities:			
Trade payables	$ (11,303)	$ 3,137	$ (8,166)

6. Trade and Other Receivables

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

	December 31, 2024		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	$ 335,462	$ (6,619)	$ 328,843
Other receivables	26,836	(64)	26,772
Accrued income	2,302	-	2,302
Short-term loans	112	-	112
	$ 364,712	$ (6,683)	$ 358,029
Non-current:			
Long-term other receivables	$ 17,571	$ -	$ 17,571
Long-term loans	151	-	151
	$ 17,722	$ -	$ 17,722

	December 31, 2023		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	$ 421,578	$ (10,591)	$ 410,987

Other receivables	26,233	(42)	26,191

6. Trade and Other Receivables (cont'd)

Accrued income	106	-	106
Short-term loans	86	-	86
	$ 448,003	$ (10,633)	$ 437,370
Non-current:			
Long-term other receivables	$ 17,476	$ -	$ 17,476
Long-term loans	-	-	-
	$ 17,476	$ -	$ 17,476

Changes in allowance for doubtful accounts for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024		
	Trade receivables	**Other receivables**	**Total**
Beginning balance	$ 10,591	$ 42	$ 10,633
Increase (reversal)	856	30	886
Write-off	(3,903)	-	(3,903)
Others	(925)	(8)	(933)
Ending balance	$ 6,619	$ 64	$ 6,683

	Year ended December 31, 2023		
	Trade receivables	**Other receivables**	**Total**
Beginning balance	$ 8,005	$ 45	$ 8,050
Increase	3,929	(1)	3,928
Write-off	(1,301)	-	(1,301)
Others	(42)	(2)	(44)
Ending balance	$ 10,591	$ 42	$ 10,633

Past due receivables are considered impaired. An allowance for doubtful accounts is specifically recognized for the receivables with impairment indicators individually identified. The Group applies the aging analysis to recognize the lifetime expected credit losses as loss allowances for a group of financial assets with similar credit risk natures that are not individually significant. The allowance for doubtful accounts is included in selling and administrative expenses and other non-operating expenses in the consolidated statements of profit or loss.

7. Inventories

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

	December 31, 2024		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	$ 718,533	$ (47,332)	$ 671,201
Work in progress	40,282	(58)	40,224
Raw materials	560,854	(38,288)	522,566
Materials in transit	116,338	-	116,338
	$ 1,436,007	$ (85,678)	$ 1,350,329

	December 31, 2023		
	Acquisition Cost	Valuation allowance	Net book value
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
	$ 1,470,146	$ (63,185)	$ 1,406,961

The cost of inventories recognized as expense and included in cost of sales for the year ended December 31, 2024 amounts to $ 4,559,823 thousand (December 31, 2023: $ 5,385,558 thousand). Losses on inventory valuation included in cost of sales amount to $ 18,407 thousand for the year ended December 31, 2024 (December 31, 2023: $ 14,676 thousand).

8. Derivatives

The Group's derivative contracts are classified as follows:

Purpose	Type of derivative instruments	Description
Cash flow hedge	Foreign currency forward	A contract in 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 December 31, 2024 and 2023 are as follows (in thousands of respective currencies and in thousands of USD):

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

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

[1] Presents the amount before taxes.

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	3.03%

	December 31, 2023		
	Derivative assets (liabilities)	Loss on valuation of derivatives	Accumulated other comprehensive income (loss)[1]
Foreign currency forward	$ (8)	$ -	$ (8)
Foreign currency forward	125	-	125
Foreign currency swap	(1,853)	-	163
Interest rate swap	(435)	(425)	-
	$ (2,171)	$ (425)	$ 280

[1] Presents the amount before taxes.

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

9. Property, Plant and Equipment

Changes in property, plant and equipment for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 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	27,109	6,035	40,761	539	7,700	136,327	40,463	258,934
Disposal	-	(520)	(1,737)	(167)	(108)	(789)	-	(3,321)
Depreciation	-	(11,595)	(84,424)	(609)	(12,695)	-	(37,712)	(147,035)
Impairment	-	(18)	(40)	(150)	(98)	-	-	(306)
Reversal of impairment	-	-	146	-	-	-	-	146
Business combination	40,422	17,814	17,223	248	3,431	2,098	4,796	86,032
Others & transfer[1]	(12,115)	10,372	55,840	150	(707)	(90,627)	(9,539)	(46,626)
Ending	$ 191,029	$ 257,906	$ 359,377	$ 2,006	$ 31,980	$ 159,158	$ 122,768	$ 1,124,224
Acquisition cost	$ 191,029	$ 401,539	$ 905,741	$ 7,361	$ 112,927	$ 159,246	$ 223,341	$ 2,001,184
Accumulated depreciation	-	(139,700)	(540,176)	(5,203)	(80,420)	-	(100,573)	(866,072)
Government grants	-	(1,087)	(353)	-	(9)	(88)	-	(1,537)
Accumulated impairment losses		(2,846)	(5,835)	(152)	(518)	-	-	(9,351)

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

	Year ended December 31, 2023							
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	Total
Beginning	$ 131,550	$ 220,153	$ 304,730	$ 1,739	$ 33,846	$ 76,273	$ 108,617	$ 876,908
Acquisition / capital expenditure	-	7,005	29,415	970	6,408	114,352	50,366	208,516
Disposal	-	(428)	(1,883)	(88)	(734)	-	-	(3,133)
Depreciation	-	(12,618)	(78,159)	(1,309)	(11,047)	-	(35,102)	(138,235)
Impairment	-	-	(149)	(12)	-	-	-	(161)
Revaluation	4,924	-	-	-	-	-	-	4,924
Others & transfer[1]	(861)	21,706	77,654	695	5,984	(78,476)	879	27,581
Ending	$ 135,613	$ 235,818	$ 331,608	$ 1,995	$ 34,457	$ 112,149	$ 124,760	$ 976,400
Acquisition cost	$ 135,700	$ 367,409	$ 789,372	$ 7,430	$ 96,228	$ 112,316	$ 204,398	$ 1,712,853
Accumulated depreciation	-	(129,149)	(456,473)	(5,435)	(61,750)	-	(79,638)	(732,445)
Government grants	-	(1,152)	(614)	-	(20)	(167)	-	(1,953)
Accumulated impairment losses	(87)	(1,290)	(677)	-	(1)	-	-	(2,055)

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

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

After initial recognition, land is measured using a revaluation model. As of December 31, 2024, the carrying amount of land would be $ 148,476 thousand if measured based on a cost model.

As of December 31, 2024, certain property, plant and equipment included above are pledged as collateral in relation to the borrowings (see Notes 15 and 34).

