

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY

Consolidated Financial Statements

December 31, 2024 and 2023

(With Independent Auditor's Report Thereon)

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Independent Auditors' Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
Doosan Robotics Inc. :

Opinion

We have audited the consolidated financial statements of Doosan Robotics Inc. and its subsidiary (the "Group"), which comprise the consolidated statements of financial position as of December 31, 2024, the consolidated statements of comprehensive loss, changes in equity and cash flows for the year then ended, and notes, comprising of material accounting policy information and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with Korean Standards on Auditing ("KSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Republic of Korea, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is such matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements as of and for the year ended December 31, 2024. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Cut-off of Revenue

As described in note 2 to the consolidated financial statements, the Group recognizes revenue when it transfers control over goods to customers. As revenue of the Group may vary in scope of performance obligations and timing of control transfer depending on the transaction agreements with customers and export terms and is one of the Group's key performance indicators, there is a high inherent risk that revenue may be adjusted to achieve goals or meet expectations.

Accordingly, as there is a risk of cut-off error of revenue due to an error or intent in determining performance obligations and point of control transfer from various contract terms related to revenue, we have determined the cut-off of revenue as a key audit matter.

The following audit procedures were performed regarding the cut-off of revenue are as follows:

- Assessing the effectiveness of design and operating of internal controls related to the cut-off of revenue.
- Assessing the accounting policies related to revenue recognition and cut-off of revenue by reviewing contracts with key customers.
- Inspecting supporting documentation for revenue recognized before and after the year-end of the reporting period on a sampling basis.



Other Matters

The consolidated financial statements of the Group as of and for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 20, 2024.

The procedures and practices utilized in the Republic of Korea to audit such consolidated financial statements may differ from those generally accepted and applied in other countries.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used in the preparation of the consolidated financial statements and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Do Hyun Kim.

KPMG Samjong Accounting Corp.

Seoul, Korea
March 14, 2025

This report is effective as of March 14, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Consolidated Statements of Financial Position
As of December 31, 2024 and 2023

| <i>(In won)</i> | Notes | 2024 | 2023 |
|---|--------------|--------------------------|------------------------|
| Assets | | | |
| Cash and cash equivalents | 4,9 | ₩ 265,535,614,827 | 305,423,576,953 |
| Short-term financial instruments | 4,5,9 | 9,680,103,000 | 76,581,946,900 |
| Trade receivables, net | 4,6,9,29 | 28,333,648,672 | 22,235,921,939 |
| Other receivables, net | 4,6,9,29 | 2,000,751,428 | 3,707,044,430 |
| Current income tax assets | | 2,206,119,461 | 69,435,394 |
| Inventories, net | 8 | 29,307,431,937 | 14,153,603,864 |
| Current guarantee deposits | 4,9,29 | 236,675,928 | 113,766,315 |
| Other current assets | 7 | 4,728,253,369 | 3,819,702,119 |
| Total current assets | | 342,028,598,622 | 426,104,997,914 |
| Long-term investments in securities | 4,9,10,29 | 34,069,843,000 | 2,400,000,000 |
| Investments in associates | 11,29 | 3,231,493,740 | - |
| Property, plant and equipment, net | 12 | 10,222,753,109 | 8,422,466,844 |
| Intangible assets, net | 13 | 8,603,411,986 | 13,234,037,508 |
| Long-term trade receivables, net | 4,6,9,29 | - | 121,597,179 |
| Guarantee deposits | 4,9,29 | 19,693,277,939 | 1,511,470,210 |
| Right-of-use assets, net | 14 | 3,461,171,412 | 4,574,635,013 |
| Other non-current assets | 7 | 380,422,138 | 52,875,054 |
| Total non-current assets | | 79,662,373,324 | 30,317,081,808 |
| Total assets | | ₩ 421,690,971,946 | 456,422,079,722 |
| Liabilities | | | |
| Trade payables | 4,9,15,29 | ₩ 4,321,210,659 | 5,894,348,164 |
| Other payables | 4,9,15,29 | 4,065,727,130 | 2,134,818,593 |
| Current provisions | 16 | 782,484,348 | 679,282,062 |
| Current lease liabilities, net | 4,9,17 | 997,998,662 | 1,427,792,235 |
| Other current liabilities | 18,22 | 5,279,030,920 | 3,216,419,209 |
| Total current liabilities | | 15,446,451,719 | 13,352,660,263 |
| Defined benefit liabilities, net | 19 | 1,226,465,857 | 92,233,937 |
| Provisions | 16 | 13,416,032 | 41,986,357 |
| Non-current lease liabilities, net | 4,9,17 | 1,690,846,641 | 3,773,192,572 |
| Other non-current liabilities | 18 | 812,611,469 | 353,913,194 |
| Total non-current liabilities | | 3,743,339,999 | 4,261,326,060 |
| Total liabilities | | 19,189,791,718 | 17,613,986,323 |
| Equity | | | |
| Capital stock | 1,20 | 32,409,990,000 | 32,409,990,000 |
| Capital surplus | 20 | 506,389,590,062 | 506,389,590,062 |
| Other component of equity | 20 | (465,422,205) | (1,270,677,359) |
| Accumulated other comprehensive income | 20 | 876,043,432 | 36,031,645 |
| Accumulated deficit | 21 | (136,709,021,061) | (98,756,840,949) |
| Equity attributable to owners of the controlling company | | 402,501,180,228 | 438,808,093,399 |
| Non-controlling interests | | - | - |
| Total equity | | 402,501,180,228 | 438,808,093,399 |
| Total liabilities and equity | | ₩ 421,690,971,946 | 456,422,079,722 |

