

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated financial statements
for each of the three-month periods ended March 31, 2025 and 2024
with the independent auditor's review report

**Doosan Bobcat Inc.
and its subsidiaries**

Doosan Bobcat Inc. and its subsidiaries
Index
March 31, 2025 and 2024 (Unaudited)

Report on review of interim consolidated financial statements

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

The Shareholders and Board of Directors Doosan Bobcat Inc.

We have reviewed the accompanying interim consolidated financial statements of Doosan Bobcat Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the interim consolidated statement of financial position as of March 31, 2025 and the related interim consolidated statements of profit or loss, interim consolidated statements of comprehensive income, interim consolidated statements of changes in equity and interim consolidated statements of cash flows for each of the three-month period ended March 31, 2025 and 2024, and material accounting policy information and other explanatory information.

Management's responsibility for the interim consolidated financial statements

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

Auditor's responsibility

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

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

Conclusion

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

Other matters

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



May 12, 2025

This review report is effective as of May 12, 2025, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim consolidated financial statements and may result in modification to this review report.

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated financial statements

for each of the three-month periods ended March 31, 2025 and 2024

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

Scott Park
Chief Executive Officer
Doosan Bobcat Inc.

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of financial position
As of March 31, 2025 and December 31, 2024

(in thousands of USD)		Notes	March 31, 2025 (Unaudited)	December 31, 2024
Assets				
Current assets				
Cash and cash equivalents	4,5	\$	1,317,105	\$ 1,263,123
Short-term financial instruments	4,5		5,011	4,896
Trade and other receivables, net	4,5,6,26,34,35		439,444	358,029
Inventories, net	7,34		1,349,841	1,350,329
Derivative assets	4,5,8		461	560
Other current assets	4,5		84,468	75,329
Total current assets		\$	3,196,330	\$ 3,052,266
Non-current assets				
Long-term financial instruments	4,5	\$	766	\$ 759
Long-term financial investments	4,5		8,465	8,312
Long-term trade and other receivables, net	4,5,6,26,35		16,436	17,722
Investment in associates	12		7,422	6,874
Property, plant and equipment, net	9,13,34		1,135,878	1,124,224
Intangible assets, net	10,34		3,861,007	3,800,821
Investment properties	11		75,805	75,879
Deferred tax assets	31		43,960	48,533
Long-term derivative assets	4,5,8		1,693	1,638
Net defined benefit assets	17		9,761	11,297
Other non-current assets	4,5		22,382	21,479
Total non-current assets		\$	5,183,575	\$ 5,117,538
Total assets		\$	8,379,905	\$ 8,169,804
Liabilities				
Current liabilities				
Trade and other payables	4,5,14,26,35	\$	1,381,236	\$ 1,179,182
Short-term borrowings	4,5,15,33,34,36		70,134	85,290
Current portion of long-term borrowings	4,5,15,33,34,36		78,917	34,467
Income tax payable			73,099	49,421
Derivative liabilities	5,8		932	3,220
Lease liabilities	4,5,13,35,36		34,672	34,808
Provisions	18		81,178	85,647
Sales and leaseback liabilities	4,5,16,36		10,756	12,470
Other current liabilities	4,5,26		182,926	193,561
Total current liabilities		\$	1,913,850	\$ 1,678,066
Non-current liabilities				
Other non-current payables	4,5,14,35	\$	12,570	\$ 11,645
Bonds	4,5,15,36		49,672	49,635
Long-term borrowings	4,5,15,33,34,36		1,026,949	1,055,181
Net defined benefit liabilities	17		105,849	104,006
Deferred tax liabilities			261,856	269,434
Long-term derivative liabilities	5,8		1,249	1,240
Non-current lease liabilities	4,5,13,35,36		83,996	89,171
Non-current provisions	18		77,644	79,867
Non-current sales and leaseback liabilities	4,5,16,36		35,945	32,812
Other non-current liabilities	26		119,619	108,608
Total non-current liabilities		\$	1,775,349	\$ 1,801,599
Total liabilities		\$	3,689,199	\$ 3,479,665
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		(182,057)	(223,052)
Accumulated other comprehensive loss	22		(354,521)	(428,974)
Retained earnings	23		3,704,692	3,819,573
Total equity		\$	4,690,706	\$ 4,690,139
Total liabilities and equity		\$	8,379,905	\$ 8,169,804

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

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of profit or loss
For each of the three-month periods ended March 31, 2025 and 2024

(in thousands of USD)

	Notes	Three-month period ended March 31	
		2025 (Unaudited)	2024 (Unaudited)
Sales	24,25,26,35	\$ 1,444,356	\$ 1,802,536
Cost of sales	27	(1,096,925)	(1,354,012)
Gross profit		347,431	448,524
Selling and administrative expenses	27,28	(209,723)	(203,148)
Operating Income		137,708	245,376
Non-operating income (expenses)			
Finance income	5,29	58,912	39,510
Finance expenses	5,29	(72,682)	(46,933)
Other non-operating income	30,35	549	544
Other non-operating expenses	30,35	(7,549)	(7,514)
Share of loss of associates and joint ventures	12	(46)	(28)
		(20,816)	(14,421)
Profit before income tax expense		116,892	230,955
Income tax expense	31	(38,850)	(67,756)
Profit for the period		\$ 78,042	\$ 163,199
Profit attributable to:			
Owners of the Parent Company		\$ 78,042	\$ 163,199
Earnings per share	32		
attributable to the owners of the Parent Company			
Basic earnings per share (in USD and in shares)		\$ 0.81	\$ 1.63
Diluted earnings per share (in USD and in shares)		\$ 0.81	\$ 1.63

The above consolidated interim statements of profit or loss should be read in conjunction with the accompanying notes.

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of comprehensive income
For each of the three-month periods ended March 31, 2025 and 2024

(in thousands of USD)

	Three-month periods ended March 31	
	2025	2024
	(Unaudited)	(Unaudited)
Profit for the period	\$ 78,042	\$ 163,199
Other comprehensive income (loss)		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurements of net defined benefit liabilities	-	10
Gain on revaluation of property, plant and equipment	-	1
Share of other comprehensive income of associates	12	-
<i>Items that may be subsequently reclassified to profit or loss</i>		
Gain (loss) on translation of foreign operations	72,564	(55,993)
Gain (loss) on valuation of derivatives	1,877	(368)
	<u>74,453</u>	<u>(56,350)</u>
Total comprehensive income for the period	\$ 152,495	\$ 106,849
Total comprehensive income for the period attributable to:		
Owners of the Parent Company	\$ 152,495	\$ 106,849

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

Doosan Bobcat Inc. and its subsidiaries

Interim consolidated statements of changes in equity

For each of the three-month periods ended March 31, 2025 and 2024

(in thousands of USD)

(in thousands of USD)

	Attributable to owners of the Parent Company					
	Capital stock	Capital surplus	Other equity component	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of January 1, 2024	\$ 43,096	\$ 1,479,496	\$ (180,206)	\$ (247,208)	\$ 3,523,104	\$ 4,618,282
Total comprehensive income:						
Profit for the period	-	-	-	-	163,199	163,199
Gains on remeasurements of net defined benefit liabilities	-	-	-	-	10	10
Revaluation surplus of property, plant and equipment	-	-	-	1	-	1
Losses on translation of foreign operations	-	-	-	(55,993)	-	(55,993)
Losses on valuation of derivatives	-	-	-	(368)	-	(368)
	-	-	-	(56,360)	163,209	106,849
Capital transactions with owners						
Share-based compensation expenses	-	-	211	-	-	211
Annual dividend	-	-	-	-	(59,967)	(59,967)
	-	-	211	-	(59,967)	(59,756)
Balance as of March 31, 2024 (unaudited)	\$ 43,096	\$ 1,479,496	\$ (179,995)	\$ (303,568)	\$ 3,626,346	\$ 4,665,375
Balance as of January 1, 2025	\$ 43,096	\$ 1,479,496	\$ (223,052)	\$ (428,974)	\$ 3,819,573	\$ 4,690,139
Total comprehensive income:						
Profit for the period	-	-	-	-	78,042	78,042
Gains on translation of foreign operations	-	-	-	72,564	-	72,564
Gains on valuation of derivatives	-	-	-	1,877	-	1,877
Share of other comprehensive income of associates	-	-	-	12	-	12
	-	-	-	74,453	78,042	152,495
Capital transactions with owners						
Acquisition of treasury shares	-	-	(96,594)	-	-	(96,594)
Retirement of treasury shares	-	-	139,045	-	(139,045)	-
Share-based compensation expenses	-	-	(1,456)	-	-	(1,456)
Annual dividend	-	-	-	-	(53,878)	(53,878)
	-	-	40,995	-	(192,923)	(151,928)
Balance as of March 31, 2025 (unaudited)	\$ 43,096	\$ 1,479,496	\$ (182,057)	\$ (354,521)	\$ 3,704,692	\$ 4,690,706

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

Doosan Bobcat Inc. and its subsidiaries
Interim consolidated statements of cash flows
for each of the three-month periods ended March 31, 2025 and 2024

(in thousands of USD)