Classification of depreciation expenses for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of sales	$ 118,640	$ 111,190
Selling and administrative expenses		
Depreciation expenses	23,399	22,675
Research and development expenses	4,996	4,370
	$ 147,035	$ 138,235

Details of borrowing costs capitalized as property, plant and equipment by the Group for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Capitalized borrowing costs	4,745	-
Capitalized interest rate	6.67% ~ 8.04%	-

10. Intangible Assets

Changes in intangible assets for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024					
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	$ 2,658,320	$ 985,278	$ 125,261	$ 42,624	$ 54,396	$ 3,865,879
Internal development	-	-	18,350	-	-	18,350
Acquisition	-	58	-	46,806	5,391	52,255
Disposal	-	-	-	(383)	(1,186)	(1,569)
Amortization	-	(148)	(33,870)	-	(17,666)	(51,684)
Impairment	-	(2,500)	(7,013)	-	(7)	(9,520)
Business combination	14,084	9	-	172	21,988	36,253
Others & transfer	(80,191)	(20,469)	(2,926)	(18,377)	12,820	(109,143)
Ending	$ 2,592,213	$ 962,228	$ 99,802	$ 70,842	$ 75,736	$ 3,800,821
Acquisition cost	$ 2,592,213	$ 1,107,037	$ 421,255	$ 70,842	$ 212,130	$ 4,403,477
Accumulated amortization and impairment losses	-	(144,809)	(321,453)	-	(136,394)	(602,656)

10. Intangible Assets (cont'd)

	Year ended December 31, 2023					
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	$ 2,616,809	$ 977,687	$ 136,534	$ -	$ 63,460	$ 3,794,490
Internal development	-	-	26,190	-	-	26,190
Acquisition	-	255	-	38,565	7,680	46,500
Amortization	-	(109)	(35,206)	-	(15,560)	(50,875)
Impairment	-	(4,943)	(2,405)	-	-	(7,348)
Others & transfer	41,511	12,388	148	4,059	(1,184)	56,922
Ending	$ 2,658,320	$ 985,278	$ 125,261	$ 42,624	$ 54,396	$ 3,865,879
Acquisition cost	$ 2,658,320	$ 1,130,544	$ 435,606	$ 42,624	$ 211,558	$ 4,478,652
Accumulated amortization and impairment losses	-	(145,266)	(310,345)	-	(157,162)	(612,773)

As of December 31, 2024, the carrying amount of goodwill and other intangible assets with indefinite useful lives included in others above is $ 3,557,360 thousand (December 31, 2023: $ 3,646,367 thousand).

Certain intangible assets included above are pledged as collateral as of December 31, 2024 in connection with the borrowings (see Notes 15 and 34).

Impairment losses on intangible assets December 31, 2024 and 2023for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

			Accumulated impairment losses	
	Individual asset	Book value	Year ended December 31, 2024	Year ended December 31, 2023
Development costs	Medium Frame GenV and others	$ -	$ 4,139	$ 4,139
	eMEX Shells E32e, E19e and others	166	2,286	2,405
	MEX 1-2T Upgrade	-	4,623	-
	CWL PL1 and others	236	1,988	-
Industrial property rights	RYAN trademark right	-	4,943	4,943
	STEINER trademark right	-	2,500	-
Other Intangible assets	Membership	804	154	176

Classification of impairment losses on intangible assets for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Other non-operation expenses	$ 9,520	$ 7,348

10. Intangible Assets (cont'd)

Details of development costs as of December 31, 2024 are as follows (in thousands of USD):

		Balance	Remaining amortization year (months)
Compact product development (relating to new models and emission regulations)	Development in progress	$ 48,991	
	Being amortized	33,866	32
Portable Power product development (relating to new models and emission regulations)	Development in progress	-	
	Being amortized	5,694	30
Forklift product development (relating to new models and emission regulations)	Development in progress	6,538	
	Being amortized	4,713	31
		$ 99,802	

Classification of amortization expenses for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of sales	$ 37,897	$ 39,519
Selling and administrative expenses	13,787	11,356
	$ 51,684	$ 50,875

Expenditures on research and development recognized as expenses amount to $ 156,075 thousand for the year ended December 31, 2024 (December 31, 2023: $ 152,762 thousand).

Details of borrowing costs capitalized as intangible assets by the Group for each of the two years in the period ended December 31, 2024 are follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Capitalized borrowing costs	1,831	55
Capitalized interest rate	4.53% ~ 8.04%	8.17%

The Group has allocated goodwill to its cash-generating unit groups. For the purpose of impairment testing, the cash-generating unit groups to which goodwill has been allocated are as follows, and they have been allocated to the Group's former operating segments (in thousands of USD):

Cash-generating unit group	Description	Year ended December 31, 2024	Year ended December 31, 2023
Doosan Bobcat	Manufacturing and sales of construction equipment	$ 2,579,570	$ 2,658,320
Mottrol[1]	Manufacturing and sales of hydraulic equipment	12,643	-
		$ 2,592,213	$ 2,658,320

[1] Recognized as a result of business combinations during the year ended December 31, 2024. (see Note 37)

10. Intangible Assets (cont'd)

The Group uses cash flow projections based on the five-year period financial budgets approved by the management. The financial budgets are determined based on historical result and expectation of market growth. Key assumptions used for value-in-use calculation are as follows:

	Doosan Bobcat	Mottrol
Permanent growth rate	1.5%	1.0%
Discount rate[1]	8.3%	11.2%

[1] The discount rate is applied to the expected cash flow.

The cash flows expected for periods after five years were estimated within the range of long-term average growth rate of market. The discount rates used reflect relevant risks specific to the cash-generating units. The Group performed an impairment test in consideration of the value-in-use and concluded that the carrying value of cash generating units does not exceed the recoverable amount. Therefore, no impairment loss is recognized based on the impairment test for the year ended December 31, 2024.

11. Investment Properties

Changes in investment properties for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024		
	Land	Building	Total
Beginning balance	$ 71,486	$ 15,595	$ 87,081
Acquisition / capital expenditure	-	538	538
Depreciation	-	(1,080)	(1,080)
Others	(8,782)	(1,878)	(10,660)
Ending balance	$ 62,704	$ 13,175	$ 75,879
Acquisition cost	$ 62,704	$ 18,195	$ 80,899
Accumulated depreciation and impairment loss	-	(5,020)	(5,020)

	Year ended December 31, 2023		
	Land	Building	Total
Beginning balance	$ 72,734	$ 19,844	$ 92,578
Acquisition / capital expenditure	-	846	846
Transfer[1]	-	(3,733)	(3,733)
Depreciation	-	(1,084)	(1,084)
Others	(1,248)	(278)	(1,526)
Ending balance	$ 71,486	$ 15,595	$ 87,081
Acquisition cost	$ 71,486	$ 20,175	$ 91,661
Accumulated depreciation and impairment loss	-	(4,580)	(4,580)

[1] During the year ended December 31, 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 year ended December 31, 2024 amounts to $ 3,348 thousand (December 31, 2023: $ 4,008 thousand).

Fair value of investment properties as of December 31, 2024 is as follows (in thousands of USD):

	December 31, 2024
Land	$ 77,513
Building	14,732
	$ 92,245

Fair value measurement of investment properties was performed by an independent appraiser. The Group considers the change in fair value subsequent to its initial recognition is immaterial. On the other hand, the fair value of investment properties is classified as level 3 based on inputs used in valuation techniques. The valuation techniques used to measure fair value are individual valuation method, transaction comparison method, and yield capitalization method.

12. Investment in Associates

Investments in associates that are accounted for each of the two years in the period ended December 31, 2024 are as follows:

Associates	Principal business activity	Location	Fiscal year end	Percentages of ownership (%) 2024	Percentages of ownership (%) 2023
Ainstein AI, Inc.[1]	Manufacturing of electronic sensing devices and others	U.S.A	December	8.61	9.09
Presto Lite Asia Co., Ltd.	Manufacturing of motors and generators	Korea	December	32.31	32.31
Doosan New Technology Investment Association[2]	Other financial investments	Korea	December	19.80	-

[1] The Group considers it has significant influence over the entity with the right of decision-making in the entity's Board of Directors.