See accompanying notes to the consolidated financial statements.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Consolidated Statements of Comprehensive Loss
For the years ended December 31, 2024 and 2023

| <i>(In won)</i> | Notes | 2024 | 2023 |
|---|--------------|--------------------|------------------|
| Sales | 22,29 | ₩ 46,829,943,837 | 53,038,372,299 |
| Cost of sales | 23,29 | 37,299,613,681 | 38,378,159,545 |
| Gross profit | | 9,530,330,156 | 14,660,212,754 |
| Selling and administrative expenses | 23,24,29 | 50,732,446,402 | 33,827,762,276 |
| Operating loss | | (41,202,116,246) | (19,167,549,522) |
| Finance income | 9,25 | 15,438,721,668 | 4,389,227,188 |
| Finance expenses | 9,25 | 700,650,849 | 1,907,498,577 |
| Other non-operating income | 9,26 | 2,084,519,019 | 1,121,072,592 |
| Other non-operating expenses | 26 | 11,744,471,822 | 308,790,227 |
| Loss in equity method | 11 | (428,506,260) | - |
| Loss before income tax expense | | (36,552,504,490) | (15,873,538,546) |
| Income tax expense | 27 | 8,346,985 | - |
| Loss for the year | | (36,560,851,475) | (15,873,538,546) |
| Owners of the Company | | (36,560,851,475) | (15,873,538,546) |
| Non-controlling interests | | - | - |
| Other comprehensive loss | | (551,316,850) | (210,038,241) |
| Items that will not be reclassified subsequently to profit or loss | | (1,391,328,637) | (268,350,406) |
| Remeasurements of the defined benefit liabilities | 19 | (1,391,328,637) | (268,350,406) |
| Items that are, or may be, reclassified subsequently to profit or loss | | 840,011,787 | 58,312,165 |
| Gain on translation of foreign operations | | 840,011,787 | 58,312,165 |
| Total comprehensive loss for the year | | ₩ (37,112,168,325) | (16,083,576,787) |
| Total comprehensive loss attributable to: | | | |
| Owners of the Company | | ₩ (37,112,168,325) | (16,083,576,787) |
| Non-controlling interests | | - | - |
| Basic and diluted loss per share | 28 | (564) | (300) |

See accompanying notes to the consolidated financial statements.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(In won)

| | Attributable to owners of the Company | | | | | | Non-controlling interests | Total equity |
|---|---------------------------------------|-----------------|----------------------------|---|---------------------|------------------|---------------------------|------------------|
| | Capital stock | Capital surplus | Other components of equity | Accumulated other comprehensive income (loss) | Accumulated deficit | Subtotal | | |
| Balance at January 1, 2023 | ₩ 24,309,990,000 | 101,092,604,370 | - | (22,280,520) | (82,614,951,997) | 42,765,361,853 | - | 42,765,361,853 |
| Issuance of ordinary shares | 8,100,000,000 | 405,296,985,692 | - | - | - | 413,396,985,692 | - | 413,396,985,692 |
| Loss for the year | - | - | - | - | (15,873,538,546) | (15,873,538,546) | - | (15,873,538,546) |
| Settled employee benefit | - | - | (1,270,677,359) | - | - | (1,270,677,359) | - | (1,270,677,359) |
| Remeasurements of defined benefit liabilities | - | - | - | - | (268,350,406) | (268,350,406) | - | (268,350,406) |
| Gain on translation of foreign operations | - | - | - | 58,312,165 | - | 58,312,165 | - | 58,312,165 |
| Balance at December 31, 2023 | ₩ 32,409,990,000 | 506,389,590,062 | (1,270,677,359) | 36,031,645 | (98,756,840,949) | 438,808,093,399 | - | 438,808,093,399 |
| Balance at January 1, 2024 | ₩ 32,409,990,000 | 506,389,590,062 | (1,270,677,359) | 36,031,645 | (98,756,840,949) | 438,808,093,399 | - | 438,808,093,399 |
| Loss for the year | - | - | - | - | (36,560,851,475) | (36,560,851,475) | - | (36,560,851,475) |
| Settled employee benefit | - | - | 805,255,154 | - | - | 805,255,154 | - | 805,255,154 |
| Remeasurements of defined benefit liabilities | - | - | - | - | (1,391,328,637) | (1,391,328,637) | - | (1,391,328,637) |
| Gain on translation of foreign operations | - | - | - | 840,011,787 | - | 840,011,787 | - | 840,011,787 |
| Balance at December 31, 2024 | ₩ 32,409,990,000 | 506,389,590,062 | (465,422,205) | 876,043,432 | (136,709,021,061) | 402,501,180,228 | - | 402,501,180,228 |

See accompanying notes to the consolidated financial statements.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023

| <i>(In won)</i> | Note | 2024 | 2023 |
|---|-------------|--------------------|------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations: | 31 | ₩ (55,593,305,387) | (26,354,538,274) |
| Loss for the year | | (36,560,851,475) | (15,873,538,546) |
| Adjustments | | 6,016,164,373 | 5,211,141,022 |
| Changes in operating assets and liabilities | | (25,048,618,285) | (15,692,140,750) |
| Interest received | | 14,376,652,308 | 471,541,151 |
| Interest paid | | (408,769,530) | (1,296,071,419) |
| Income tax paid | | (2,145,031,052) | (19,766,364) |
| Net cash used in operating activities | | (43,770,453,661) | (27,198,834,906) |
| Cash flows from investing activities | | | |
| Cash inflows from investing activities: | | | |
| Decrease in short-term financial instruments | | 67,000,000,000 | 709,490,335 |
| Decrease in short-term investment in securities | | 80,151,670,222 | - |
| Disposal of property, plant and equipment | | 1,000 | 270,900 |
| Subtotal | | 147,151,671,222 | 709,761,235 |
| Cash outflows for investing activities: | | | |
| Increase in short-term financial instruments | | - | (76,590,648,335) |
| Increase in short-term investment in securities | | (80,018,048,251) | - |
| Acquisition of investments in associates | | (3,660,000,000) | - |
| Acquisition of long-term investments in securities | | (31,054,893,000) | - |
| Acquisition of property, plant and equipment | | (3,298,734,340) | (3,123,738,619) |
| Acquisition of intangible assets | | (4,862,499,200) | (5,989,455,022) |
| Increase in guarantee deposits | | (19,434,935,721) | (344,512,058) |
| Increase in prepayments | | - | (264,000,000) |
| Subtotal | | (142,329,110,512) | (86,312,354,034) |
| Net cash provided by (used in) investing activities | | 4,822,560,710 | (85,602,592,799) |
| Cash flows from financing activities | | | |
| Cash inflows from financing activities: | | | |
| Share-based payments | | 183,956,314 | - |
| Issuance of ordinary shares | | - | 413,396,985,692 |
| Proceeds from short-term borrowings | | - | 24,885,000,000 |
| Subtotal | | 183,956,314 | 438,281,985,692 |
| Cash outflows for financing activities: | | | |
| Repayment of short-term borrowings | | - | (25,000,000,000) |
| Payment of lease liabilities | | (1,260,655,718) | (1,022,073,364) |
| Equity-settled employee benefit | | - | (1,433,281,581) |
| Subtotal | | (1,260,655,718) | (27,455,354,945) |
| Net cash provided by (used in) financing activities | | (1,076,699,404) | 410,826,630,747 |
| Effect of movements in exchange rates on cash held | | 136,630,229 | (31,567,726) |
| Net increase (decrease) in cash and cash equivalents | | (39,887,962,126) | 297,993,635,316 |
| Cash and cash equivalents at January 1 | | 305,423,576,953 | 7,429,941,637 |
| Cash and cash equivalents at December 31 | | ₩ 265,535,614,827 | 305,423,576,953 |

See accompanying notes to the consolidated financial statements.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting entity

(1) The controlling company

Doosan Robotics Inc. (the "Company"), the controlling company according to Korean International Financial Reporting Standards ("Korean IFRS") No. 1110 'Consolidated Financial Statements,' was incorporated on July 31, 2015, and engages in the manufacturing of industrial robots. As of December 31, 2024, the Company's headquarters is located at 79, Saneop-ro 156beon-gil, Gwonseon-gu, Suwon-si, Gyeonggi-do, Korea.