	Note	Three-month periods ended March 31	
		2025 (unaudited)	2024 (unaudited)
Cash flows from operating activities			
Cash generated from operations:	36	\$ 241,686	\$ 313,297
Profit for the period		78,042	163,199
Adjustments		112,063	135,034
Changes in operating assets and liabilities		51,581	15,064
Interest received		8,836	12,761
Interest paid		(24,868)	(19,443)
Income tax paid		(20,568)	(3,945)
Net cash flows provided operating activities		205,086	302,670
Cash flows from investing activities			
Cash inflows from investing activities:			
Disposal of property, plant and equipment		2,876	132
Disposal of Intangible assets		208	-
		3,084	132
Cash outflows for investing activities:			
Purchase of property, plant and equipment		39,540	35,358
Purchase of intangible asset		14,547	16,286
Purchase of investment in associates		592	-
Purchase of long-term financial investments		152	151
		(54,831)	(51,795)
Net cash flows used in investing activities		(51,747)	(51,663)
Cash flows from financing activities			
Cash inflows from financing activities:			
Increase in borrowing		3,251	567
Increase in sales and leaseback liabilities		2,695	-
		5,946	567
Cash outflows for financing activities:			
Repayment of borrowing		4,160	6,413
Payment of lease liabilities		8,833	8,165
Repayment of sales and leaseback liabilities		2,705	3,506
Acquisition of treasury shares		96,594	-
		(112,292)	(18,084)
Net cash flows used in financing activities		(106,346)	(17,517)
Effects of exchange rate changes on cash and cash equivalents		6,989	(11,556)
Net increase in cash and cash equivalents		53,982	221,934
Cash and cash equivalents at the beginning of period		1,263,123	1,085,801
Cash and cash equivalents at the end of period		\$ 1,317,105	\$ 1,307,735

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

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

March 31, 2025 and 2024 (Unaudited)

1. General Information

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

On November 18, 2016, the Company listed its shares on the securities market established by the Korea Stock Exchange. After several capital increases and capital reductions, the capital stock as of March 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 March 31, 2025 are as follows:

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

1.1 Consolidated Subsidiaries

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

Subsidiary	Main business	Location	Ownership interest held by the Group (%)		Fiscal year end
			March 31, 2025	December 31, 2024	
Doosan Bobcat North America Inc.	Manufacturing and sales	USA	100	100	December
Doosan Bobcat North America Inc.'s subsidiaries:					
Doosan Bobcat Canada Ltd.	Sales	Canada	100	100	December
Doosan Bobcat Mexico Monterrey, S. de R.L. de C.V.	Other service	Mexico	100	100	December
Doosan Bobcat EMEA s.r.o	Manufacturing and sales	Czech	100	100	December
Doosan Bobcat EMEA s.r.o's subsidiaries :					
Doosan Bobcat Bensheim GmbH	Sales	Germany	100	100	December
Doosan Bobcat Holdings France S.A.S.	Holdings	France	100	100	December
JSC Doosan International Russia	Sales	Russia	100	100	December
Doosan Bobcat UK Ltd.	Sales	England	100	100	December
Doosan Bobcat South Africa (PTY) Ltd.	Sales	South Africa	100	100	December
Doosan Bobcat France S.A.S	Manufacturing	France	100	100	December
Geith International Ltd.	Sales	Ireland	100	100	December
Doosan Bobcat Belgium B.V.	Sales	Belgium	100	100	December
Doosan Bobcat UK Northampton Ltd.	Sales	England	100	100	December
Doosan Bobcat Germany GmbH	Manufacturing and sales	Germany	100	100	December
Rushlift Ltd.	Rental and sales	England	100	100	December
Rushlift GSE Limited. ¹	Other service	England	100	100	December

Doosan Bobcat Inc. and its subsidiaries

Notes to the interim consolidated financial statements

March 31, 2025 and 2024 (Unaudited)

1.1 Consolidated Subsidiaries (cont'd)

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

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

² During the year ended December 31, 2024, Doosan 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.

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

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

1.2 Summarized Financial Information

The summarized financial information on the consolidated subsidiaries as of March 31, 2025 and for the three-month period ended March 31, 2025 is as follows (in thousands of USD):

	March 31, 2025		Three-month period ended March 31, 2025		
	Assets	Liabilities	Sales	Profit for the period	Total comprehensive income
Doosan Bobcat North America, Inc. and its subsidiaries	\$ 5,466,632	\$ 2,796,804	\$ 1,110,388	\$ 74,782	\$ 74,782
Doosan Bobcat Canada Ltd.	214,756	107,535	98,320	1,109	1,109
Doosan Bobcat EMEA s.r.o. and its subsidiaries	2,265,170	552,061	313,106	924	924
Bobcat France S.A.S.	68,737	30,589	30,725	1,128	1,128
Doosan Bobcat Belgium BV	72,878	50,488	36,906	680	680
Rushlift Ltd.	122,702	115,441	16,423	(2,220)	(2,220)
Doosan Bobcat Singapore Pte., Ltd. and its subsidiaries	100,952	45,520	19,113	263	263
Doosan Bobcat China Co., Ltd	88,868	48,748	19,113	90	90
Doosan Bobcat Korea Co., Ltd. and its subsidiaries	837,469	450,312	242,936	16,155	17,992
Doosan Bobcat India Private Ltd.	125,393	81,192	39,302	1,393	1,393
Doosan Mottrol Co., Ltd. and its subsidiaries	195,881	43,743	37,628	(1,450)	(1,450)
Doosan Mottrol China Jiangyin Co., Ltd.	57,505	12,163	16,380	(372)	(372)

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
March 31, 2025 and 2024 (Unaudited)

1.3 Changes in Scope of Consolidation

Changes in the scope of consolidation for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

Name of subsidiary	Three-month period ended March 31, 2025	
	Details	Reason
-	-	-
Name of subsidiary	Three-month period ended March 31, 2024	
	Details	Reason
Doosan Bobcat Korea Co., Ltd.	Excluded from the consolidation	Merged

2. Material Accounting Policies

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

2.1 Basis of Preparation

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

The Group's interim consolidated financial statements for the three-month period ended March 31, 2025 have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim consolidated financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of March 31, 2025.

(a) *New and amended standards and interpretations adopted by the Group.*

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

- *Amendments to KIFRS 1021 - Lack of exchangeability*

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

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

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

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
March 31, 2025 and 2024 (Unaudited)

2.1 Basis of Preparation (cont'd)

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

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

2.2 Material Accounting Policies

Material accounting policies and method of computation adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2024, except for the adoption of new and amended standards and interpretations described in Note 2.1(a) and Note below.

2.2.1 Income Tax Expense

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

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
March 31, 2025 and 2024 (Unaudited)

3. Material Accounting Estimates and Assumptions

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

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

4. Financial Risk Management

4.1 Financial Risk Factors

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

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

4.1.1 Market Risk

(a) Foreign exchange risk

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

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

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

	March 31, 2025				
	USD	EUR	GBP	Others ¹	Total
Financial assets	\$ 548,924	\$ 54,310	\$ 36,669	\$ 13,610	\$ 653,513
Financial liabilities	(571,758)	(95,696)	(4,472)	(25,697)	(697,623)
Net	<u>\$ (22,834)</u>	<u>\$ (41,386)</u>	<u>\$ 32,197</u>	<u>\$ (12,087)</u>	<u>\$ (44,110)</u>

	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	<u>\$ 36,315</u>	<u>\$ (10,357)</u>	<u>\$ 8,651</u>	<u>\$ (2,879)</u>	<u>\$ 31,730</u>

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

Doosan Bobcat Inc. and its subsidiaries
Notes to the interim consolidated financial statements
March 31, 2025 and 2024 (Unaudited)

4.1.1 Market Risk (cont'd)

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

	Three-month period ended March 31, 2025		Year ended December 31, 2024	
	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate	10% increase in foreign exchange currency rate	10% decrease in foreign exchange currency rate
Profit before income tax expense	\$ (4,411)	\$ 4,411	\$ 3,173	\$ (3,173)

(b) Interest rate risk

Interest rate risk is defined as the risk that the interest income or expenses arising from deposits and borrowings will fluctuate because of changes in future market interest rate. The interest rate risk mainly arises 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 liabilities with floating interest rates exposed to interest rate risk as of March 31, 2025 and December 31, 2024 are as follows (in thousands of USD). However, net financial liabilities invested in derivative products for the purpose of hedging risk of interest fluctuations are excluded (see Note 8).

	March 31, 2025	December 31, 2024
Financial assets	\$ 12,975	\$ 56,767
Financial liabilities	1,158,679	1,151,265
Net Financial assets(liabilities)	<u>\$ (1,145,704)</u>	<u>\$ (1,094,498)</u>

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

	Impact on the profit before income tax estimated for			
	Three-month period ended March 31, 2025		Year ended December 31, 2024	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Profit before income tax expense	\$ (11,457)	\$ 11,457	\$ (10,945)	\$ 10,945

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4.1.2 Credit Risk

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

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

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

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

	March 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 1,317,105	\$ 1,263,123
Short-term financial instruments ¹	5,011	4,896
Trade and other receivables	439,444	358,029
Long-term financial instruments ²	766	759
Long-term financial investments	8,465	8,312
Long-term other receivables	16,436	17,722
Derivative assets	461	560
Long-term derivative assets	1,693	1,638
Other assets (current and non-current)	8,386	7,914
	\$ 1,797,767	\$ 1,662,953

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.