[2] The Group acquired an 19.80% ownership in Doosan New Technology Investment Association. The Group considers it has significant influence over the entity by holding the right to make decisions in the general meeting of the association's members.

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

	Percentages of ownership (%)	December 31, 2024 Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	$ 2,000	$ 1,991	$ 113
Presto Lite Asia Co., Ltd.	32.31	2,467	2,616	2,616
Doosan New Technology Investment Association	19.80	2,558	2,267	2,267
		$ 7,025	$ 6,874	$ 4,996

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

12. Investment in Associates (cont'd)

Changes in investment in associates for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024					
	Beginning	Acquisition	Gain(loss) on equity method	Equity changes under equity method	Others	Ending
Ainstein AI, Inc.	$ 1,892	$ -	$ 99	$ -	$ -	$ 1,991
Presto Lite Asia Co., Ltd.	2,822	-	152	-	(358)	2,616
Doosan New Technology Investment Association	-	2,558	(314)	23	-	2,267
	$ 4,714	$ 2,558	$ (63)	$ 23	$ (358)	$ 6,874

	Year ended December 31, 2023			
	Beginning	Gain(loss) on equity method	Others	Ending
Ainstein AI, Inc.	$ 1,859	$ 33	$ -	$ 1,892
Presto Lite Asia Co., Ltd.	2,478	382	(38)	2,822
	$ 4,337	$ 415	$ (38)	$ 4,714

Summarized financial information of associates as of December 31, 2024 and for the year ended December 31, 2024 is as follows (in thousands of USD):

	December 31, 2024		Year ended December 31, 2024		
	Assets	Liabilities	Sales	Profit(loss) for the period	Total comprehensive Income(loss)
Ainstein AI, Inc.	$ 6,090	$ 4,844	$ 5,615	$ (205)	$ (205)
Presto Lite Asia Co., Ltd.	10,681	2,583	12,226	471	471
Doosan New Technology Investment Association	11,169	-	4	(1,587)	(1,587)

13. Lease

Changes in right-of-use assets for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024						
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	$ 3,736	$ 104,361	$ 7,211	$ 6,770	$ 2	$ 2,680	$ 124,760
Acquisition	-	33,014	2,432	4,340	-	677	40,463
Business combination	4,430	302	40	24	-	-	4,796
Depreciation	(139)	(28,169)	(2,866)	(5,018)	(1)	(1,519)	(37,712)
Transfer	24	-	-	-	-	-	24
Others	(554)	(8,235)	(22)	(686)	-	(66)	(9,563)
Ending balance	$ 7,497	$ 101,273	$ 6,795	$ 5,430	$ 1	$ 1,772	$ 122,768
Acquisition cost	$ 8,170	$ 180,389	$ 13,904	$ 15,564	$ 14	$ 5,300	$ 223,341
Accumulated depreciation	(673)	(79,116)	(7,109)	(10,134)	(13)	(3,528)	(100,573)

	Year ended December 31, 2023						
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	$ 4,288	$ 90,321	$ 5,776	$ 6,151	$ 6	$ 2,075	$ 108,617
Acquisition	-	39,220	3,940	5,485	-	1,721	50,366
Depreciation	(467)	(26,737)	(2,518)	(4,243)	(4)	(1,133)	(35,102)
Transfer1	-	3,733	-	-	-	-	3,733
Others	(85)	(2,176)	13	(623)	-	17	(2,854)
Ending balance	$ 3,736	$ 104,361	$ 7,211	$ 6,770	$ 2	$ 2,680	$ 124,760
Acquisition cost	$ 4,334	$ 167,332	$ 11,294	$ 15,725	$ 16	$ 5,697	$ 204,398
Accumulated depreciation	(598)	(62,971)	(4,083)	(8,955)	(14)	(3,017)	(79,638)

[1] During the year ended December 31, 2023, the right-of-use assets were reclassified from investment properties to lease assets as the leased area changed as a result of modification of the contract.

Changes in lease liabilities for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Beginning balance	$ 129,036	$ 115,551
Business combination	418	-
Lease payments	(41,687)	(40,682)
Acquisition of lease assets	39,917	50,400
Interest expenses	6,139	5,868
Termination of lease agreement	(6,583)	(1,277)
Foreign exchange differences	(3,261)	(824)
Ending balance	$ 123,979	$ 129,036

13. Lease (cont'd)

Classification of depreciation expenses of lease assets for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of sales	$ 19,194	$ 17,559
Selling and administrative expenses	18,518	17,543
	$ 37,712	$ 35,102

Maturity profile of lease liability as of December 31, 2024 is as follows (in thousands of USD):

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

Expenditures on short-term leases or leases of low-value assets which are not included in lease assets for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of sales	$ 281	$ 505
Selling and administrative expenses	5,215	4,328
	$ 5,496	$ 4,833

Total cash outflows for leases for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Lease liabilities	$ 41,687	$ 40,682
Lease payments on short-term leases and leases of low-value assets	5,496	4,833
	$ 47,183	$ 45,515

14. Trade and Other Payables

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

	December 31, 2024	December 31, 2023
Current:		
Trade payables	$ 642,702	$ 895,350
Other payables	96,080	97,938
Accrued expenses	440,400	394,300
	$ 1,179,182	$ 1,387,588
Non-current:		
Other payables	$ 125	$ 21
Accrued expenses	7,168	4,491
Leasehold deposits received	4,352	4,532
	$ 11,645	$ 9,044

15. Bonds and Borrowings

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

Category	Annual interest rate	December 31, 2024	December 31, 2023
Private bonds	SOFR+1.05%	$ 50,000	$ -
Subtotal		50,000	-
Less: discount on issuance of bonds		(365)	-
Total		$ 49,635	$ -

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

1) Short-term Borrowings

Lender	Annual interest rate	December 31, 2024	December 31, 2023
SB China	2.70%	$ 13,692	$ 21,038
Woori China	2.70%	4,979	-
CSOB[1]	EURIBOR+1.50%	16,420	17,470
SB China	2.80%	4,792	9,946
Yes/Sundaram[2]	-	2,263	-
Hana Bank	6M MOR+1.76%	20,408	-
Kookmin Bank	CD 3M+1.55%	13,605	-
Woori[1]	5.03%	6,803	-
Agricultural[1]	3.55%	1,369	-
Agricultural[1]	3.75%	959	-
		$ 85,290	$ 48,454

[1] Collateral is provided in relation to this loan. (see Note 34).
[2] The Group provides guarantees to financial institutions in relation to the Dealer's default under the Dealer financing agreement. Accordingly, the borrowings are recognized as the requirements for writing off trade receivables are not met.

15. Corporate bonds and Borrowings(cont'd)

2) Long-term Borrowings

Lender	Annual interest rate		December 31, 2024		December 31, 2023
Syndicated lenders[1]	3M SOFR+2.00%	$	727,221	$	735,125
CSOB[1]	EURIBOR+1.50%		102,627		71,334
Mizuho Bank	CD91D+1.50%		27,211		31,022
NongHyup Bank[1]	3M MOR+1.88%		27,211		31,022
Shinhan Bank Japan[1,2]	2.88%		-		13,495
Shinhan Bank[1]	CD 3M+1.80%		34,014		-
Shinhan Bank Japan[1]	Japan ST Prime Lending Rate+1.45%		2,547		2,831
Syndicated lenders[1]	3M SOFR+1.50%		180,000		-
Subtotal			1,100,831		884,829
Less: present value discount			(11,183)		(12,642)
			1,089,648		872,187
Less: current portion			(34,467)		(21,995)
Total		$	1,055,181	$	850,192

[1] Collateral is provided in relation to this loan (see Note 34).
[2] The currency swap agreement has been entered 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 is expressed by taking into account the effect of the currency swap agreement, in relation to this loan (see Note 8).