The Company listed on the stock market of Korea Exchange on October 5, 2023. The Company's capital stock is ₩32,409,990 thousand, and its major shareholders as of December 31, 2024, are as follows:

| Shareholder | Number of shares (in shares) | Ownership (%) |
|-------------------------------|------------------------------|---------------|
| Doosan Corp. | 44,200,000 | 68.19 |
| Employee Stock Ownership Plan | 352,133 | 0.54 |
| Others | 20,267,847 | 31.27 |
| Total | 64,819,980 | 100.00 |

(2) Consolidated subsidiary

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

| Company | Key operating activities | Location | Ownership (%) | | Closing date |
|-------------------------------|--------------------------|----------|---------------|------|--------------|
| | | | 2024 | 2023 | |
| Doosan Robotics Americas, LLC | Sales | USA | 100 | 100 | December 31 |

(3) Summarized financial information of subsidiary as of and for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| Company | 2024 | | | | | | Total comprehensive loss |
|-------------------------------|--------------|-------------|-----------|------------|-------------|--|--------------------------|
| | Assets | Liabilities | Equities | Sales | Net loss | | |
| Doosan Robotics Americas, LLC | ₩ 28,905,270 | 26,831,089 | 2,074,181 | 12,987,194 | (4,448,933) | | (4,448,933) |

(In thousands of won)

| Company | 2023 | | | | | | Total comprehensive loss |
|-------------------------------|--------------|-------------|-----------|-----------|-------------|--|--------------------------|
| | Assets | Liabilities | Equities | Sales | Net loss | | |
| Doosan Robotics Americas, LLC | ₩ 11,852,882 | 5,827,855 | 6,025,027 | 5,301,225 | (1,298,786) | | (1,298,786) |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation

(1) Basis of consolidated financial statements

The Company and its subsidiary (the "Group") have prepared consolidated financial statements in accordance with Korean IFRS, which are the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") adopted in Korea as stipulated in Article 5(1)(1) of the Act on External Audit of Stock Companies.

The principal accounting policies are set out below. Except for the effect of the amendments to Korean IFRS and new interpretations set out below, the principal accounting policies used to prepare the consolidated financial statements as of and for the year ended December 31, 2024, are consistent with the accounting policies used to prepare the consolidated financial statements as of and for the year ended December 31, 2023.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going-concern basis of accounting in preparing the consolidated financial statements.

1) New and amended Korean IFRS and new interpretations that are effective for the year ended December 31, 2024,

For the year ended December 31, 2024, the Group has applied a number of new and amended Korean IFRS and new interpretations issued that are effective accounting periods beginning on or after January 1, 2024.

(a) Amendments to Korean IFRS 1001 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants

The amendments clarify that liabilities are classified as either current or non-current, depending on the substantive rights that exist at the end of the reporting period. Classification is unaffected by the likelihood that an entity will exercise right to defer settlement of the liability or the expectations of management. Also, the settlement of liability includes the transfer of the entity's own equity instruments, however, it would be excluded if an option to settle them by the entity's own equity instruments if compound financial instruments is met the definition of equity instruments and recognized separately from the liability. In addition, covenants that an entity is required to comply with after the end of the reporting period would not affect classification of a liability as current or non-current at the reporting date. When an entity classifies a liability that is subject to the covenants which an entity is required to comply with within twelve months of the reporting date as non-current at the end of the reporting period, the entity shall disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months after the reporting period. The amendments do not have a significant impact on the consolidated financial statements.

(b) Amendments to Korean IFRS 1007 Statement of Cash Flows, Korean IFRS 1107 Financial Instruments: Disclosures – Supplier finance arrangements

When applying supplier finance arrangements, an entity shall disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The amendments do not have a significant impact on the consolidated financial statements.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(1) Basis of consolidated financial statements, continued

1) New and amended Korean IFRS and new interpretations that are effective for the current year, continued

(c) Amendments to Korean IFRS 1116 Leases – Lease Liability in a Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback, a seller-lessee shall determine lease payments or revised lease payments in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not have a significant impact on the consolidated financial statements.

(d) Amendments to Korean IFRS 1001 Presentation of Financial Statements – Disclosure of Cryptographic Assets

The amendments require an additional disclosure if an entity holds cryptographic assets, or holds cryptographic assets on behalf of the customer, or issues cryptographic assets. The amendments do not have a significant impact on the consolidated financial statements.

2) New and revised Korean IFRS in issue, but not yet effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised Korean IFRS that have been issued, but are not yet effective:

(a) Amendments to Korean IFRS 1021 The Effects of Changes in Foreign Exchange Rates and 1101 First-time Adoption of International Financial Reporting Standards – Lack of Exchangeability

When an entity estimates a spot exchange rate because exchangeability between two currencies is lacking, the entity shall disclose related information. The amendments should be applied for annual periods beginning on or after January 1, 2025, and earlier application is permitted. The amendments do not have a significant impact on the consolidated financial statements.

(b) Amendments to Korean IFRS 1109 Financial Instruments, Korean IFRS 1107 Financial Instruments: Disclosures

Korean IFRS 1109 *Financial Instruments* and Korean IFRS 1107 *Financial Instruments: Disclosures* have been amended to respond to recent questions arising in practice, and to include new requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(1) Basis of consolidated financial statements, continued

2) New and revised Korean IFRS in issue, but not yet effective, continued

- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments do not have a significant impact on the consolidated financial statements.

(c) Annual Improvements to Korean IFRS -Volume 11

Annual Improvements to Korean IFRS -Volume 11 should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group does not expect the amendments to have a significant impact on the consolidated financial statements.