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4.1.2 Credit Risk (cont'd)

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

March 31, 2025							
	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	\$ 3,465	\$ 289,272	\$ 107,741	\$ 12,557	\$ 3,039	\$ 3,562	\$ 419,636
Other receivables	107	17,529	6,395	31	3	7	24,072
Accrued income	1,513	216	48	-	-	-	1,777
Short-term loans	43	33	-	-	-	-	76
Long-term other receivables	4	16,289	-	-	-	-	16,293
Long-term loans	-	143	-	-	-	-	143
	<u>\$ 5,132</u>	<u>\$ 323,482</u>	<u>\$ 114,184</u>	<u>\$ 12,588</u>	<u>\$ 3,042</u>	<u>\$ 3,569</u>	<u>\$ 461,997</u>

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
	<u>\$ 11,950</u>	<u>\$ 313,584</u>	<u>\$ 51,791</u>	<u>\$ 1,161</u>	<u>\$ 1,167</u>	<u>\$ 2,781</u>	<u>\$ 382,434</u>

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

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4.1.2 Credit Risk (cont'd)

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

March 31, 2025							
	Allowance for doubtful accounts for individually impaired receivables	Allowance for doubtful accounts assessed for impairment on a collective basis					Total
		Within due	0-3	3-6	6-12	Over	
			months	months	months	12 months	
Trade receivables	\$ 2,580	\$ 249	\$ 115	\$ 195	\$ 742	\$ 2,195	\$ 6,076
Other receivables	-	-	32	2	-	7	41
	<u>\$ 2,580</u>	<u>\$ 249</u>	<u>\$ 147</u>	<u>\$ 197</u>	<u>\$ 742</u>	<u>\$ 2,202</u>	<u>\$ 6,117</u>

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

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

March 31, 2025						
	Book value	Contractual nominal cash flows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	\$ 777,970	\$ 777,970	\$ 777,970	\$ -	\$ -	\$ -
Other payables (current and non-current)	615,836	615,836	603,266	7,980	2,252	2,338
Other current liabilities	3,254	3,254	3,254	-	-	-
Borrowings	1,176,000	1,392,024	207,520	95,998	1,088,506	-
Lease liabilities	118,668	130,935	38,607	30,003	51,102	11,223
Bonds	49,672	55,140	2,056	2,056	51,028	-
Sales and leaseback liabilities	46,701	54,946	13,674	13,161	21,406	6,705
	<u>\$ 2,788,101</u>	<u>\$ 3,030,105</u>	<u>\$ 1,646,347</u>	<u>\$ 149,198</u>	<u>\$ 1,214,294</u>	<u>\$ 20,266</u>
December 31, 2024						
	Book value	Contractual nominal cash flows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	\$ 642,702	\$ 642,702	\$ 642,702	\$ -	\$ -	\$ -
Other payables (current and non-current)	548,124	548,124	536,480	7,168	2,144	2,332
Other current liabilities	3,659	3,659	3,659	-	-	-
Borrowings	1,174,938	1,412,728	180,343	125,157	1,107,228	-
Lease liabilities	123,979	137,704	39,445	30,874	53,503	13,882
Bonds	49,635	55,140	2,056	2,056	51,028	-
Sales and leaseback liabilities	45,282	52,532	15,167	12,233	20,391	4,741
	<u>\$ 2,588,319</u>	<u>\$ 2,852,589</u>	<u>\$ 1,419,852</u>	<u>\$ 177,488</u>	<u>\$ 1,234,294</u>	<u>\$ 20,955</u>

The amounts of financial liabilities by remaining maturity included in 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 March 31, 2025 is discussed in Note 33.

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Debt	\$ 3,689,199	\$ 3,479,665
Equity	4,690,706	4,690,139
Debt-to-equity ratio	<u>78.65%</u>	<u>74.19%</u>

5. Financial Instruments by Category

5.1 Carrying Amounts of Financial Instruments by Category

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

	<u>December 31, 2025</u>				
	<u>Financial assets at amortized cost</u>	<u>Financial assets at fair value through profit or loss</u>	<u>Financial assets at fair value through other comprehensive income</u>	<u>Other financial assets</u>	<u>Total</u>
Assets:					
Cash and cash equivalents	\$ 1,317,105	\$ -	\$ -	\$ -	\$ 1,317,105
Short-term financial instruments	5,011	-	-	-	5,011
Trade and other receivables	426,945	-	12,499	-	439,444
Derivative assets (current and non-current)	-	-	-	2,154	2,154
Long-term trade and other receivables	16,436	-	-	-	16,436
Long-term financial instruments	766	-	-	-	766
Long-term financial investments	-	8,465	-	-	8,465
Other assets (current and non-current)	8,386	-	-	-	8,386
	<u>\$ 1,774,649</u>	<u>\$ 8,465</u>	<u>\$ 12,499</u>	<u>\$ 2,154</u>	<u>\$ 1,797,767</u>

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

	March 31, 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other financial liabilities ¹	Total
Liabilities:				
Trade and other payables	\$ 1,381,236	\$ -	\$ -	\$ 1,381,236
Bonds	49,672	-	-	49,672
Borrowings	1,176,000	-	-	1,176,000
Derivative liabilities (current and non-current)	-	1,249	932	2,181
Sales and leaseback liabilities (current and non-current)	46,701	-	-	46,701
Other current liabilities	3,254	-	-	3,254
Other non-current payables	12,570	-	-	12,570
Financial guarantee liability	-	-	24,221	24,221
Lease liabilities (current and non-current)	-	-	118,668	118,668
	<u>\$ 2,669,433</u>	<u>\$ 1,249</u>	<u>\$ 143,821</u>	<u>\$ 2,814,503</u>

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

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

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

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

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

During the three-month period ended March 31, 2025, there have been no significant changes in the business and economic environment affecting the fair value of the Group's financial assets and liabilities. Assets and liabilities whose carrying value is a reasonable approximation of fair value are excluded from the fair value disclosure above.

5.2 Fair Value Hierarchy

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

	March 31, 2025			
	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
Financial assets:				
Financial assets at fair value through profit or loss	\$ -	\$ -	\$ 8,465	\$ 8,465
Financial assets at fair value through other comprehensive income	-	12,499	-	12,499
Other financial assets (Hedging derivatives)	-	2,154	-	2,154
	<u>\$ -</u>	<u>\$ 14,653</u>	<u>\$ 8,465</u>	<u>\$ 23,118</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss	\$ -	\$ 1,249	\$ -	\$ 1,249
Other financial liabilities (Hedging derivatives)	-	932	-	932
	<u>\$ -</u>	<u>\$ 2,181</u>	<u>\$ -</u>	<u>\$ 2,181</u>

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5.2 Fair Value Hierarchy (cont'd)

	December 31, 2024			
	Level 1 ¹	Level 2 ¹	Level 3 ¹	Total
Financial assets:				
Financial assets at fair value through profit or loss	\$ -	\$ -	\$ 8,312	\$ 8,312
Financial assets at fair value through other comprehensive income	-	6,641	-	6,641
Other financial assets (Hedging derivatives)	-	2,198	-	2,198
	<u>\$ -</u>	<u>\$ 8,839</u>	<u>\$ 8,312</u>	<u>\$ 17,151</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss	\$ -	\$ 1,240	\$ -	\$ 1,240
Other financial liabilities (Hedging derivatives)	-	3,220	-	3,220
	<u>\$ -</u>	<u>\$ 4,460</u>	<u>\$ -</u>	<u>\$ 4,460</u>

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

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

Level 3 – Unobservable inputs for the asset or liability.

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

5.3 Changes in Fair Value of Level 3 Financial Instruments

Changes in level 3 financial instruments measured at fair value for the three-month period ended March 31, 2025 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025				
	Beginning	Fair value evaluation	Acquisition	Others ¹	Ending
Financial assets at fair value through profit or loss	\$ 8,312	\$ 1	\$ 152	\$ -	\$ 8,465
	<u>\$ 8,312</u>	<u>\$ 1</u>	<u>\$ 152</u>	<u>\$ -</u>	<u>\$ 8,465</u>

¹ Others include effect of foreign exchange translation, etc.

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5.4 Net Gains or Losses by Category of Financial Instruments

Net gains or losses of each category of financial instruments for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025							
	Profit for the period						Other comprehensive loss
	Interest income (expense)	Bad debt expense (reversal)	Loss on disposal	Gain on derivatives	Gain on valuation	Others	
Financial assets:							
Financial assets at amortized cost	\$ 8,240	\$ 587	\$ -	\$ -	\$ -	\$ -	-
Financial assets at fair value through profit or loss	-	-	-	46	1	-	-
Financial assets at fair value through other comprehensive income	-	-	(1,733)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	2,356
	<u>\$ 8,240</u>	<u>\$ 587</u>	<u>\$ (1,733)</u>	<u>\$ 46</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,356</u>
Financial liabilities:							
Financial liabilities at amortized cost	\$ (16,987)	\$ -	\$ -	\$ -	\$ -	\$ (1,155)	-
Financial liabilities at fair value through profit or loss	-	-	-	(14)	-	-	-
Other financial liabilities	(1,538)	-	-	-	-	(75)	-
	<u>\$ (18,525)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14)</u>	<u>\$ -</u>	<u>\$ (1,230)</u>	<u>\$ -</u>
Three-month period ended March 31, 2024							
	Profit for the period						Other comprehensive loss
	Interest income (expense)	Bad debt expense (reversal)	Loss on disposal	Gain on derivatives	Gain on valuation	Others	
Financial assets:							
Financial assets at amortized cost	\$ 13,194	\$ (696)	\$ -	\$ -	\$ -	\$ -	-
Financial assets at fair value through profit or loss	-	-	-	433	1	-	-
Financial assets at fair value through other comprehensive income	-	-	(1,093)	-	-	-	-
Other financial assets (Hedging derivatives)	-	-	-	-	-	-	(372)
	<u>\$ 13,194</u>	<u>\$ (696)</u>	<u>\$ (1,093)</u>	<u>\$ 433</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (372)</u>
Financial liabilities:							
Financial liabilities at amortized cost	\$ (18,354)	\$ -	\$ -	\$ -	\$ -	\$ (591)	-
Other financial liabilities	(1,502)	-	-	-	-	(25)	-
	<u>\$ (19,856)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (616)</u>	<u>\$ -</u>

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

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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 and financial liabilities measured at amortized cost.