16. Sales and Leaseback Liabilities

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

Lender	Annual interest rate		December 31, 2024		December 31, 2023
HSBC	7.00%	$	27,537	$	28,801
Investec	7.00%		3,072		4,085
CMF	7.00%		1,036		1,977
Lombard	7.00%		13,637		16,556
Subtotal			45,282		51,419
Less: current portion			(12,470)		(13,393)
Total		$	32,812	$	38,026

17. Net Defined Benefit Liabilities

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

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 429,388	$ 452,775
Fair value of plan assets	(341,030)	(349,689)
Effects of asset ceiling	4,351	1,708
Net defined benefit liabilities	104,006	112,044
Net defined benefit assets	11,297	7,250

Components of retirement benefits presented on the statements of profit or loss for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Current service cost	$ 14,408	$ 14,661
Past service cost and gains on settlements	(11,944)	(52,041)
Net interest cost	5,122	7,491
	$ 7,586	$ (29,889)

Classification of expenses related to defined benefit plan for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of sales	$ 6,531	$ 9,576
Selling and administrative expenses	1,027	(39,625)
Research and development expenses, etc.	28	160
	$ 7,586	$ (29,889)

The Group recognized expenses of $ 25,130 thousand in relation to its defined contribution plan for the year ended December 31, 2024 (2023: $ 24,392 thousand).

17. Net Defined Benefit Liabilities (cont'd)

Movements in the defined benefit obligations for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Beginning balance	$ 452,775	$ 478,103
Current service costs	14,408	14,661
Past service costs and (gains) or losses on settlement	(11,944)	(52,041)
Interest expenses	21,365	22,379
Remeasurements :		
Actuarial gain(loss) from changes in demographic assumptions	28	(9,821)
Actuarial gain(loss) from changes in financial assumptions	(27,674)	17,441
Others	5,704	8,912
Contributions by employees	88	792
Benefits paid	(26,410)	(29,143)
Transfers	444	762
Business combination	9,114	-
Others	(352)	-
Foreign exchange differences	(8,158)	730
Ending balance	$ 429,388	$ 452,775

Movements in the fair value of plan assets for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Beginning balance	$ 347,981	$ 304,501
Expected return	16,243	14,888
Remeasurements	(18,160)	14,690
Contributions of employers	16,732	40,784
Contributions of employees	88	792
Benefits paid	(25,526)	(27,016)
Transfers	237	186
Business combination	9,695	-
Foreign exchange differences	(7,968)	864
Effects of asset ceiling	(2,643)	(1,708)
Ending balance	$ 336,679	$ 347,981

Actual gains on plan assets recognized for the year ended December 31, 2024 are $ (1,917) thousand (2023 : $ 29,578 thousand). Reasonable estimation of contributions to defined benefit plans for the year ended December 31, 2024 is $ 18,534 thousand.

17. Net Defined Benefit Liabilities (cont'd)

Significant actuarial assumptions as of December 31, 2024 and 2023 are as follows (in percentage, %):

	December 31, 2024	December 31, 2023
Discount rate	2.8~5.7	3.5~5.4
Future salary growth rate	3.0~4.5	2.0~4.5

Plan assets as of December 31, 2024 and 2023 consist of (in thousands of USD):

	December 31, 2024	December 31, 2023
Equity instruments	$ 44,031	$ 56,563
Debt instruments	221,035	224,373
Others	75,964	68,753
Effects of asset ceiling	(4,351)	(1,708)
Ending balance	$ 336,679	$ 347,981

The sensitivity of the defined benefit obligation to changes in the principal assumptions as of December 31, 2024 and 2023 is as follows (in thousands of USD):

	December 31, 2024		December 31, 2023	
	Amount	Rate	Amount	Rate
Discount rate:				
1%p increase	$ (42,491)	(-)9.90%	$ (77,391)	(-)17.09%
1%p decrease	51,513	12.00%	33,663	17.43%
Salary growth rate:				
1%p increase	$ 4,653	1.08%	$ 17,812	3.93%
1%p decrease	(4,294)	(-)1.00%	(36,644)	(-)8.09%

The cash flows from expected future benefits as of December 31, 2024 are as follows (in thousands of USD):

	Less than 1 year	Less than 2 years	Less than 5 years	Less than 10 years	More than 10 years	Total
Benefits paid	$ 26,821	$ 38,014	$ 84,231	$ 144,946	$ 714,303	$ 1,008,315

The weighted average maturity of the defined benefit obligations is 11 years.

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 two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024							
	Beginning	Business Combination	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	$ 151,408	$ 478	$ 71,940	$ (81,801)	$ (3,074)	$ 138,951	$ 77,317	$ 61,634
Product liability	23,661	-	6,071	(9,037)	-	20,695	4,100	16,595
Litigation	1,457	-	299	(1,065)	(2)	689	689	-
Restructuring	768	-	2,712	-	(181)	3,299	3,299	-
Others	912	-	1,473	(411)	(94)	1,880	242	1,638
	$ 178,206	$ 478	$ 82,495	$ (92,314)	$ (3,351)	$ 165,514	$ 85,647	$ 79,867

	Year ended December 31, 2023						
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	$ 152,704	$ 65,487	$ (67,480)	$ 697	$ 151,408	$ 87,462	$ 63,946
Product liability	25,445	6,385	(8,169)	-	23,661	4,530	19,131
Litigation	1,114	761	(308)	(110)	1,457	1,457	-
Restructuring	833	-	(54)	(11)	768	768	-
Others	1,571	527	(1,385)	199	912	481	431
	$ 181,667	$ 73,160	$ (77,396)	$ 775	$ 178,206	$ 94,698	$ 83,508

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 December 31, 2024, 100,249,166 ordinary shares are issued out of which 1,484,015 shares are ordinary shares with restricted voting rights under the Korean Commercial Law.

Changes on capital stock and capital surplus for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

		Capital surplus		
	Capital stock	Share premium	Other capital surplus	Total
As of January 1, 2024	$ 43,096	$ 1,657,374	$ (177,878)	$ 1,479,496
As of December 31, 2024	$ 43,096	$ 1,657,374	$ (177,878)	$ 1,479,496

19. Capital Stock and Capital Surplus (cont'd)

		Capital surplus		
	Capital stock	Share premium	Other capital surplus	Total
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 December 31, 2023	$ 43,096	$ 1,657,374	$ (177,878)	$ 1,479,496

20. Share-based Compensation

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

	1st wave
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 2nd anniversary year from grant
Payment method	Paid at the beginning of 3rd anniversary year from grant

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

20. Share-based Compensation (cont'd)

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

Equity-settled share-based compensation as of December 31, 2024 and 2023 is as follows (in shares):

	December 31, 2024	December 31, 2023
Beginning	$ 96,490	$ 33,117
Granted	60,467	67,107
Canceled	(2,778)	(3,734)
Ending	$ 154,179	$ 96,490

Cash-settled share-based compensation as of December 31, 2024 and 2023 is as follows (in shares):

	December 31, 2024	December 31, 2023
Beginning	$ 81,268	$ 29,044
Granted[1]	55,585	60,601
Canceled	(28,079)	(8,377)
Ending	$ 108,774	$ 81,268

[1] 2,754 shares of cash-settled payment linked to the value of equity shares of ultimate parent company are included.