- Korean IFRS 1101 *First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter*
- Korean IFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition and implementation guidance*
- Korean IFRS 1109 *Financial Instruments: Derecognition of lease liabilities and definition of transaction price*
- Korean IFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Korean IFRS 1007 *Statement of Cash Flows: Cost method*

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(2) Basis of measurement

The accompanying consolidated financial statements have been prepared on the historical cost basis, except for certain non-current assets and financial instruments that are measured at fair values as explained in the accounting policies below. Historical cost is based on the fair values of the consideration given.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Korean IFRS No. 1102 Share-Based Payment, leasing transactions that are within the scope of Korean IFRS No. 1116 Leases, and measurements that have some similarities to fair value, but are not fair value, such as net realizable value in Korean IFRS No. 1002 Inventories or value in use in Korean IFRS No. 1036 Impairment of Assets.

(3) Functional currency and presentation currency

The Group's consolidated financial statements are presented in the currency of the primary economic environment in which it operates (its functional currency). The functional currency of the Group and the presentation currency for the consolidated financial statements of the Group are Korean won.

(4) Basis of consolidation

Non-controlling interest is measured proportional share of the current equity investment among the amount recognized for the acquiree's identified net assets at the acquisition date. Transactions, balances, profits and expenses, unrealized gains and losses (excluding foreign currency translation effect) within the Group are all eliminated when preparing consolidated financial statements.

(5) Investments in associates and joint ventures

Unrealized gains from transactions between the Group and its associates and joint ventures are eliminated up to the interests in those entities, and unrealized losses are also eliminated unless evidence of impairment in assets transferred is provided.

(6) Cash and cash equivalents

The Group is classifying investments with maturities of three months or less upon acquisition as cash and equivalents.

(7) Trade receivables

Trade receivables are amounts owed by customer for products and services provided in the ordinary course of business. Receivables expected to be collected within one year are classified as current assets. Otherwise, they are classified as non-current assets. Trade receivables are initially measured at fair value except that they do not contain a significant financing component in accordance with Korean IFRS No. 1115 'Revenue from Contracts with Customers' and are presented as net of allowance for doubtful accounts, estimated on an individual basis based on past bad debt experience.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(8) Non-derivative financial assets

1) Initial recognition and measurement

Trade and other receivables, and debt investment are initially recognized when they are originated. Other financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

2) Classification and subsequent measurement

The Group makes an assessment of the objective of the business model in which, financial assets is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. This includes the management's strategy focused on earning contractual interest income, maintaining a specific level of interest yield, aligning the duration of liabilities funding the financial assets with the duration of those financial assets, and realizing or outflowing expected cash flows through the sale of assets;
- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed;
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- the frequency, volume and timing of sales of financial assets in prior periods, the reason for those sales and expectations about future sales activity for financial assets.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Portfolio of financial assets that meet the definition of trading or which performance is evaluated on a fair value basis is measured at FVTPL.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(8) Non-derivative financial assets, continued

3) Offsetting between financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statements of financial position only when the Group currently has a legally enforceable right to offset the recognized amounts, and there is the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

4) Impairment of financial assets

① Recognition of impairment on financial assets

The Group recognizes loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortized costs.

The Group's impairment losses are likely to be recognized a lifetime ECLs based on the extent of increase in credit risk since inception, except for below asset to be recognized loss allowances measured on 12-month.

- credit risk has not increased significantly since the initial recognition of debt investment (lifetime ECLs: ECLs that resulted from all possible default events over the expected life of a financial instrument).

The Group adopted an accounting policy to recognize loss allowances at an amount equal to lifetime ECLs for trade receivables.

② Credit-impaired financial instrument

A debt instrument carried at amortized cost and FVOCI is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that a financial asset is impaired includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract, such as default or delinquency in interest or principal payments;
- the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganization; and
- the disappearance of an active market for that financial asset because of financial difficulties.

③ Presentation of credit loss allowance on financial position

For loss allowance on financial assets measured at amortized cost is deducted from the carrying amount of the respective assets.

④ Derecognition

The Group derecognizes a financial asset when it has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group assesses whether there are reasonable expectations of recovering the contractual cash flows from customers and individually assesses the timing and amount of write-off. The Group does not expect that such write-off will be recovered, but they may be subject to collection activity according to the Group's past due collection process.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(9) Inventories

Cost of inventories are measured under the weighted-average method, and consists of the purchase price, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(10) Property, plant and equipment

The Group does not depreciate land. Depreciation of other property, plant and equipment is calculated to the cost of each asset, less residual value using the straight-line method that reflects the expected consumption pattern of future economic benefits is inherent in the asset over the estimated useful lives of the assets as follows:

| | Useful lives |
|---------------------|--------------|
| Machinery | 5–10 years |
| Vehicles | 5 years |
| Tools and equipment | 4–5 years |
| Office equipment | 3–10 years |

(11) Intangible assets

Intangible assets are initially measured at cost and are carried at cost, less accumulated amortization and accumulated impairment losses.

Intangible assets are amortized on a straight-line basis with residual value set to zero over their estimated useful lives from the date that they are available for use. However, useful lives of intangible assets, which are determined to be indefinite since there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group, are not amortized.

| | Useful lives |
|----------------------------|--------------|
| Industrial property rights | 10 years |
| Development costs | 5 years |
| Others | 5 years |

(12) Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities into financial liabilities at FVTPL or other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities. The Group recognizes financial liabilities in the consolidated statements of financial position when the Group becomes a party to the contractual provisions of the financial liability.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(13) Employee benefits

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method.

(14) Provisions

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant products or rendering of services. The Group is estimating based on past experiences derived from historical warranty data.

(15) Leases

1) The Group as lessee

At the commencement or effective date of the contract that includes the lease element, the Group allocates the consideration of the contract to each lease element based on its relative stand-alone price. However, the Group applies a practical expedient that does not separate the non-lease component for a real estate lease and accounts for the non-lease component related to the lease element as a single lease element.

Lease liabilities are initially measured at the present value of the lease payments not paid as of the commencement of the lease. Generally, the Group uses the incremental borrowing rate as the discount rate. Lease liabilities are amortized in accordance with the effective interest method. When remeasurement of a lease liability, the relevant right-of-use asset is adjusted and the remeasurement amount is recognized in profit or loss if the carrying amount of the right-of-use asset is reduced to nil.

As practical expedient, the Group does not recognize right-of-use assets and lease liabilities for short-term leases with a lease term of less than 12 months and low-value assets. The Group shall recognize the lease charges relating to these leases as expenses in accordance with the straight-line method over the lease term.

2) The Group as lessor

As a lessor, the Group determines whether the lease is a finance lease or an operating lease at the inception of the lease.