5.5 Offsetting Financial Assets and Financial Liabilities

The following table presents the recognized financial instruments subject to enforceable master netting arrangements and other similar agreements as of March 31, 2025 (in thousands of USD):

	Subject to application of master netting agreement		
	Gross amount of financial instruments recognized	Gross amount of financial instruments set off	Net amounts presented in the statement of financial position
Financial assets:			
Trade receivables	\$ 10,519	\$ (4,189)	\$ 6,330
Other receivables	42	(40)	2
	<u>\$ 10,561</u>	<u>\$ (4,229)</u>	<u>\$ 6,332</u>
Financial liabilities:			
Trade payables	\$ (13,884)	\$ 4,229	\$ (9,655)

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6. Trade and Other Receivables

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

	March 31, 2025		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	\$ 419,636	\$ (6,076)	\$ 413,560
Other receivables	24,072	(41)	24,031
Accrued income	1,777	-	1,777
Short-term loans	76	-	76
	<u>\$ 445,561</u>	<u>\$ (6,117)</u>	<u>\$ 439,444</u>
Non-current:			
Long-term other receivables	\$ 16,293	\$ -	\$ 16,293
Long-term loans	143	-	143
	<u>\$ 16,436</u>	<u>\$ -</u>	<u>\$ 16,436</u>
	December 31, 2024		
	Gross	Allowance for doubtful accounts	Net
Current:			
Trade receivables	\$ 335,462	\$ (6,619)	\$ 328,843
Other receivables	26,836	(64)	26,772
Accrued income	2,302	-	2,302
Short-term loans	112	-	112
	<u>\$ 364,712</u>	<u>\$ (6,683)</u>	<u>\$ 358,029</u>
Non-current:			
Long-term other receivables	\$ 17,571	\$ -	\$ 17,571
Long-term loans	151	-	151
	<u>\$ 17,722</u>	<u>\$ -</u>	<u>\$ 17,722</u>

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6. Trade and Other Receivables (cont'd)

Changes in allowance for doubtful accounts for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025		
	Trade receivables	Other receivables	Total
Beginning balance	\$ 6,619	\$ 64	\$ 6,683
Increase (reversal)	(564)	(23)	(587)
Write-off	(118)	-	(118)
Others	139	-	139
Ending balance	<u>\$ 6,076</u>	<u>\$ 41</u>	<u>\$ 6,117</u>

	Three-month period ended March 31, 2024		
	Trade receivables	Other receivables	Total
Beginning balance	\$ 10,591	\$ 42	\$ 10,633
Increase (reversal)	690	6	696
Write-off	(2,928)	-	(2,928)
Others	(165)	(2)	(167)
Ending balance	<u>\$ 8,188</u>	<u>\$ 46</u>	<u>\$ 8,234</u>

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

7. Inventories

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

	March 31, 2025		
	Acquisition cost	Valuation allowance	Net book value
Merchandise and finished goods	\$ 765,959	\$ (51,939)	\$ 714,020
Work in progress	41,386	(41)	41,345
Raw materials	505,880	(40,696)	465,184
Materials in transit	129,292	-	129,292
	<u>\$ 1,442,517</u>	<u>\$ (92,676)</u>	<u>\$ 1,349,841</u>

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7. Inventories (cont'd)

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

The cost of inventories recognized as expense and included in cost of sales for the three-month period ended March 31, 2025 amounts to \$1,043,860 thousand (March 31, 2024: \$1,289,467 thousand). Losses on inventory valuation included in cost of sales amount to \$6,998 thousand for the three-month period ended March 31, 2025 (March 31, 2024: \$1,515 thousand).

As of March 31, 2025, inventories stated above are partially pledged as collateral in relation to the Group's borrowings (see Notes 15 and 34).

8. Derivatives

The Group's derivative contracts are classified as follows:

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

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

March 31, 2025						
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	72,953,060	1,430.45	USD	51,000	1,430.45
Interest rate swap	EUR	29,863	3M EURIBOR	EUR	29,963	3.10%

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8. Derivatives (cont'd)

	March 31, 2025		
	Derivative assets (liabilities)	Gain on valuation of derivatives	Accumulated other comprehensive income(loss) ¹
Foreign currency swap	\$ 2,137	\$ -	\$ (1,102)
Foreign currency forward	(915)	-	(915)
Interest rate swap	(1,249)	40	-
	<u>\$ (27)</u>	<u>\$ 40</u>	<u>\$ (2,017)</u>

¹ Presenting the amount before taxes.

December 31, 2024						
Buy			Sell			
		Contract exchange rate(won)/ interest rate			Contract exchange rate(won)/ interest rate	
	Currency	Amount		Currency	Amount	
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)	Loss 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)	-
	<u>\$ (2,262)</u>	<u>\$ (864)</u>	<u>\$ (4,373)</u>

¹ Presenting the amount before taxes.

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

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9. Property, Plant and Equipment

Changes in property, plant and equipment for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025							
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	
Beginning	\$ 191,029	\$ 257,906	\$ 359,377	\$ 2,006	\$ 31,980	\$ 159,158	\$ 122,768	\$ 1,124,224
Acquisition / capital expenditure	-	364	6,304	140	1,199	37,618	2,824	48,449
Disposal	-	-	(2,887)	-	(2)	-	-	(2,889)
Depreciation	-	(3,323)	(22,049)	(204)	(2,927)	-	(10,474)	(38,977)
Others and transfer ¹	1,304	1,594	17,768	(31)	(995)	(15,529)	960	5,071
Ending	<u>\$ 192,333</u>	<u>\$ 256,541</u>	<u>\$ 358,513</u>	<u>\$ 1,911</u>	<u>\$ 29,255</u>	<u>\$ 181,247</u>	<u>\$ 116,078</u>	<u>\$ 1,135,878</u>
Acquisition cost	\$ 192,333	\$ 404,658	\$ 923,643	\$ 7,546	\$ 112,916	\$ 181,335	\$ 226,100	\$ 2,048,531
Accumulated depreciation	-	(144,176)	(559,275)	(5,477)	(83,133)	-	(110,022)	(902,083)
Government grants	-	(1,082)	-	-	(8)	(88)	-	(1,178)
Accumulated impairment losses	-	(2,859)	(5,855)	(158)	(520)	-	-	(9,392)

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.

	Three-month period ended March 31, 2024							
	Land	Buildings	Machinery	Vehicles	Equipment	Construction in progress	Right-of-use assets	
Beginning	\$ 135,613	\$ 235,818	\$ 331,608	\$ 1,995	\$ 34,457	\$ 112,149	\$ 124,760	\$ 976,400
Acquisition / capital expenditure	-	221	7,640	132	1,052	19,647	9,277	37,969
Disposal	-	-	(84)	(3)	(3)	-	-	(90)
Depreciation	-	(3,148)	(20,221)	(161)	(3,024)	-	(8,754)	(35,308)
Others and transfer ¹	(4,297)	(818)	11,083	45	(609)	(17,318)	(4,446)	(16,360)
Ending	<u>\$ 131,316</u>	<u>\$ 232,073</u>	<u>\$ 330,026</u>	<u>\$ 2,008</u>	<u>\$ 31,873</u>	<u>\$ 114,478</u>	<u>\$ 120,837</u>	<u>\$ 962,611</u>
Acquisition cost	\$ 131,402	\$ 363,635	\$ 795,107	\$ 7,327	\$ 94,436	\$ 114,638	\$ 203,145	\$ 1,709,690
Accumulated depreciation	-	(129,171)	(463,876)	(5,319)	(62,545)	-	(82,308)	(743,219)
Government grants	-	(1,123)	(540)	-	(17)	(160)	-	(1,840)
Accumulated impairment losses	(86)	(1,268)	(665)	-	(1)	-	-	(2,020)

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

After initial recognition, land is measured using a revaluation model. As of March 31, 2025, the carrying amount of land would be \$148,476 thousand if measured based on a cost model.

As of March 31, 2025, some items of property, plant and equipment stated above are pledged as collateral in relation to the Group's borrowings (see Notes 15 and 34).

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

The classification of depreciation expenses for each of the three-month periods ended March 31, 2025 and 2024 is as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Cost of sales	\$ 31,520	\$ 28,745
Selling and administrative expenses	7,457	6,563
	<u>\$ 38,977</u>	<u>\$ 35,308</u>

10. Intangible Assets

Changes in intangible assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025						
	Goodwill	Industrial rights	Development costs	Construction in progress	Others	Total
Beginning	\$ 2,592,213	\$ 962,228	\$ 99,802	\$ 70,842	\$ 75,736	\$ 3,800,821
Internal development	-	-	3,997	-	-	3,997
Acquisition	-	35	-	10,593	80	10,708
Disposal	-	-	-	(12)	(196)	(208)
Amortization	-	(32)	(5,912)	-	(7,980)	(13,924)
Reversal of Impairment loss	-	-	323	-	-	323
Others and transfer	41,555	13,102	358	(56,877)	61,152	59,290
Ending	<u>\$ 2,633,768</u>	<u>\$ 975,333</u>	<u>\$ 98,568</u>	<u>\$ 24,546</u>	<u>\$ 128,792</u>	<u>\$ 3,861,007</u>
Acquisition cost	\$ 2,633,768	\$ 1,114,507	\$ 424,532	\$ 24,546	\$ 261,348	\$ 4,458,701
Accumulated amortization and impairment losses	-	(139,174)	(325,964)	-	(132,556)	(597,694)

Three-month period ended March 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	-	-	5,242	-	-	5,242
Acquisition	-	18	-	10,898	281	11,197
Amortization	-	(28)	(8,726)	-	(3,961)	(12,715)
Others and transfer	(31,301)	(8,536)	(1,235)	(6,944)	5,821	(42,195)
Ending	<u>\$ 2,627,019</u>	<u>\$ 976,732</u>	<u>\$ 120,542</u>	<u>\$ 46,578</u>	<u>\$ 56,537</u>	<u>\$ 3,827,408</u>
Acquisition cost	\$ 2,627,019	\$ 1,120,648	\$ 437,700	\$ 46,578	\$ 172,222	\$ 4,404,167
Accumulated amortization and impairment losses	-	(143,916)	(317,158)	-	(115,685)	(576,759)

As of March 31, 2025, the carrying amount of goodwill and other intangible assets with indefinite useful lives included in others above is \$3,610,139 thousand (December 31, 2024: \$3,557,360 thousand).