21. Other Components of Equity

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

	December 31, 2024	December 31, 2023
Capital adjustment from equity transactions among subsidiaries	$ 7,700	$ 7,700
Ordinary shares issued in kind[1]	(186,108)	(186,108)
Treasury shares[2]	(47,279)	(3,012)
Share-based compensation expenses[2]	2,635	1,214
	$ (223,052)	$ (180,206)

[1] 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.
[2] As of December 31, 2024, 156,957 shares of the issued shares are held by the Group for the settlement of share-based compensation.
[3] As of December 31, 2024, 1,327,058 shares of the issued shares are held by the Group to enhance shareholder value.

22. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024					
	Gain(loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Gain on valuation of equity instruments at fair value through OCI	Equity changes under equity method	Total
Beginning balance	$ (262,341)	$ 213	$ 14,811	$ 109	$ -	$ (247,209)
Increase (decrease)	(177,977)	(3,704)	1	(109)	23	(181,766)
Ending balance	$ (440,318)	$ (3,491)	$ 14,812	$ -	$ 23	$ (428,974)

	Year ended December 31, 2023				
	Gain(loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Gain on valuation of equity instruments at fair value through OCI	Total
Beginning balance	$ (330,538)	$ 294	$ 11,087	$ 541	$ (318,616)
Increase (decrease)	68,197	(81)	3,724	(432)	71,408
Ending balance	$ (262,341)	$ 213	$ 14,811	$ 109	$ (247,208)

23. Retained Earnings

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

	December 31, 2024	December 31, 2023
Legal reserves	$ 22,566	$ 22,566
Retained earnings before appropriation	3,797,007	3,500,538
	$ 3,819,573	$ 3,523,104

The details of changes in retained earnings of the Group as of December 31, 2024 and 2023 are as follows (in thousands of USD):

	December 31, 2024	December 31, 2023
1.Beginning Balance	$ 3,523,104	$ 2,164,467
2.Profit	413,029	705,892
3.Remeasurements of net defined benefit liabilities	1,130	(2,818)
4. Reclassification as retained earnings due to disposal of equity instruments at fair value through other comprehensive income	109	432
5.Transfer to retained earnings	-	775,375
6.Payment of dividends	(117,799)	(120,244)
7.Ending balance	$ 3,819,573	$ 3,523,104

24. Segment Information

As of December 31, 2024, the composition of the Group's business segments and main products are as follows:

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

Information on profit and loss by segment of the Group for year ended December 31, 2024 is as follows (in thousands of USD):

	Total Sales	Internal Sales	Net Sales	Operating Profit	Net Income
Doosan Bobcat	$ 6,236,981	$ -	$ 6,236,981	$ 640,473	$ 414,408
Mottrol	32,868	(544)	32,324	(1,028)	(934)
Subtotal	6,269,849	(544)	6,269,305	639,445	413,474
Consolidation adjustments	(544)	544	-	(578)	(445)
Total	$ 6,269,305	$ -	$ 6,269,305	$ 638,867	$ 413,029

As of December 31, 2023, the Group operated in a single operating segment.

Information on assets and liabilities by segment of the Group for year ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	
	Assets	Liabilities
Doosan Bobcat	$ 7,956,677	$ 3,432,873
Mottrol	213,484	47,284
Subtotal	8,170,161	3,480,157
Consolidation adjustments	(357)	(492)
Total	$ 8,169,804	$ 3,497,665

As of December 31, 2023, the Group operated in a single operating segment.

24. Segment Information (cont'd)

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

	Non-current assets[1]	
	December 31, 2024	December 31, 2023
North America	$ 1,384,329	$ 1,275,807
Europe, Middle East and Africa	606,593	651,141
Asia, Latin America and Oceania	417,790	344,092
	$ 2,408,712	$ 2,271,040

[1] Non-current assets by region are based on the country where the assets are located and include the total amounts of property, plant and equipment, investment property, right-of-use assets, and intangible assets (excluding goodwill). The Group classifies cash-generating unit groups into Doosan Bobcat and Mottrol, and recognized $ 2,579,570 thousand and $ 12,643 thousand, respectively, as of December 31, 2024.

25. Revenue

Details of revenue for each of the two years in the period ended December 31, 2024 are as follows(in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from contracts with customers		
By type of goods or services :		
- Manufactured products/merchandise	$ 6,161,992	$ 7,379,761
- Others	34,116	24,420
	6,196,108	7,404,181
By timing of recognition		
- Products transferred at a point in time	6,161,992	7,379,761
- Service rendered over time	34,116	24,420
	6,196,108	7,404,181
Revenue from other sources		
- Rental income, etc.	73,197	71,560
	$ 6,269,305	$ 7,475,741

25. Revenue (cont'd)

Revenue by main products for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Sales	
	Year ended December 31, 2024	Year ended December 31, 2023
Compact	$ 4,879,449	$ 5,762,725
Portable Power	331,544	392,504
Material Handling	1,025,988	1,320,512
Hydraulic equipment	32,324	-
	$ 6,269,305	$ 7,475,741

Revenue by region for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Sales	
	Year ended December 31, 2024	Year ended December 31, 2023
North America	$ 4,644,319	$ 5,561,434
Europe, Middle East & Africa	958,156	1,209,736
Asia, Latin America & Oceania	666,830	704,571
	$ 6,269,305	$ 7,475,741

There is no single external customer accounting for 10% or more of the Group's total revenue for each of the two years in the period ended December 31, 2024.

26. Contract Balances

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

	December 31, 2024		December 31, 2023	
Trade and other receivables	$	335,462	$	421,578
Contract liabilities[1]		550,266		462,611

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

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

Among the contract liabilities, $ 30,777 thousand were recognized as revenue during the year ended December 31, 2024 (December 31, 2023: $ 22,337 thousand).

27. Expenses by Nature

Expenses classified by nature for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024		Year ended December 31, 2023	
Purchases of inventories (Raw materials & merchandises)	$	3,511,705	$	4,352,047
Changes in inventories		82,771		(104,165)
Employee benefits		719,818		702,255
Depreciation and amortization		199,799		190,194
Other expenses		1,116,345		1,270,687
	$	5,630,438	$	6,411,018

28. Selling and Administrative Expenses

Selling and administrative expenses for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries	$ 244,499	$ 237,473
Retirement benefits	3,499	(36,899)
Employee benefits	42,443	38,362
Rent	12,761	11,210
Depreciation	23,399	22,596
Depreciation of investment properties	1,080	1,084
Amortization	13,787	11,355
Research and development	156,075	152,762
Advertising	76,784	76,540
Commission expenses	129,865	108,347
Bad debt expenses	856	3,929
Insurance expenses	10,233	9,551
Others[1]	105,668	119,491
	$ 820,949	$ 755,801

[1] Include share-based compensation expenses.