To classify each lease, the Group generally determines whether the lease transfers most of the risks and rewards of ownership of the underlying asset. If most of the risks and rewards of ownership of the underlying asset are transferred to the lessee, the lease is classified as a finance lease; otherwise, the lease is classified as an operating lease. As one of the evaluation metrics, the Group considers whether the lease term represents a significant portion of the economic life of the underlying asset.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

2. Material accounting policies and basis of preparation, Continued

(16) Revenue recognition

Revenue is stated at the fair value of the consideration received or receivable and net of value-added tax ("VAT"), etc.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of a product or service to a customer.

1) Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the products have been transferred to the customer.

2) Rendering of services

Revenue from rendering of services is recognized when the technical support services on customer's demand are provided.

(17) Income Tax

Income tax expense is composed of current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or loss or directly in equity or are arising from business combinations.

The Group are not subject to the minimum tax paid in accordance with Pillar Two Model Rules.

(18) Operating segments

Operating segments are reported on the same basis as the financial information that is reported to the management of the Group. The management of the Group is responsible for the allocation of resources and assessment of performance for the operating segments.

The Group operates a single operating segments of cooperative robot manufacturing and sales, so does not disclose information of operating segments.

(19) Approval of consolidated financial statements

The accompanying consolidated financial statements were authorized for issue by the board of directors on February 13, 2025, which will be submitted for approval at the shareholders' meeting to be held on March 31, 2025.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

3. Significant accounting estimates and judgements

In accordance with the Korean IFRS, when preparing consolidated financial statements, it requires the use of management's best judgment based on estimates and assumptions regarding matters that impact the application of accounting policies or the amounts reported for assets, liabilities, revenues and expenses as of the end of the reporting period. If the estimates and assumptions based on management's best judgment differ from the actual circumstances, the reported results may vary. The following are key accounting estimates and assumptions that may significantly affect the book values of assets and liabilities in the next financial year and include significant risks.

Estimates and its underlying assumptions are continuously reviewed, and changes in accounting estimates are recognized during the period in which the estimates are revised and for the future periods that are affected.

(1) Defined benefit liability

Defined benefit liability is calculated by annual actuarial valuations as of the reporting date. In order to perform the actuarial valuations, assumptions for discount rates, future salary increases, mortality and others are required to be estimated.

(2) Impairment of non-financial assets

The Group is assessing whether there is any indication that an asset may be impaired at the end of each reporting period. The Group estimates the recoverable amount of an asset when such indication exists or when an impairment test for an asset is required each year. Recoverable amount of an asset is the higher of its fair value, less costs of disposal and its value in use. The recoverable amount is determined for individual assets. However, if an asset does not generate cash inflows that are largely independent of those from other assets, the recoverable amount is determined for the CGU to which the asset belongs. The asset is impaired if its carrying amount exceeds its recoverable amount and the carrying amount of the asset is reduced to its recoverable amount.

(3) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and if a reliable estimate can be made of the amount of the obligation. In accordance with the relevant laws and practices, the estimated amounts may change to prescribe for additional provisions to be recognized in future periods.

(4) Deferred tax

Recognition and measurement of deferred tax assets and liabilities require judgment of the Group's management. Especially, the recognition of deferred tax asset and the scope of recognition are influenced by assumptions about future circumstances and judgment of management.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management

The Group is exposed to various financial risks, such as market (foreign currency and interest rate), credit and liquidity, relating to the operations of the Group. The purpose of risk management policy is to minimize potential risks, which could have adverse effect on financial performance.

(1) Market risk

1) Foreign currency risk

Foreign currency risk arises when recognized assets and liabilities are stated in foreign currency other than functional currency. The book value of the Group's monetary assets and liabilities denominated in foreign currencies, which represents the maximum exposure to foreign currency risk as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | | |
|-----------------------|---|-------------------|------------------|---------------|--------------|--------------------|
| | | USD | EUR | JPY | CNY | Others (*1) |
| Financial assets | ₩ | 23,668,251 | 6,600,007 | 72,509 | 3,773 | 1,617 |
| Financial liabilities | | (1,593,948) | (45,880) | - | - | - |
| Net assets | ₩ | <u>22,074,303</u> | <u>6,554,127</u> | <u>72,509</u> | <u>3,773</u> | <u>1,617</u> |

(In thousands of won)

| | | 2023 | | | | |
|-----------------------|---|-------------------|------------------|----------------|----------------|--------------------|
| | | USD | EUR | JPY | CNY | Others (*1) |
| Financial assets | ₩ | 14,130,928 | 8,127,797 | 257,457 | 565,135 | 162,656 |
| Financial liabilities | | (1,263,312) | (3,554) | - | - | - |
| Net assets | ₩ | <u>12,867,616</u> | <u>8,124,243</u> | <u>257,457</u> | <u>565,135</u> | <u>162,656</u> |

(*1) Others are assets and liabilities denominated in foreign currencies other than USD, EUR, JPY and CNY.

The sensitivity analysis on the Group's loss before tax for the years ended December 31, 2024 and 2023, assuming a 10% increase and decrease in currency exchange rates, are as follows:

(In thousands of won)

| | | 2024 | | 2023 | |
|------------------------|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 10% increase | 10% decrease | 10% increase | 10% decrease |
| Loss before tax impact | ₩ | 2,870,633 | (2,870,633) | 2,197,711 | (2,197,711) |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

(1) Market risk, continued

2) Interest rate risk

Interest rate risk is related to borrowings and bank deposits with floating interest rates, and related interest income and expense are exposed to interest rate risk. The Group is exposed to interest rate risk mainly due to its borrowings or deposits with floating interest rates. The purpose of interest rate risk management is to minimize uncertainty and financial expense arising from interest rate fluctuations.

Floating rate financial assets exposed to interest rate risk as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------|-------------|
| Financial assets | ₩ | 7,577,061 | 4,719,002 |

The sensitivity analysis on the Group's loss before tax for the years ended December 31, 2024 and 2023, assuming a 100bp increase and decrease in interest rates, is as follows:

| <i>(In thousands of won)</i> | | 2024 | | 2023 | |
|------------------------------|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | | 100bp increase | 100bp decrease | 100bp increase | 100bp decrease |
| Loss before tax impact | ₩ | 75,771 | (75,771) | 47,190 | (47,190) |

(2) Credit risk

The Group is exposed to credit risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk mainly arises from trade and other receivables. The Group enters into transactions with customers having met a certain level of credit quality and maintains policies and procedures on financial assets to manage such risks.