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10. Intangible Assets (cont'd)

Some items of intangible assets stated above are pledged as collateral as of March 31, 2025 in connection with the Group's borrowings (see Notes 15 and 34).

Details of development costs as of March 31, 2025 are as follows (in thousands of USD):

		<u>Balance</u>	<u>Remaining amortization year (months)</u>
Compact product development (relating to new models and emission regulations)	Development in progress	\$ 47,371	
	Being amortized	35,277	29
Portable Power product development (relating to new models and emission regulations)	Development in progress	-	
	Being amortized	4,969	27
Forklift product development (relating to new models and emission regulations)	Development in progress	6,823	
	Being amortized	4,128	28
		<u>\$ 98,568</u>	

Classification of impairment losses (reversal) on intangible assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	<u>Three-month period ended March 31, 2025</u>	<u>Three-month period ended March 31, 2024</u>
Other non-operating income	\$ (323)	\$ -

Impairment losses (reversal) on intangible assets recognized as of March 31, 2025 and December 31, 2024 are as follows (in thousands of USD):

			<u>Accumulated impairment losses</u>	
	<u>Individual asset</u>	<u>Book value</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>
	Medium Frame GenV and others	\$ -	\$ 4,139	\$ 4,139
Development costs	eMEX Shells E32e, E19e and others	138	2,415	2,286
	MEX 1-2T Upgrade	-	4,463	4,623
	CWL PL1 and others	232	2,084	1,988
Industrial property rights	RYAN trademark right	-	4,943	4,943
	STEINER trademark right	-	2,500	2,500
Other Intangible assets	Membership	806	155	154

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10. Intangible Assets (cont'd)

The classification of amortization expenses for each of the three-month periods ended March 31, 2025 and 2024 is as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Cost of sales	\$ 7,609	\$ 10,279
Selling and administrative expenses	6,315	2,436
	<u>\$ 13,924</u>	<u>\$ 12,715</u>

Expenditures on research and development recognized as expenses amount to \$36,850 thousand for the three-month period ended March 31, 2025 (March 31, 2024: \$37,686 thousand).

11. Investment Properties

Changes in investment properties for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025		
	Land	Building	Total
Beginning balance	\$ 62,704	\$ 13,175	\$ 75,879
Depreciation	-	(258)	(258)
Others	149	35	184
Ending balance	<u>\$ 62,853</u>	<u>\$ 12,952</u>	<u>\$ 75,805</u>
Acquisition cost	\$ 62,853	\$ 18,240	\$ 81,093
Accumulated depreciation	-	(5,288)	(5,288)

	Three-month period ended March 31, 2024		
	Land	Building	Total
Beginning balance	\$ 71,486	\$ 15,595	\$ 87,081
Depreciation	-	(272)	(272)
Others	(3,046)	(662)	(3,708)
Ending balance	<u>\$ 68,440</u>	<u>\$ 14,661</u>	<u>\$ 83,101</u>
Acquisition cost	\$ 68,440	\$ 19,315	\$ 87,755
Accumulated depreciation	-	(4,654)	(4,654)

Rental income from investment properties occurred during the three-month period ended March 31, 2025 amounts to \$762 thousand (March 31, 2024: \$902 thousand).

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12. Investment in Associates

Investments in associates that are accounted for using the equity method as of March 31, 2025 are as follows:

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

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

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

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

	Percentage of ownership (%)	March 31, 2025		
		Acquisition cost	Book value	Net asset value
Ainstein AI, Inc.	9.09	\$ 2,000	\$ 2,028	\$ 150
Presto Lite Asia Co., Ltd.	32.31	2,467	2,609	2,609
Doosan New Technology Investment Fund No.1	19.80	3,150	2,785	2,785
		<u>\$ 7,617</u>	<u>\$ 7,422</u>	<u>\$ 5,544</u>

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

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12. Investment in Associates (cont'd)

Changes in investment in associates for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025						
	Beginning	Capital Injection	Share of profit(loss)	Equity adjustment s in equity method	Dividends	Others	Ending
Ainstein AI, Inc.	\$ 1,991	\$ -	\$ 37	\$ -	\$ -	\$ -	\$ 2,028
Presto Lite Asia Co., Ltd.	2,616	-	3	-	(16)	6	2,609
Doosan New Technology Investment Fund No.1	2,267	592	(86)	12	-	-	2,785
	<u>\$ 6,874</u>	<u>\$ 592</u>	<u>\$ (46)</u>	<u>\$ 12</u>	<u>\$ (16)</u>	<u>\$ 6</u>	<u>\$ 7,422</u>

Three-month period ended March 31, 2024			
	Beginning	Share of loss	Ending
Ainstein AI, Inc.	\$ 1,892	\$ (19)	\$ 1,873
Presto Lite Asia Co., Ltd.	2,822	(9)	2,693
	<u>\$ 4,714</u>	<u>\$ (28)</u>	<u>\$ 4,566</u>

The summarized financial information of associates as of and for the three-month period ended March 31, 2025 is as follows (in thousands of USD):

	March 31, 2025		Three-month period ended March 31, 2025		
	Assets	Liabilities	Sales	Loss for the period	Total comprehensive loss
Ainstein AI, Inc.	\$ 5,989	\$ 4,337	\$ 871	\$ 458	\$ 458
Presto Lite Asia Co., Ltd.	10,998	2,923	2,577	8	8
Doosan New Technology Investment Fund No.1	14,006	-	1	(431)	(431)

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13. Lease

Changes in right-of-use assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025							
	Land	Buildings	Machinery	Vehicles	Tools	Equipment	Total
Beginning balance	\$ 7,497	\$ 101,273	\$ 6,795	\$ 5,430	\$ 1	\$ 1,772	\$ 122,768
Acquisition	-	1,899	-	692	23	210	2,824
Depreciation	(53)	(8,300)	(604)	(1,152)	(6)	(359)	(10,474)
Others	25	898	10	15	-	12	960
Ending balance	\$ 7,469	\$ 95,770	\$ 6,201	\$ 4,985	\$ 18	\$ 1,635	\$ 116,078
Acquisition cost	\$ 8,198	\$ 183,009	\$ 13,924	\$ 15,706	\$ 24	\$ 5,239	\$ 226,100
Accumulated depreciation	(729)	(87,239)	(7,723)	(10,721)	(6)	(3,604)	(110,022)

Three-month period ended March 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	-	6,037	2,052	1,176	-	12	9,277
Depreciation	(30)	(6,541)	(747)	(1,117)	(1)	(318)	(8,754)
Others	(79)	(4,062)	(12)	(239)	-	(54)	(4,446)
Ending balance	\$ 3,627	\$ 99,795	\$ 8,504	\$ 6,590	\$ 1	\$ 2,320	\$ 120,837
Acquisition cost	\$ 4,192	\$ 164,662	\$ 13,261	\$ 15,729	\$ 15	\$ 5,286	\$ 203,145
Accumulated depreciation	(565)	(64,867)	(4,757)	(9,139)	(14)	(2,966)	(82,308)

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13. Lease (cont'd)

Changes in lease liabilities for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Beginning balance	\$ 123,979	\$ 129,036
Lease payments	(10,371)	(9,667)
Acquisition of lease assets	2,824	9,277
Interest expenses	1,538	1,502
Termination of lease agreement	(235)	(5,661)
Foreign exchange differences	933	1,197
Ending balance	<u>\$ 118,668</u>	<u>\$ 125,684</u>

The classification of depreciation expenses of lease assets for each of the three-month periods ended March 31, 2025 and 2024 is as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Cost of sales	\$ 5,318	\$ 4,428
Selling and administrative expenses	5,156	4,326
	<u>\$ 10,474</u>	<u>\$ 8,754</u>

The maturity profile of lease liability as of March 31, 2025 is as follows (in thousands of USD):

	Contractual nominal cash flow				
	Total	Less than 1 year	Less than 2 years	Less than 5 years	More than 5 years
Lease liabilities	\$ 130,935	\$ 38,607	\$ 30,003	\$ 51,102	\$ 11,223

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13. Lease (cont'd)

Expenditures on short-term leases or leases of low-value assets which are not included in lease assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Cost of sales	\$ 77	\$ 63
Selling and administrative expenses	1,491	1,365
	<u>\$ 1,568</u>	<u>\$ 1,428</u>

The total cash outflows for leases for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Lease liabilities	\$ 10,371	\$ 9,667
Lease payments on short-term leases and leases of low-value assets	1,568	1,428
	<u>\$ 11,939</u>	<u>\$ 11,095</u>

14. Trade and Other Payables

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

	March 31, 2025	December 31, 2024
Current:		
Trade payables	\$ 777,970	\$ 642,702
Other payables	42,049	96,080
Accrued expenses	507,339	440,400
Dividends payable	53,878	-
	<u>\$ 1,381,236</u>	<u>\$ 1,179,182</u>
Non-current:		
Other payables	\$ 152	\$ 125
Accrued expenses	7,980	7,168
Leasehold deposits received	4,438	4,352
	<u>\$ 12,570</u>	<u>\$ 11,645</u>

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15. Borrowings

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

Category	Annual interest rate	March 31, 2025	December 31, 2024
Private bonds	SOFR+1.05%	\$ 50,000	\$ 50,000
Subtotal		50,000	50,000
Less: discount on issuance of bonds		(328)	(365)
Total		<u>\$ 49,672</u>	<u>\$ 49,635</u>

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

1) Short-term borrowings

Lender	Annual interest rate	March 31, 2025	December 31, 2024
SB China	2.70%	\$ 13,752	\$ 13,692
Woori China	2.70%	6,876	4,979
CSOB	-	-	16,420
SB China	2.80%	4,813	4,792
Yes/Sundaram ²	-	2,404	2,263
Hana Bank	6M MOR+1.76%	20,457	20,408
Kookmin Bank	CD 3M+1.55%	13,638	13,605
Woori ¹	CD 3M+1.70%	6,819	6,803
Agricultural ¹	LPR 1Y-0.45%	1,375	1,369
Agricultural	-	-	959
		<u>\$ 70,134</u>	<u>\$ 85,290</u>

¹ Collateral is provided in relation to the above borrowings (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.