29. Finance Income and Expenses

Finance income and expenses for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Finance income:		
Interest income	$ 49,341	$ 29,705
Gain on foreign currency transactions	50,528	48,015
Gain on foreign currency translation	58,671	10,225
Gain on derivative transactions	384	53
	$ 158,924	$ 87,998
Finance expenses:		
Interest expenses	(78,549)	(86,122)
Loss on foreign currency transactions	(35,054)	(37,724)
Loss on foreign currency translation	(60,703)	(29,973)
Loss on derivative valuation	(864)	-
Loss on repayment of borrowings	(1,606)	(1,699)
Loss on financial guarantee	(231)	(96)
Others	(3,186)	(2,639)
	$ (180,193)	$ (158,253)
	$ (21,269)	$ (70,255)

30. Other Non-operating Income and Expenses

Other non-operating income and expenses for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

		Year ended December 31, 2024		Year ended December 31, 2023
Other non-operating income:				
Gain on disposal of property, plant and equipment	$	149	$	82
Gain on disposal of non-current asset held for sale		-		161
Others		1,850		2,159
	$	1,999	$	2,402
Other non-operating expenses:				
Loss on disposal of trade receivables		(7,326)		(8,354)
Other bad debt expenses		(142)		1
Loss on disposal of property, plant and equipment		(269)		(133)
Loss on disposal of intangible assets		(547)		-
Loss on impairment of property, plant and equipment		(306)		(161)
Loss on impairment of intangible assets		(9,520)		(7,348)
Donations		(11,516)		(15,086)
Loss on disposal of investment in subsidiaries		-		(972)
Loss on disposal of non-current asset held for sale		-		(249)
Others		(4,533)		(1,867)
	$	(34,159)	$	(34,169)
Net other non-operating expense	$	(32,160)	$	(31,767)

31. Income Tax Expense

Details of the Group's current and deferred tax reflected in income tax expenses for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax	$ 206,076	$ 270,891
Changes in deferred tax	(22,677)	(12,616)
Deferred tax arising from business combination	(4,142)	-
	$ 179,257	$ 258,275
Deferred tax charged directly to equity	(4,768)	(2,051)
Others	(2,143)	999
Income tax expense	$ 172,346	$ 257,223

The Group offsets deferred tax assets and deferred tax liabilities if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. Changes in deferred tax assets (liabilities) for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024			
	Beginning Balance	Increase (decrease)	Business combination	Ending Balance
Net defined benefit liabilities	$ 24,096	$ (247)	$ (376)	$ 23,473
Property, plant and equipment	(53,032)	3,127	1,063	(48,842)
Reserves for research and human resource development	43,051	25,876	-	68,927
Intangible assets	(387,274)	(5,708)	130	(392,852)
Provisions	45,501	1,833	-	47,334
Inventories	18,448	2,847	553	21,848
Others	65,754	(2,300)	2,772	66,226
Consolidation adjustments	(4,264)	(2,751)	-	(7,015)
	$ (247,720)	$ 22,677	$ 4,142	$ (220,901)

31. Income Tax Expense (cont'd)

	Year ended December 31, 2023		
	Beginning Balance	Increase (decrease)	Ending Balance
Net defined benefit liabilities	$ 43,829	$ (19,733)	$ 24,096
Property, plant and equipment	(40,123)	(12,909)	(53,032)
Reserves for research and human resource development	7,356	35,695	43,051
Intangible assets	(381,594)	(5,680)	(387,274)
Provisions	42,561	2,940	45,501
Inventories	12,081	6,367	18,448
Others	70,544	(4,790)	65,754
Consolidation adjustments	(14,990)	10,726	(4,264)
	$ (260,336)	$ 12,616	$ (247,720)

Carryforwards of tax losses, temporary differences and tax credits for which deferred tax assets (liabilities) are not recognized as of December 31, 2024 and 2023 are as follows (in thousands of USD):

	December 31, 2024	December 31, 2023
Tax loss carryforwards	$ 8,646	$ 9,411
Donation carryforwards	-	4,665
Temporary differences	55,799	79,901
Tax credit carryforwards	$ 18,304	$ 17,671

Realization of the future tax benefits related to deferred tax assets (liabilities) is dependent on many factors, including the Group's ability to generate taxable income within the period during which temporary differences reverse, the outlook of the economy, and the overall future state of the industry. The Group regularly evaluates these factors.

Temporary differences from investments in subsidiaries for which deferred tax assets are not recognized as of December 31, 2024 and 2023 are as follows (in thousands of USD):

	December 31, 2024	December 31, 2023
Investments in subsidiaries and others	$ (2,090,014)	$ (2,061,032)

31. Income Tax Expense (cont'd)

Reconciliation between profit before income tax and income tax expense for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Profit before income tax expense	$ 585,375	$ 963,115
Income tax based on statutory tax rate in the respective countries	263,808	304,029
Tax effects of		
Permanent difference	(122,266)	(39,067)
Changes in unrecognized deferred tax assets	(1,105)	(17,943)
Tax credits	(11,323)	(11,648)
Additional tax	(1,630)	(4,834)
Changes in tax rate	(346)	191
Others	45,208	26,495
Income tax expense	$ 172,346	$ 257,223
Average effective tax rate (Income tax expense / Profit before income tax)	29.4%	26.7%

Statutory tax rates in the respective countries vary from 12.5% to 30.0%.

In accordance with Pillar Two Model Rules, the Group is required to pay additional taxes on the difference between the GLOBE effective tax rate in each jurisdiction in which its constituent entities are located and 15% minimum rate. Except for the permanent establishments of the subsidiaries such as Geith International Limited and Doosan Bobcat EMEA s.r.o. in Ireland, all entities within the Group have a GLoBE effective tax rate exceeding 15% minimum rate in their respective countries. As a result, the Pillar Two income tax expense recognized for the year ended December 31, 2024 is $ 13 thousand, and the temporary exception has been applied for the recognition and disclosure of the related deferred tax assets and liabilities.

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 two years in the period ended December 31, 2024 are computed as follows (in USD and in shares):

	December 31, 2024	December 31, 2023
Profit for the period attributable to owners of the parent company	$ 413,029,440	$ 705,892,351
Weighted average number of ordinary shares outstanding	99,819,306	100,165,871
Basic earnings per share	$ 4.14	$ 7.05

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

	December 31, 2024	December 31, 2023
Number of ordinary shares outstanding	100,152,676	100,216,049
Treasury shares	(333,370)	(50,178)
Weighted average number of ordinary shares outstanding	99,819,306	100,165,871

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 two years in the period ended December 31, 2024 are computed as follows (in USD and in shares):

	December 31, 2024	December 31, 2023
Profit for the period attributable to owners of the parent company	$ 413,029,440	$ 705,892,351
Adjusted weighted average number of ordinary shares outstanding	99,901,828	100,206,370
Diluted earnings per share	$ 4.13	$ 7.04

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

	December 31, 2024	December 31, 2023
Weighted average number of ordinary shares outstanding	99,819,306	100,165,871
Restricted Stock Unit	82,522	40,499
Adjusted weighted average number of ordinary shares outstanding	99,901,828	100,206,370

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

	December 31, 2024	December 31, 2023
Restricted Stock Unit	154,179	96,490

33. Commitments and Contingencies

33.1 Litigations

As of December 31, 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 outcomes 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 December 31, 2024, guarantees provided by the Group for third parties are as follows (in thousands of USD):

Provided for	Provided to	Amount guaranteed	
Doosan Bobcat North America Inc. and others	End customers, etc.	$	104,517
Doosan Bobcat EMEA s.r.o. and others	End customers, etc.		5
Doosan Bobcat Korea Co., Ltd. and others	End customers, etc.		23,459
		$	127,981

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.