The carrying amount of financial assets represents the Group's maximum exposure. The maximum exposure to credit risk as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|---|---|--------------------|--------------------|
| Financial assets as measured at amortized cost: | | | |
| Cash and cash equivalents | ₩ | 265,535,615 | 305,423,577 |
| Short-term financial instruments | | 9,680,103 | 76,581,947 |
| Trade receivables | | 28,333,649 | 22,357,519 |
| Other receivables | | 2,000,751 | 3,707,044 |
| Guarantee deposits | | 19,929,954 | 1,625,237 |
| Financial assets as measured at FVTPL: | | | |
| Long-term investments in securities | | 34,069,843 | 2,400,000 |
| Total | ₩ | <u>359,549,915</u> | <u>412,095,324</u> |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

(2) Credit risk, continued

The Group's receivables' aging analysis as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

(In thousands of won)

| | | 2024 | | | | |
|-------------------|---|--|---------------|----------------|------------------------|------------|
| | | Receivables assessed for impairment individually or on a collective basis | | | | |
| | | Before maturity | 0–3 months | 3–12 months | More than 12 months | Total |
| Trade receivables | ₩ | 4,576,363 | 7,971,724 | 16,074,388 | 2,792,891 | 31,415,366 |
| Other receivables | | 121,288 | - | - | - | 121,288 |
| Accrued income | | 1,879,463 | - | - | - | 1,879,463 |
| Total | ₩ | 6,577,114 | 7,971,724 | 16,074,388 | 2,792,891 | 33,416,117 |

(In thousands of won)

(In thousands of won)

| | | 2023 | | | | |
|-------------------|---|--|---------------|----------------|------------------------|------------|
| | | Receivables assessed for impairment individually or on a collective basis | | | | |
| | | Before maturity | 0–3 months | 3–12 months | More than 12 months | Total |
| Trade receivables | ₩ | 13,015,265 | 4,717,769 | 4,579,701 | 665,259 | 22,977,994 |
| Other receivables | | 86,347 | - | - | - | 86,347 |
| Accrued income | | 3,620,698 | - | - | - | 3,620,698 |
| Total | ₩ | 16,722,310 | 4,717,769 | 4,579,701 | 665,259 | 26,685,039 |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

(3) Liquidity risk

The Group is exposed to liquidity risk, which is the risk that it will encounter difficulties in fulfilling the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

A summary of expected maturity for the Group's financial liabilities, etc., as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | |
|-------------------|--------------|--|------------------|--|
| | | Nominal cash flows according to contract | | |
| | Book value | Total | Less than 1 year | More than 1 year and less than 5 years |
| Trade payables | ₩ 4,321,211 | 4,321,211 | 4,321,211 | - |
| Other payables | 4,065,727 | 4,065,727 | 4,065,727 | - |
| Lease liabilities | 2,688,845 | 3,092,526 | 1,221,759 | 1,870,767 |
| Total | ₩ 11,075,783 | 11,479,464 | 9,608,697 | 1,870,767 |

(In thousands of won)

| | | 2023 | | |
|-------------------|--------------|--|------------------|--|
| | | Nominal cash flows according to contract | | |
| | Book value | Total | Less than 1 year | More than 1 year and less than 5 years |
| Trade payables | ₩ 5,894,348 | 5,894,348 | 5,894,348 | - |
| Other payables | 2,134,819 | 2,134,819 | 2,134,819 | - |
| Lease liabilities | 5,200,985 | 6,174,892 | 1,892,570 | 4,282,322 |
| Total | ₩ 13,230,152 | 14,204,059 | 9,921,737 | 4,282,322 |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

(4) Capital risk

The objective of the Group's capital risk management is to secure its ability to provide earnings to its shareholders and stakeholders, and sustain optimal capital structure to reduce the cost of capital. In order to sustain optimal capital structure, the Group uses a debt-to-equity ratio similar to other entities in the industry. Debt-to-equity ratio is calculated by dividing total liabilities by total equity.

Debt-to-equity ratios as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------|-------------|
| Total liabilities (A) | ₩ | 19,189,792 | 17,613,986 |
| Total equity (B) | | 402,501,180 | 438,808,093 |
| Debt-to-equity ratio (A/B) | | 4.77% | 4.01% |

5. Restricted financial assets

Details of restricted financial assets as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 | Description |
|----------------------------------|--------------------------------|-----------|-----------|--|
| Short-term financial instruments | Woori America Bank | ₩ 798,945 | 700,789 | Establishment of the right of pledge for lease contract |
| Short-term financial instruments | Korea Securities Finance Corp. | 8,881,158 | 8,881,158 | Establishment of the right of pledge for Employee Stock Ownership Plan Deposit |
| Total | ₩ | 9,680,103 | 9,581,947 | |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

6. Trade and other receivables

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

(In thousands of won)

| | | 2024 | | |
|------------------------|---|------------|---------------------------------|------------|
| | | Gross | Allowance for doubtful accounts | Book value |
| Current assets: | | | | |
| Trade receivables (*1) | ₩ | 31,412,104 | (3,078,455) | 28,333,649 |
| Other receivables | | 121,288 | - | 121,288 |
| Accrued income | | 1,879,463 | - | 1,879,463 |
| Total | ₩ | 33,412,855 | (3,078,455) | 30,334,400 |

(*1) Includes present value discount in the amount of ₩3,262 thousand.

(In thousands of won)

| | | 2023 | | |
|----------------------------------|---|------------|---------------------------------|------------|
| | | Gross | Allowance for doubtful accounts | Book value |
| Current assets: | | | | |
| Trade receivables (*1) | ₩ | 22,839,455 | (603,534) | 22,235,921 |
| Other receivables | | 86,347 | - | 86,347 |
| Accrued income | | 3,620,698 | - | 3,620,698 |
| Subtotal | | 26,546,500 | (603,534) | 25,942,966 |
| Non-current assets: | | | | |
| Long-term trade receivables (*2) | | 121,597 | - | 121,597 |
| Total | ₩ | 26,668,097 | (603,534) | 26,064,563 |

(*1) Includes present value discount in the amount of ₩10,146 thousand.

(*2) Includes present value discount in the amount of ₩6,795 thousand.

(2) Changes in allowance for doubtful accounts for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | |
|-------------------|---|-----------|-------------------------|-------------|-------------|
| | | January 1 | Provision for allowance | Others (*1) | December 31 |
| Current assets: | | | | | |
| Trade receivables | ₩ | 603,534 | 2,463,258 | 11,663 | 3,078,455 |

(*1) Changes due to exchange rate difference and others.