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15. Borrowings(cont'd)

2) Long-term borrowings

Lender	Annual interest rate	March 31, 2025	December 31, 2024
Syndicated lenders ¹	3M SOFR+2.00%	\$ 725,393	\$ 727,221
CSOB ¹	EURIBOR+1.50%	119,672	102,627
Mizuho Bank	CD91D+1.50%	27,276	27,211
NongHyup Bank ¹	3M MOR+1.22%	27,276	27,211
Shinhan Bank ¹	CD 3M+1.80%	34,095	34,014
Shinhan Bank Japan ¹	Japan ST Prime Lending Rate-0.58%	2,677	2,547
Syndicated lenders ¹	3M SOFR+1.50%	180,000	180,000
Subtotal		1,116,389	1,100,831
Less: present value discount		(10,523)	(11,183)
		1,105,866	1,089,648
Less: current portion		(78,917)	(34,467)
Total		\$ 1,026,949	\$ 1,055,181

¹ Collateral is provided in relation to the above borrowings (see Note 34).

16. Sales and Leaseback Liabilities

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

Lender	Annual interest rate	March 31, 2025	December 31, 2024
HSBC	7.00%	\$ 30,034	\$ 27,537
Investec	7.00%	2,909	3,072
CMF	7.00%	923	1,036
Lombard	7.00%	12,835	13,637
Subtotal		46,701	45,282
Less: current portion		(10,756)	(12,470)
Total		\$ 35,945	\$ 32,812

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17. Net Defined Benefit Liabilities

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

	March 31, 2025	December 31, 2024
Present value of defined benefit obligations	\$ 436,565	\$ 429,388
Fair value of plan assets	(344,828)	(341,030)
Effects of asset ceiling	4,351	4,351
Net defined benefit liabilities	105,849	104,006
Net defined benefit assets	9,761	11,297

The components of retirement benefits presented on the statements of profit or loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	March 31, 2025	March 31, 2024
Current service cost	\$ 3,430	\$ 3,599
Net interest expense	1,296	1,292
	<u>\$ 4,726</u>	<u>\$ 4,891</u>

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 three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025							
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	\$ 138,951	\$ 4,293	\$ (11,355)	\$ 667	\$ 132,556	\$ 73,891	\$ 58,665
Product liability	20,695	1,150	(433)	-	21,412	4,100	17,312
Litigation	689	271	(179)	(175)	606	606	-
Restructuring	3,299	-	(1,060)	105	2,344	2,344	-
Others	1,880	45	(83)	62	1,904	237	1,667
	<u>\$ 165,514</u>	<u>\$ 5,759</u>	<u>\$ (13,110)</u>	<u>\$ 659</u>	<u>\$ 158,822</u>	<u>\$ 81,178</u>	<u>\$ 77,644</u>

Three-month period ended March 31, 2024							
	Beginning	Increase	Decrease	Others	Ending	Current	Non-current
Warranty	\$ 151,408	\$ 15,670	\$ (22,370)	\$ (1,261)	\$ 143,447	\$ 80,905	\$ 62,542
Product liability	23,661	1,580	(609)	-	24,632	5,030	19,602
Litigation	1,457	42	(55)	(4)	1,440	1,440	-
Restructuring	768	-	-	(18)	750	750	-
Others	912	298	(341)	(17)	852	432	420
	<u>\$ 178,206</u>	<u>\$ 17,590</u>	<u>\$ (23,375)</u>	<u>\$ (1,300)</u>	<u>\$ 171,121</u>	<u>\$ 88,557</u>	<u>\$ 82,564</u>

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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 March 31, 2025, 95,856,065 ordinary shares are issued out of which 142,263 shares are ordinary shares with restricted voting rights under the Commercial Act of Korea. On February 27, 2025, the Company retired 4,393,101 shares of common stock using retained earnings, resulting in a discrepancy between the total par value of the outstanding shares and the paid-in capital as of March 31, 2025.

Changes on capital stock and capital surplus for the three-month period ended March 31, 2025 is as follows (in thousands of USD and in shares):

				Capital surplus		
				Share	Other	
Changes				premium	capital surplus	Total
		Number of shares	Capital stock			
As of January 1, 2025	Beginning	100,249,166	\$ 43,096	\$ 1,657,374	\$ (177,878)	\$ 1,479,496
As of February 27, 2025	Retirement	(4,393,101)	-	-	-	-
As of March 31, 2025	Ending	95,856,065	\$ 43,096	\$ 1,657,374	\$ (177,878)	\$ 1,479,496

There were no changes in capital stock and other capital surplus during the three-month period ended March 31, 2024.

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 ¹
Grant type	Registered common stock	
Granted to	Directors incumbent as of the date of resolution and grant date	
Grant date	March 8, 2022	
Settlement method	Issuance of treasury shares, cash equivalent to share value	
Exercise price	-	
Vesting condition	2 or more years of employment after grant	
Vesting method	Prorated by the day from January 1 of grant year to December 31 of 2 nd anniversary year from grant	
Payment method	Paid at the beginning of 3 rd anniversary year from grant	

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20. Share-based Compensation (cont'd)

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

¹ Payment was completed during the three-month period ended March 31, 2025.

² During the three-month period ended March 31, 2025, a portion of the share-based compensation originally granted as share-settled payments was changed to cash-settled payments.

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

	March 31, 2025	December 31, 2024
Beginning	154,179	96,490
Granted	-	60,467
Canceled	-	(2,778)
Payment	(14,694)	-
Modification ¹	(77,083)	-
Ending	62,402	154,179

¹ During the three-month period ended March 31, 2025, a portion of the share-based compensation originally granted as share-settled payments was changed to cash-settled payments.

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20. Share-based Compensation (cont'd)

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Beginning	108,774	81,268
Granted ¹	-	55,585
Canceled	-	(28,079)
Payment	(35,082)	-
Modification ²	77,083	-
Ending	<u>150,775</u>	<u>108,774</u>

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

² During the three-month period ended March 31, 2025, a portion of the share-based compensation originally granted as share-settled payments was changed to cash-settled payments.

21. Other Components of Equity

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Capital adjustment from equity transactions among subsidiaries	\$ 7,700	\$ 7,700
Ordinary shares issued in kind ¹	(186,108)	(186,108)
Treasury shares ^{2 3 4}	(4,828)	(47,279)
Share-based compensation expenses ²	1,179	2,635
	<u>\$ (182,057)</u>	<u>\$ (223,052)</u>

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

² As of March 31, 2025, 142,263 shares are held by the Group for the purpose of share-based compensation.

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

⁴ During the three-month period ended March 31, 2025, 14,694 shares were issued under the share-based compensation plan.

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22. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025					
	Gain (loss) on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Equity adjustments in equity method	Total
Beginning balance	\$ (440,318)	\$ (3,491)	\$ 14,812	\$ 23	\$ (428,974)
Increase (decrease)	72,564	1,877	-	12	74,453
Ending balance	<u>\$ (367,754)</u>	<u>\$ (1,614)</u>	<u>\$ 14,812</u>	<u>\$ 35</u>	<u>\$ (354,521)</u>

Three-month period ended March 31, 2024					
	Loss on translation of foreign operation	Gain (loss) on valuation of derivatives	Gain on revaluation of property, plant and equipment	Gain (loss) on valuation of equity instruments at fair value through other comprehensive income	Total
Beginning balance	\$ (262,341)	\$ 213	\$ 14,811	\$ 109	\$ (247,208)
Increase (decrease)	(55,993)	(368)	1	-	(56,360)
Ending balance	<u>\$ (318,334)</u>	<u>\$ (155)</u>	<u>\$ 14,812</u>	<u>\$ 109</u>	<u>\$ (303,568)</u>

23. Retained Earnings

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

	March 31, 2025	December 31, 2024
Legal reserves	\$ 22,566	\$ 22,566
Retained earnings before appropriation ¹	3,682,126	3,797,007
	<u>\$ 3,704,692</u>	<u>\$ 3,819,573</u>

¹ The Group repurchased 1,327,058 treasury shares during the period ended December 31, 2024 and 3,066,043 shares during the three-month period ended March 31, 2025, and subsequently retired all 4,393,101 treasury shares using retained earnings on February 27, 2025.

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24. Segment Information

As of March 31, 2025, details of operating segments and their main products are as follows:

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

The information on profit and loss by segment of the Group for the three-month period ended March 31, 2025 is as follows (in thousands of USD):

	Total sales	Internal sales	Net sales	Operating profit	Net income
Construction Equipment	\$ 1,409,068	\$ -	\$ 1,409,068	\$ 139,742	\$ 79,914
Hydraulic Equipment	37,628	(2,340)	35,288	(1,441)	(1,404)
Subtotal	1,446,696	(2,340)	1,444,356	138,301	78,510
Consolidation adjustments	(2,340)	2,340	-	(593)	(468)
Total	\$ 1,444,356	\$ -	\$ 1,444,356	\$ 137,708	\$ 78,042

For the three-month period ended March 31, 2024, the Group had a single operating segment, Construction Equipment.