Provided by	Type	Amount guaranteed	
Machinery Financial Cooperative	Contracts and defects[1]	$	1,163
Seoul Guarantee Insurance Company	Performance guarantee		806
Woori Bank	Financial guarantee		51,000
	Foreign currency performance guarantee		1,274
Shinhan Bank	Foreign currency performance guarantee		637
CSOB	Payment guarantees		4,965
Unicredit	Payment guarantees		3,120
Other guarantees	Other guarantees		1,757
		$	64,722

[1] The Group's share in Machinery Financial Cooperative is provided as collateral as of December 31, 2024.

33.3 Key Commitments

33.3.1 Credit agreement

As of December 31, 2024, the Group has contracts with financial institutions for limit loans of $ 1,324,952 thousand, including general loans and overdrafts, comprehensive loans of $ 59,401 thousand, and loans secured by accounts receivables of $ 29,932 thousand.

33.3.2 Supply Chain Financing commitments

The Group entered into a supply chain financing contract and $ 45,240 thousand is recognized as trade payable.

33.3.3 Other commitments

As of December 31, 2024, the Group has signed a contract with Doosan New Technology Investment Association No. 1 for a total investment commitment of $ 13,605 thousand, and the remaining investment commitment amount as of December 31, 2024 is $ 11,048 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.

34. Assets Provided as Collaterals

Details of the assets provided as collaterals as of December 31, 2024 are as follows(in thousands of USD):

	Doosan Bobcat North America Inc.		Doosan Bobcat EMEA s.r.o		Doosan Bobcat Korea Co., Ltd. etc.		Doosan Mottrol Co., Ltd.	
Agreement details		Borrowings and credit limit agreements		Borrowings and credit limit agreements		Borrowings and credit limit agreements		Borrowings and credit limit agreements
Agreement limit amount	$	1,930,875	$	207,990	$	77,378	$	9,130
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.		Property, plant and equipment
Collateral value	$	2,538,821	$	326,091	$	106,680	$	20,805
Nominal amount of borrowing	$	907,221	$	119,047	$	63,773	$	9,130

35. Related Party Transactions

The Group's related party disclosures for each of the two years in the period ended December 31, 2024 are as follows:

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

35. Related Party Transactions (cont'd)

Significant transactions with related parties for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

		Year ended December 31, 2024				
Relationship	Related party	Sales	Other income	Purchase	Other expense	Purchases of investment properties & fixed asset
Ultimate parent	Doosan Corp.	$ 4,380	$ -	$ -	$ 41,493	$ 1,611
Immediate parent	Doosan Enerbility Co., Ltd.	60	-	-	2	-
Associate	Ainstein AI, Inc.	-	105	-	-	-
	Presto Lite Asia Co., Ltd	24	19	6,366	-	-
	Subtotal	24	124	6,366	-	-
Others	Doosan Digital Innovation America, LLC	6	-	-	51,186	2,220
	Oricom Inc.	-	-	-	7,076	-
	Doosan Business Research Institute	-	-	-	1,945	-
	Doosan Cuvex Co., Ltd.	-	-	-	3,759	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	259	-
	Others	974	-	-	12,699	123
	Subtotal	980	-	-	76,924	2,343
	Total	$ 5,444	$ 124	$ 6,366	$ 118,419	$ 3,954

		Year ended December 31, 2023				
Relationship	Related party	Sales	Other income	Purchase	Other expense	Purchases of investment properties & fixed asset
Ultimate parent	Doosan Corp.	$ 4,356	$ -	$ -	$ 34,956	$ 16,250
Immediate parent	Doosan Enerbility Co., Ltd.	302	-	-	1	-
Associate	Presto Lite Asia Co., Ltd	-	33	8,598	-	-
Others	Doosan Digital Innovation America, LLC	5	-	-	44,956	69
	Oricom Inc.	-	-	-	5,771	-
	Doosan Business Research Institute	-	-	-	1,710	-
	Doosan Cuvex Co., Ltd.	-	-	-	4,542	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	304	-
	Others	1,001	4	62	8,400	55
	Subtotal	1,006	4	62	65,683	124
	Total	$ 5,664	$ 37	$ 8,660	$ 100,640	$ 16,374

35. Related Party Transactions (cont'd)

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

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

		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

35. Related Party Transactions (cont'd)

Fund transactions (including equity transactions) with related parties for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

		Year ended December 31, 2024		
Relationship	**Related party**	**Dividend paid**	**Repayment of lease liabilities**	**Investment**
Immediate parent	Doosan Enerbility Co., Ltd	$ 54,319	$ -	$ -
Associate	Doosan New Technology Investment Association	-	-	2,757
Others	Doosan Digital Innovation America, LLC	-	667	-
	Bundang Doosan Tower Reit Co., Ltd.	-	2,004	-
		$ 54,319	$ 2,671	$ 2,757

		Year ended December 31, 2023	
Relationship	**Related party**	**Dividend paid**	**Repayment of lease liabilities**
Immediate parent	Doosan Enerbility Co., Ltd	$ 58,605	$ -
Others	Doosan Digital Innovation America, LLC	-	577
	Bundang Doosan Tower Reit Co., Ltd.	-	2,063
		$ 58,605	$ 2,640

The Parent Company defines key management personnel as a person that has an authority and responsibility for planning, directing and controlling the activities of company, regardless of whether they are registered or non-registered officers. Compensation to key management personnel for each of the two years in the period ended December 31, 2024 is as follows (in thousands of USD):

	Year ended December 31, 2024	**Year ended December 31, 2023**
Benefits	$ 6,336	$ 6,875
Share-based compensation expenses	1,879	973
Retirement benefits	771	746
	$ 8,986	$ 8,594

36. Consolidated Statements of Cash Flows

Details of adjustments and changes in operating assets and liabilities in the consolidated statement of cash flows for each of the two years in the period ended December 31, 2024 are as follows(in thousands of USD):

	Year ended December 31, 2024	Year ended December 31, 2023
Adjustments:		
Income tax expense	$ 172,346	$ 257,223
Finance income	(108,013)	(39,930)
Finance expenses	141,721	117,795
Retirement benefits (defined benefit plan)	7,586	(29,889)
Depreciation	147,035	138,236
Depreciation on investment properties	1,080	1,084
Amortization	51,684	50,874
Gain on disposal of property, plant and equipment	(149)	(82)
Loss on disposal of property, plant and equipment	269	133
Loss on impairment of property, plant and equipment	306	161
Reversal of impairment loss on property, plant and equipment	(146)	-
Loss on impairment of intangible assets	9,520	7,348
Gain (loss) on equity method investments	63	(415)
Gain on valuation of long-term financial investments	(1)	(1)
Gain (loss) on cancellation of lease agreement	(1)	150
Gain on disposal of non-current assets held for sale	-	(161)
Loss on disposal of non-current assets held for sale	-	249
Share-based compensation	2,366	-
Gain on disposal of intangible assets	(3)	-
Loss on disposal of intangible assets	547	1,475
	$ 426,210	$ 504,250