(In thousands of won)

| | | 2023 | | |
|-----------------------------|---|-----------|---------------------------------------|-------------|
| | | January 1 | Provision for (reversal of) allowance | December 31 |
| Current assets: | | | | |
| Trade receivables | ₩ | 239,229 | 364,305 | 603,534 |
| Non-current assets: | | | | |
| Long-term trade receivables | | 898 | (898) | - |
| Total | ₩ | 240,127 | 363,407 | 603,534 |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

7. Other assets

Other assets as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | | 2023 | |
|------------------|----------------|--------------------|----------------|--------------------|
| | Current | Non-current | Current | Non-current |
| Prepayments | ₩ 2,720,281 | 365,693 | 2,412,180 | 28,051 |
| Prepaid expenses | 379,854 | 14,729 | 291,283 | 24,824 |
| Prepaid VAT | 1,617,453 | - | 1,113,573 | - |
| Others | 10,665 | - | 2,666 | - |
| Total | ₩ 4,728,253 | 380,422 | 3,819,702 | 52,875 |

8. Inventories

Inventories as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | 2023 |
|-------------------------------|--------------|-------------|
| Merchandise | ₩ 1,777,085 | 3,605,923 |
| Finished goods | 24,236,789 | 7,450,345 |
| Semifinished goods | 253,204 | - |
| Work in process | 428,505 | 363,197 |
| Raw materials | 5,009,263 | 3,103,542 |
| Supplies | 703,067 | 703,068 |
| Other | - | 6,200 |
| Deduction: | | |
| Inventory valuation allowance | (3,100,481) | (1,078,671) |
| Total | ₩ 29,307,432 | 14,153,604 |

Losses on inventory valuation recognized within the cost of sales amounted to ₩2,095,287 thousand and ₩330,563 thousand for the years ended December 31, 2024 and 2023, respectively.

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9. Categories of financial instruments

(1) Categories of financial instruments as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | |
|-------------------------------------|---|---|--|---------------------|-------------|
| | | Financial assets as measured at FVTPL | Financial assets as measured at amortized cost | Carrying amounts | Fair value |
| Financial assets: | | | | | |
| Cash and cash equivalents | ₩ | - | 265,535,615 | 265,535,615 | 265,535,615 |
| Short-term financial instruments | | - | 9,680,103 | 9,680,103 | 9,680,103 |
| Long-term investments in securities | | 34,069,843 | - | 34,069,843 | 34,069,843 |
| Trade receivables | | - | 28,333,649 | 28,333,649 | 28,333,649 |
| Other receivables | | - | 2,000,751 | 2,000,751 | 2,000,751 |
| Guarantee deposits | | - | 19,929,954 | 19,929,954 | 19,929,954 |
| Total | ₩ | 34,069,843 | 325,480,072 | 359,549,915 | 359,549,915 |
| Financial liabilities: | | | | | |
| Trade payables | ₩ | - | 4,321,211 | 4,321,211 | 4,321,211 |
| Other payables | | - | 4,065,727 | 4,065,727 | 4,065,727 |
| Lease liabilities | | - | 2,688,845 | 2,688,845 | 2,688,845 |
| Total | ₩ | - | 11,075,783 | 11,075,783 | 11,075,783 |

(In thousands of won)

| | | 2023 | | | |
|-------------------------------------|---|---|--|---------------------|-------------|
| | | Financial assets as measured at FVTPL | Financial assets as measured at amortized cost | Carrying amounts | Fair value |
| Financial assets: | | | | | |
| Cash and cash equivalents | ₩ | - | 305,423,577 | 305,423,577 | 305,423,577 |
| Short-term financial instruments | | - | 76,581,947 | 76,581,947 | 76,581,947 |
| Long-term investments in securities | | 2,400,000 | - | 2,400,000 | 2,400,000 |
| Trade receivables | | - | 22,357,519 | 22,357,519 | 22,357,519 |
| Other receivables | | - | 3,707,044 | 3,707,044 | 3,707,044 |
| Guarantee deposits | | - | 1,625,237 | 1,625,237 | 1,625,237 |
| Total | ₩ | 2,400,000 | 409,695,324 | 412,095,324 | 412,095,324 |
| Financial liabilities: | | | | | |
| Trade payables | ₩ | - | 5,894,348 | 5,894,348 | 5,894,348 |
| Other payables | | - | 2,134,819 | 2,134,819 | 2,134,819 |
| Lease liabilities | | - | 5,200,985 | 5,200,985 | 5,200,985 |
| Total | ₩ | - | 13,230,152 | 13,230,152 | 13,230,152 |

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9. Categories of financial instruments, Continued

(2) The level of fair value measurements of financial instruments as of December 31, 2024 and 2023, is as follows:

(In thousands of won)

| | | 2024 | | | |
|--|---|---------|------------|-----------|------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value: | | | | | |
| Measured at FVTPL | ₩ | - | 30,614,950 | 3,454,893 | 34,069,843 |

(In thousands of won)

| | | 2023 | | | |
|--|---|---------|---------|-----------|-----------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value: | | | | | |
| Measured at FVTPL | ₩ | - | - | 2,400,000 | 2,400,000 |

The definition of the level of hierarchy of fair value of financial instruments is as follows:

Significance of input factor

- Level1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly
Level3: Inputs that are not based on observable market data (unobservable inputs)

(3) Gain or loss by categories of financial instruments for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | | |
|----------------------------|---|---------------------------|-----------------|------------------|-------------------|----------------------------------|
| | | Gain or loss | | | | |
| | | Interest income (expense) | Impairment loss | Gain on disposal | Gain on valuation | Gain or loss on foreign exchange |
| Financial assets: | | | | | | |
| Measured at amortized cost | ₩ | 12,187,281 | (2,463,258) | - | - | 2,445,705 |
| Measured at FVTPL | | 700,308 | - | 133,622 | 614,950 | - |
| Financial liabilities: | | | | | | |
| Measured at amortized cost | | (408,770) | - | - | - | (186,453) |

(In thousands of won)

| | | 2023 | | | |
|----------------------------|---|---------------------------|-----------------|-----------------------------|----------------------------------|
| | | Gain or loss | | | |
| | | Interest income (expense) | Impairment loss | Financial guarantee expense | Gain or loss on foreign exchange |
| Financial assets: | | | | | |
| Measured at amortized cost | ₩ | 3,938,044 | (363,407) | (16,915) | (67,835) |
| Financial liabilities: | | | | | |
| Measured at amortized cost | | (1,411,071) | - | - | 39,506 |

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10. Long-term investment in securities

(In thousands of won)

| Description | | | | 2024 | 2023 |
|--|----------------------------------|----------------------------------|---|------------|-----------|
| Financial assets as measured at FVTPL | Non-marketable equity securities | Folletto Robotics Co., Ltd. (*1) | ₩ | 2,400,000 | 2,400,000 |
| | Debt securities | Corporate bond | | 31,669,843 | - |
| | Total | | ₩ | 34,069,843 | 2,400,000 |

(*1) Although the Group has significant influence based on the voting rights in the board of directors in Folletto Robotics Co., Ltd., the redeemable convertible preferred shares are classified as financial assets at fair value through profit or loss in accordance with Korean IFRS 1109, Financial Instruments, as the Group has determined that the preferred shares do not provide it with substantial and current access to the benefits associated with its ownership interest in the investee.