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

	March 31, 2025	
	Assets	Liabilities
Construction Equipment	\$ 8,168,949	\$ 3,645,468
Hydraulic Equipment	211,790	46,924
Subtotal	8,380,739	3,692,392
Consolidation adjustments	(834)	(3,193)
Total	\$ 8,379,905	\$ 3,689,199

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24. Segment Information (cont'd)

	December 31, 2024	
	Assets	Liabilities
Construction Equipment	\$ 7,956,677	\$ 3,432,873
Hydraulic Equipment	213,484	47,284
Subtotal	8,170,161	3,480,157
Consolidation adjustments	(357)	(492)
Total	<u>\$ 8,169,804</u>	<u>\$ 3,479,665</u>

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

	Non-current assets¹	
	March 31, 2025	December 31, 2024
North America	\$ 1,401,322	\$ 1,384,329
Europe, Middle East and Africa	622,133	606,593
Asia, Latin America and Oceania	415,467	417,790
	<u>\$ 2,438,922</u>	<u>\$ 2,408,712</u>

¹ Non-current assets are classified by the country where the asset is located. These assets consist of property, plant and equipment, investment property, leased assets and intangible assets (excluding goodwill). The Group classifies cash-generating units (CGUs) into Construction Equipment and Hydraulic Equipment, and recognizes goodwill of \$ 2,621,095 thousand and \$ 12,673 thousand for each CGU, respectively, as of March 31, 2025.

25. Revenue

Details of revenue for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Revenue from contracts with customers		
By type of goods or services		
- Manufactured products/merchandise	\$ 1,420,237	\$ 1,776,728
- Others	2,815	6,971
	<u>1,423,052</u>	<u>1,783,699</u>
By timing of recognition		
- Products transferred at a point in time	1,420,237	1,776,728
- Service rendered over time	2,815	6,971
	<u>1,423,052</u>	<u>1,783,699</u>
Revenue from other sources		
- Rental income, etc.	21,304	18,837
	<u>\$ 1,444,356</u>	<u>\$ 1,802,536</u>

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25. Revenue (cont'd)

Details of revenue by main products for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Sales	
	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Compact	\$ 1,130,584	\$ 1,453,581
Portable Power	64,396	82,428
Material Handling	214,088	266,527
Hydraulic equipment	35,288	-
	\$ 1,444,356	\$ 1,802,536

Details of revenue by region for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Sales	
	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
North America	\$ 1,071,165	\$ 1,375,541
Europe, Middle East & Africa	210,740	265,191
Asia, Latin America & Oceania	162,451	161,804
	\$ 1,444,356	\$ 1,802,536

There is no single external customer from whom revenue accounts for 10% or more of the Group's total revenue for each of the three-month periods ended March 31, 2025 and 2024.

26. Contract Balances

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

	March 31, 2025	December 31, 2024
Trade and other receivables	\$ 419,636	\$ 335,462
Contract liabilities ¹	566,609	550,266

¹ Contract liabilities are included in the trade payables and other payables, and 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, \$ 3,357 thousand were recognized as revenue during the three-month period ended March 31, 2025 (March 31, 2024: \$ 6,109 thousand).

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27. Expenses by Nature

Expenses classified by nature for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Purchases of inventories (Raw materials and merchandises)	\$ 862,011	\$ 1,049,119
Changes in inventories	488	(64,508)
Employee benefits	198,105	190,272
Depreciation and amortization	53,159	48,295
Other expenses	192,885	333,983
	<u>\$ 1,306,648</u>	<u>\$ 1,557,161</u>

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28. Selling and Administrative Expenses

Selling and administrative expenses for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Salaries	\$ 61,799	\$ 61,389
Retirement benefits	8,203	3,616
Employee benefits	6,453	10,938
Rent	2,638	2,856
Depreciation	6,217	5,432
Depreciation of investment properties	258	272
Amortization	6,315	2,436
Research and development	36,850	37,686
Advertising	26,088	17,892
Commission expenses	27,255	28,951
Bad debt expenses (reversal)	(564)	690
Insurance expenses	2,645	3,964
Others ¹	25,566	27,026
	<u>\$ 209,723</u>	<u>\$ 203,148</u>

¹ Including share-based compensation expenses.

29. Finance Income and Expenses

Finance income and expenses for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Finance income:		
Interest income	\$ 8,240	\$ 13,194
Gain on foreign currency transactions	13,461	11,734
Gain on foreign currency translation	37,165	14,149
Gain on derivative transactions	6	103
Gain on valuation of derivative	40	330
	<u>58,912</u>	<u>39,510</u>
Finance expenses:		
Interest expenses	(18,535)	(19,856)
Loss on foreign currency transactions	(11,463)	(5,114)
Loss on foreign currency translation	(41,440)	(21,347)
Loss on derivatives transactions	(14)	-
Loss on financial guarantee	(75)	(25)
Others	(1,155)	(591)
	<u>(72,682)</u>	<u>(46,933)</u>
Net finance expenses	<u>\$ (13,770)</u>	<u>\$ (7,423)</u>

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30. Other Non-operating Income and Expenses

Other non-operating income and expenses for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Other non-operating income:		
Gain on disposal of property, plant and equipment	\$ 25	\$ 45
Reversal of Impairment Loss on Intangible Assets	323	-
Others	201	499
	<u>549</u>	<u>544</u>
Other non-operating expenses:		
Loss on disposal of trade receivables	(1,733)	(1,093)
Other bad debt expenses	(176)	(6)
Loss on disposal of property, plant and equipment	(38)	(4)
Donations	(5,669)	(5,921)
Others	67	(490)
	<u>(7,549)</u>	<u>(7,514)</u>
Net other non-operating expense	<u>\$ (7,000)</u>	<u>\$ (6,970)</u>

31. Income Tax Expense

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

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

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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 Company for each of the three-month periods ended March 31, 2025 and 2024 are computed as follows (in USD and in shares):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Profit for the period attributable to owners of the Company	\$ 78,042,427	\$ 163,198,549
Weighted average number of ordinary shares outstanding	96,327,751	100,152,676
Basic earnings per share	\$ 0.81	\$ 1.63

The weighted average number of shares for each of the three-month periods ended March 31, 2025 and 2024 is computed as follows (in shares):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Number of ordinary shares outstanding	98,765,151	100,152,676
Treasury shares	(2,437,400)	-
Weighted average number of ordinary shares outstanding	96,327,751	100,152,676

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32.2 Diluted Earnings Per Share

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

Diluted earnings per share of owners of the Company for the three-month period ended March 31, 2025 and March 31, 2024 are as follows (in USD and in shares):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Profit for the period attributable to owners of the Company	\$ 78,042,427	\$ 163,198,549
Adjusted weighted average number of ordinary shares outstanding	96,371,355	100,210,706
Diluted earnings per share	\$ 0.81	\$ 1.63

Adjusted weighted average number of shares for each of the three-month periods ended March 31, 2025 and 2024 are computed as follows (in shares):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Weighted average number of ordinary shares outstanding	96,327,751	100,152,676
Restricted Stock Unit	43,604	58,030
Adjusted weighted average number of ordinary shares outstanding	96,371,355	100,210,706

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

	March 31, 2025	December 31, 2024
Restricted Stock Unit	62,402	154,179

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33. Commitments and Contingencies

33.1 Litigations

As of March 31, 2025, 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 March 31, 2025, guarantees provided by the Group are as follows (in thousands of USD):

Provided for	Provided to	Amount guaranteed
Doosan Bobcat North America Inc. and others	End customers, etc.	\$ 94,560
Doosan Bobcat EMEA s.r.o. and others	End customers, etc.	4
Doosan Bobcat Korea Co., Ltd. and others	End customers, etc.	16,293
		<u>\$ 110,857</u>

The Company 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	\$ 1,047
Seoul Guarantee Insurance Company	Performance guarantee	902
Woori Bank	Financial guarantee	51,000
	Foreign currency performance guarantee	1,339
CSOB	Payment guarantees	738
Unicredit	Payment guarantees	3,248
Other guarantees	Other guarantees	1,330
		<u>\$ 59,604</u>

¹ The Group's share in Machinery Financial Cooperative is provided as collateral as of March 31, 2025.

33.3 Key Commitments

33.3.1 Credit agreement

As of March 31, 2025, the Group has contracts with financial institutions for limit loans of \$1,296,967 thousand, including general loans and overdrafts, comprehensive loans of \$59,570 thousand, and loans secured by accounts receivables of \$30,003 thousand.

33.3.2 Supplier Finance arrangement

The Group entered into a supplier finance arrangement and \$51,853 thousand is recognized as trade payables in relation thereto as of March 31, 2025.

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33. Commitments and Contingencies (cont'd)

33.3.3 Other commitments

As of March 31, 2025, the Group has signed a contract with Doosan New Technology Investment Association No. 1 for a total investment commitment of \$ 13,638 thousand, and the remaining investment commitment amount as of March 31, 2025 is \$ 10,488 thousand.

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

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 occurred before the year ended December 31, 2024, the Group has succeeded the joint liabilities for financial and operating debts of Doosan Corporation and Doosan Industrial Vehicle Co. Ltd., and the Group believes that the possibility of outflow of resources is low.