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

	Year ended December 31, 2024		Year ended December 31, 2023	
Changes in operating assets and liabilities:				
Trade receivables and other receivables	$	138,933	$	32,510
Inventories		71,926		(126,950)
Other current assets		4,696		(13,025)
Other non-current assets		(15,433)		(16,717)
Trade payables and other payables		(227,920)		215,655
Derivatives		(5,426)		1,009
Provisions		(14,334)		(3,008)
Other current liabilities		(33,168)		14,727
Payment of retirement benefits (defined benefit plan)		(26,229)		(27,590)
Plan assets		8,468		(14,745)
Other non-current liabilities		34,385		12,961
	$	(64,102)	$	74,827

Significant non-cash transactions for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 2024		Year ended December 31, 2023	
Transfer from construction-in-progress to property, plant and equipment and intangible assets	$	98,224	$	78,602
Increase(decrease) in other payables related to the acquisition of property, plant, and equipment		(5,679)		7,664
Increase(decrease) in other payables related to the acquisition of intangible assets		(212)		3,160
Acquisition of right-of-use assets		40,463		50,367

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

Details of adjustments to liabilities arising from financing activities for each of the two years in the period ended December 31, 2024 are as follows (in thousands of USD):

	Year ended December 31, 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	-	-	-	39,917	39,917
Cash flows	49,550	265,072	(5,466)	(35,547)	273,609
Foreign exchange differences	-	(22,386)	(671)	(3,261)	(26,318)
Business combination	-	10,153	-	418	10,571
Other non-financial changes	85	1,458	-	(6,584)	(5,041)
Ending balance	$ 49,635	$ 1,174,938	$ 45,282	$ 123,979	$ 1,393,834

	Year ended December 31, 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	-	-	50,400	50,400
Cash flows	(99,346)	(12,751)	(40,682)	(152,779)
Foreign exchange differences	204	3,137	(825)	2,516
Other non-financial changes	4,262	(1)	4,592	8,853
Ending balance	$ 920,641	$ 51,419	$ 129,036	$ 1,101,096

37. Business Combination

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

37. Business Combination (cont'd)

The consideration transferred to the counterparty and the details of the assets acquired and liabilities assumed recognized in the consolidated financial statements as of the acquisition date related to this business combination are as follows (in thousands of USD):

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

[1] This includes the identifiable technology value of Doosan Mottrol Co., Ltd. amounting to $ 19,399 thousand, which is subject to adjustments in the future.

Acquisition-related direct costs of $ 1,737 thousand incurred in connection with the business combination were expensed as incurred. The Group prepared the consolidated financial statements assuming the business combination occurred on October 1, 2024. The sales and net income (loss) of Doosan Mottrol Co., Ltd. and its subsidiaries after being included in the consolidation were $ 32,324 thousand and $ (934) thousand, respectively.

If Doosan Mottrol Co., Ltd. and its subsidiaries had been included in the consolidated financial statements from the beginning of the reporting period, the sales and net income that would have been recognized in the consolidated statement of profit or loss are as follows (in thousands of USD):

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

Meanwhile, Mottrol Co., Ltd. changed its name to Doosan Mottrol Co., Ltd.

38. Events After the Reporting Period

The Parent Company, in an effort to enhance shareholder value, resolved to retire its treasury shares as follows, based on the resolution of the Board of Directors on February 21, 2025 (in shares, thousands of USD):

	Share retirement date	Number of shares		Amounts
Common stock	February 27, 2025	4,393,101	$	136,169

Audit opinion on internal control over financial reporting

The accompanying independent auditor's report on internal control over financial reporting is attached as a result of auditing the internal control over financial reporting of Doosan Bobcat Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") and the consolidated financial statements of the Group for the year ended December 31, 2024 in accordance with the Article 8 of the *Act on External Audit of Stock Companies.*

Attachments:

1. Independent auditor's report on internal control over financial reporting for consolidation purposes
2. Management's report on the effectiveness of internal control over financial reporting for consolidation purposes

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Independent auditor's report on internal control over financial reporting for consolidation purposes

(English translation of a report originally issued in Korean)

Doosan Bobcat Inc.
The Shareholders and Board of Directors

Opinion on internal control over financial reporting for consolidation purposes

We have audited the internal control over financial reporting ("ICFR") for consolidation purposes of Doosan Bobcat Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") based on the *Conceptual Framework for Design and Operation of ICFR* established by the Operating Committee of ICFR in Korea (the "ICFR Committee") as of December 31, 2024.

In our opinion, the Group's ICFR for consolidation purposes has been effectively designed and operated, in all material respects, as of December 31, 2024 in accordance with the *Conceptual Framework for Design and Operation of ICFR.*

We also have audited, in accordance with Korean Standards on Auditing ("KSA"), the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information, of the Group, and our report dated March 14, 2025 expressed an unqualified opinion thereon.

Basis for opinion on ICFR for consolidation purposes

We conducted our audit in accordance with KSA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of ICFR for consolidation purposes section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of ICFR for consolidation purposes in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of management and those charged with governance for ICFR for consolidation purposes

Management is responsible for designing, implementing and maintaining an effective ICFR for consolidation purposes, and for assessing the effectiveness of the ICFR for consolidation purposes included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes.

Those charged with governance are responsible for overseeing the Group's ICFR process.

Auditor's responsibilities for the audit of ICFR for consolidation purposes

Our responsibility is to express an opinion of the Group's ICFR for consolidation purposes based on our audit. We conducted our audit in accordance with KSA. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective ICFR for consolidation purposes was maintained in all material respects.

An audit of the ICFR for consolidation purposes involves performing procedures to obtain audit

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evidence as to whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit also includes testing and evaluating the design and operation of ICFR for consolidation purposes based on obtaining an understanding of ICFR for consolidation purposes and the assessed risk.

ICFR for consolidation purposes definition and inherent limitations

A company's ICFR for consolidation purposes is implemented by those charged with governance, management, and other employees and is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS"). A company's ICFR for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with KIFRS, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, ICFR for consolidation purposes may not prevent or detect material misstatements of the consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that ICFR for consolidation purposes may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor's report is Jee Hoon Kim.

Ernst & Young Han Young

March 14, 2025

This audit report is effective as of March 14, 2025, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the Group's ICFR for consolidation purposes and may result in modifications to this report.

Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes

Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes

To the Shareholders, Board of Directors and Audit Committee of Doosan Bobcat Inc.

We, as the Chief Executive officer and the Internal Accounting Manager of Doosan Bobcat Inc. and its subsidiaries, assessed operating status of the Company's Internal Control over Financial Reporting("ICFR") for consolidation purposes for the year ended December 31. 2024.

The Company's management, including ourselves, is responsible for designing and operating ICFR for consolidation purposes. We assessed the design and operating effectiveness of ICFR for consolidation purposes in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable consolidated financial statements. We designed and operated ICFR for consolidation purposes in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting established by the Operating Committee of Internal Control over Financial Reporting in Korea the ICFR Committee. And, we conducted an evaluation of ICFR for consolidation purposes based on Best Practice Guidance for Evaluating and Reporting Internal Control over Financial Reporting established by the ICFR Committee.

Based on the assessment results, we believe that the Company's ICFR for consolidation purposes, as at December 31, 2024, is designed and operating effectively, in all material respects, in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

2025. 2. 10.

Chief Executive Officer Scott Sungchull Park

Internal Accounting Manager Duck je Cho