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34. Assets Provided as Collaterals

Details of the assets provided as collaterals as of March 31, 2025 are as follows(in thousands of USD):

	Doosan Bobcat North America Inc.	Doosan Bobcat EMEA s.r.o	Doosan Bobcat Korea Co., Ltd. etc.	Doosan Mottrol Co., Ltd.
Agreement details	Borrowings and credit limit agreements	Borrowings and credit limit agreements	Borrowings and credit limit agreements	Borrowings and credit limit agreements
Agreement limit amount	\$ 1,930,875	\$ 216,550	\$ 77,686	\$ 8,194
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	\$ 2,529,731	\$ 320,959	\$ 106,921	\$ 23,336
Nominal amount of borrowing	\$ 905,393	\$ 119,672	\$ 64,048	\$ 8,194

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35. Related Party Transactions

The Group's related party disclosures for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

Relationship	Name
Ultimate parent	Doosan Corp.
Immediate parent	Doosan Enerbility Co., Ltd.
Associates	Ainstein AI, Inc. Presto Lite Asia Co., Ltd. Doosan New Technology Investment Fund No.1
Others	Doosan Digital Innovation America, LLC Oricom Inc. Doosan Business Research Institute Doosan Cuvex Co., Ltd. Bundang Doosan Tower Reit Co., Ltd., etc.

Significant transactions with the related parties for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

		Three-month period ended March 31, 2025				
Relationship	Related party	Sales	Other income	Purchase	Other expense	Purchases of investment properties and assets
Ultimate parent	Doosan Corp.	\$ 1,023	\$ -	\$ -	\$ 7,150	\$ 4
Associates	Presto Lite Asia Co., Ltd	-	26	1,193	-	-
Others	Doosan Digital Innovation America, LLC	3	-	-	13,594	571
	Oricom Inc.	-	-	-	1,878	-
	Doosan Business Research Institute	-	-	-	663	-
	Doosan Cuvex Co., Ltd.	-	-	-	896	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	55	-
	Others	256	-	-	5,492	-
	Subtotal	259	-	-	22,578	571
	Total	\$ 1,282	\$ 26	\$ 1,193	\$ 29,728	\$ 575

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35. Related Party Transactions (cont'd)

		Three-month period ended March 31, 2024					Purchases of investment properties and assets
Relationship	Related party	Sales	Other income	Purchase	Other expense		
Ultimate parent	Doosan Corp.	\$ 1,080	\$ -	\$ -	6,535	\$ 242	
Immediate parent	Doosan Enerbility Co., Ltd.	129	-	-	-	-	
Associates	Presto Lite Asia Co., Ltd	25	6	1,947	-	-	
Others	Doosan Digital Innovation America, LLC	1	-	-	12,093	494	
	Oricom Inc.	-	-	-	319	-	
	Doosan Business Research Institute	-	-	-	464	-	
	Doosan Cuvex Co., Ltd.	-	-	-	742	-	
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	69	-	
	Others	270	-	-	3,969	-	
	Subtotal	271	-	-	17,656	494	
	Total	\$ 1,505	\$ 6	\$ 1,947	\$ 24,191	\$ 736	

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

		March 31, 2025				
Relationship	Related party	Trade receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Ultimate parent	Doosan Corp.	\$ 341	\$ 745	\$ -	\$ 6,226	-
Immediate parent	Doosan Enerbility Co., Ltd.	-	-	-	25,190	-
Associates	Ainstein AI, Inc	-	975	-	-	-
	.Presto Lite Asia Co., Ltd	-	-	208	-	-
	Subtotal	-	975	208	-	-
Others	Doosan Digital Innovation America LLC	1	113	-	4,767	1,383
	Oricom Inc	-	-	-	1,024	-
	Doosan Business Research Institute	-	-	-	422	-
	Doosan Cuvex Co., Ltd.	-	893	-	277	-
	Bundang Doosan Tower Reit Co., Ltd.	-	-	-	-	10,730
	Others	124	2	-	3,254	-
	Subtotal	125	1,008	-	9,744	12,113
	Total	\$ 466	\$ 2,728	\$ 208	\$ 41,160	\$ 12,113

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35. Related Party Transactions (cont'd)

Relationship	Related party	December 31, 2024				
		Trade receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Ultimate parent	Doosan Corp.	\$ 386	\$ 790	\$ -	\$ 13,754	\$ -
Associates	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

Fund transactions (including equity transactions) with the related parties for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Relationship	Related party	Three-month period ended March 31, 2025		
		Dividend paid	Repayment of lease liabilities	Investment
Immediate parent	Doosan Enerbility Co., Ltd ¹	\$ 25,137	\$ -	\$ -
Associates	Doosan New Technology Investment Fund No.1	-	-	592
Others	Doosan Digital Innovation America, LLC	-	201	-
	Bundang Doosan Tower Reit Co., Ltd.	-	477	-
		\$ 25,137	\$ 678	\$ 592

¹ USD 25,137 thousand of dividend payable to Doosan Enerbility Co., Ltd. is included in other liabilities.

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35. Related Party Transactions (cont'd)

Relationship	Related party	Three-month period ended March 31, 2024		
		Dividend paid	Repayment of lease liabilities	Investment
Immediate parent	Doosan Enerbility Co., Ltd ¹	\$ 27,648	\$ -	\$ -
Others	Doosan Digital Innovation America, LLC	-	172	-
	Bundang Doosan Tower Reit Co., Ltd.	-	514	-
	Doosan New Technology Investment Association	-	-	149
		<u>\$ 27,648</u>	<u>\$ 686</u>	<u>\$ 149</u>

¹ USD 27,648 thousand dividend payable to Doosan Enerbility Co., Ltd. is included in other liabilities.

The Company defines key management personnel as registered or non-registered officers having rights and responsibility for planning, directing and controlling the activities of the Company. Compensation to key management personnel for each of the three-month periods ended March 31, 2025 and 2024 is as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Employee benefits	\$ 2,250	\$ 1,531
Share-based payment expenses	558	252
Retirement benefits	219	198
	<u>\$ 3,027</u>	<u>\$ 1,981</u>

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36. Interim Consolidated Financial Statements of Cash Flows

Details of adjustments and changes in operating assets and liabilities in the interim consolidated statement of cash flows for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Adjustments:		
Income tax expense	\$ 38,850	\$ 67,757
Finance income	(45,444)	(27,500)
Finance expenses	59,975	41,203
Retirement benefits (defined benefit plan)	4,726	4,891
Depreciation	38,977	35,308
Depreciation on investment properties	258	272
Amortization	13,924	12,715
Gain on disposal of property, plant and equipment	(25)	(45)
Loss on disposal of property, plant and equipment	38	4
Reversal of Impairment Loss on Intangible Assets	(323)	-
Loss on equity method investments	46	28
Gain on valuation of long-term financial investments	(1)	(1)
Gain from cancellation of lease agreement	(2)	-
Share-based compensation	1,064	402
	<u>\$ 112,063</u>	<u>\$ 135,034</u>
	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Changes in operating assets and liabilities:		
Trade receivables and other receivables	\$ (83,663)	\$ (29,316)
Inventories	1,690	(65,400)
Other current assets	(7,503)	(7,423)
Other non-current assets	(3,921)	(4,619)
Trade payables and other payables	152,481	177,950
Derivatives	161	234
Provisions	(5,575)	(6,960)
Other current liabilities	(10,475)	(54,997)
Payment of retirement benefits (defined benefit plan)	(2,928)	(2,356)
Plan assets	1,504	1,401
Other non-current liabilities	9,810	6,550
	<u>\$ 51,581</u>	<u>\$ 15,064</u>

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

Significant non-cash transactions for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
Transfer from construction-in-progress to property, plant and equipment	\$ 73,449	\$ 15,010
Decrease in other payables related to the acquisition of property, plant, and equipment	(4,416)	(13,440)
Decrease in other payables related to the acquisition of intangible assets	1	(32)
Acquisition of right-of-use assets	2,824	9,277
Dividends payables	53,878	59,491
Disposal of treasury shares	139,045	-
	<u>\$ 264,781</u>	<u>\$ 70,306</u>

Details of adjustments to liabilities arising from financing activities for each of the three-month periods ended March 31, 2025 and 2024 are as follows (in thousands of USD):

Three-month period ended March 31, 2025						
	Bonds	Borrowings	Sales and leaseback	Lease liabilities	Dividends payable	Total
Beginning balance	\$ 49,635	\$ 1,174,938	\$ 45,282	\$ 123,979	\$ -	\$ 1,393,834
Acquisition of right-of-use assets	-	-	-	2,824	-	2,824
Cash flows	-	(909)	(10)	(8,833)	-	(9,751)
Foreign exchange differences	-	1,311	1,429	933	-	3,672
Other non-financial changes	37	659	-	(235)	53,878	54,339
Ending balance	<u>\$ 49,672</u>	<u>\$ 1,175,999</u>	<u>\$ 46,701</u>	<u>\$ 118,668</u>	<u>\$ 53,878</u>	<u>\$ 1,444,918</u>

Three-month period ended March 31, 2024					
	Borrowings	Sales and leaseback	Lease liabilities	Dividends payable	Total
Beginning balance	\$ 920,641	\$ 51,419	\$ 129,036	\$ -	\$ 1,101,096
Acquisition of right-of-use assets	-	-	9,277	-	9,277
Cash flows	(5,846)	(3,506)	(9,667)	-	(19,019)
Foreign exchange differences	(6,442)	(419)	1,198	-	(5,663)
Other non-financial changes	635	-	(4,160)	59,491	55,966
Ending balance	<u>\$ 908,988</u>	<u>\$ 47,494</u>	<u>\$ 125,684</u>	<u>\$ 59,491</u>	<u>\$ 1,141,657</u>

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37. Business Combination

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

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

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

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

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

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37. Business Combination (cont'd)

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

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

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