11. Investments in associates

(1) Details of investment in associates as of December 31, 2024 and 2023, are as follows:

| (In thousands of won) | Percentage of ownership (%) | Location | Acquisition amount | | Carrying amount | |
|--|-----------------------------|----------|--------------------|------|-----------------|------|
| | | | 2024 | 2023 | 2024 | 2023 |
| Associates: | | | | | | |
| Doosan New Technology Investment Association No.1 (*1) | 19.80 | Korea | ₩ 3,660,000 | - | 3,231,494 | - |

(*1) Although the Group's ownership interest in the investee is less than 20%, the Group has significant influence based on the 20% voting rights on major decision like dismissal of key operating personnel and so on.

(2) Changes in investments in associates for the year ended December 31, 2024, are as follows:

| (In thousands of won) | 2024 | | | |
|---|-----------|-------------|-----------------------|-------------|
| | January 1 | Acquisition | Loss in equity method | December 31 |
| Doosan New Technology Investment Association No.1 | ₩ - | 3,660,000 | (428,506) | 3,231,494 |

(3) Summarized financial information of associates as of and for the year ended December 31, 2024, are as follows:

| (In thousands of won) | 2024 | | | | | |
|---|--------------|-------------|------------|-------|-------------|--------------------------|
| | Assets | Liabilities | Equities | Sales | Net loss | Total comprehensive loss |
| Doosan New Technology Investment Association No.1 | ₩ 16,419,043 | - | 16,419,043 | 5,012 | (2,163,957) | (2,163,957) |

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12. Property, plant and equipment

Changes in property, plant and equipment for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | | | | | |
|----------------------------|-------------|----------|-------------|------------------|--------------------------|--------------|
| | Machinery | Vehicles | Tools | Office equipment | Construction in progress | Total |
| As of January 1, 2024 | ₩ 5,362,028 | 2,800 | 1,364,449 | 1,605,966 | 87,225 | 8,422,468 |
| Acquisition | 310,403 | 163,156 | 238,116 | 381,014 | 2,267,144 | 3,359,833 |
| Disposals | (137,078) | - | (95) | (10,696) | - | (147,869) |
| Transfer (*1) | 1,662,467 | - | 244,351 | 823 | (1,056,613) | 851,028 |
| Depreciation | (1,161,164) | (12,231) | (629,498) | (521,710) | - | (2,324,603) |
| Others (*2) | - | 11,778 | - | 50,118 | - | 61,896 |
| As of December 31, 2024 | ₩ 6,036,656 | 165,503 | 1,217,323 | 1,505,515 | 1,297,756 | 10,222,753 |
| - Acquisition cost | ₩ 9,762,787 | 187,891 | 4,984,506 | 4,249,437 | 1,297,756 | 20,482,377 |
| - Accumulated depreciation | (3,726,131) | (22,388) | (3,767,183) | (2,743,922) | - | (10,259,624) |

(*1) Includes the amount of ₩1,184,757 thousand that has been transferred from inventory assets to property, plant and equipment and the amount of ₩333,729 thousand that has been transferred from construction in progress to other intangible assets.

(*2) Changes due to exchange rate difference and others.

(In thousands of won)

| | 2023 | | | | | |
|----------------------------|-------------|----------|-------------|------------------|--------------------------|-------------|
| | Machinery | Vehicles | Tools | Office equipment | Construction in progress | Total |
| As of January 1, 2023 | ₩ 3,960,701 | 1 | 1,650,663 | 1,392,466 | 2,291,776 | 9,295,607 |
| Acquisition | 465,899 | 3,053 | 265,893 | 437,307 | 1,429,166 | 2,601,318 |
| Disposals | (6,663) | - | (4,534) | - | - | (11,197) |
| Transfer (*1) | 1,800,385 | - | 29,800 | 219,230 | (3,639,913) | (1,590,498) |
| Depreciation | (858,294) | (254) | (577,373) | (438,181) | - | (1,874,102) |
| Others (*2) | - | - | - | (4,856) | 6,196 | 1,340 |
| As of December 31, 2023 | ₩ 5,362,028 | 2,800 | 1,364,449 | 1,605,966 | 87,225 | 8,422,468 |
| - Acquisition cost | ₩ 8,062,656 | 12,053 | 4,507,615 | 3,844,487 | 87,225 | 16,514,036 |
| - Accumulated depreciation | (2,700,628) | (9,253) | (3,143,166) | (2,238,521) | - | (8,091,568) |

(*1) Includes the amount of ₩261,647 thousand that has been transferred from inventory assets to property, plant and equipment and the amount of ₩90,887 thousand that has been transferred from development costs to machinery the amount of ₩1,943,033 thousand that has been transferred from construction in progress to other intangible assets.

(*2) Changes due to exchange rate difference and others.

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13. Intangible assets

(1) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

(In thousands of won)

| | 2024 | | | |
|-------------------------------|----------------------------|-------------------|-------------------------|--------------|
| | Industrial property rights | Development costs | Other intangible assets | Total |
| As of January 1, 2024 | ₩ 164,637 | 10,269,055 | 2,800,345 | 13,234,037 |
| Acquisition | 294,928 | 3,951,360 | 549,128 | 4,795,416 |
| Amortization | (47,623) | (1,609,412) | (654,320) | (2,311,355) |
| Impairment | - | (7,448,425) | - | (7,448,425) |
| Transfer (*1) | - | - | 333,729 | 333,729 |
| Others (*2) | - | - | 10 | 10 |
| As of December 31, 2024 | ₩ 411,942 | 5,162,578 | 3,028,892 | 8,603,412 |
| - Acquisition cost | ₩ 582,782 | 23,463,324 | 5,733,578 | 29,779,684 |
| - Accumulated amortization | (170,840) | (5,794,045) | (2,704,686) | (8,669,571) |
| - Accumulated impairment loss | - | (12,506,701) | - | (12,506,701) |

(*1) Includes the amount of ₩333,729 thousand that has been transferred from construction in progress to other intangible assets.

(*2) Changes due to exchange rate difference and others.

(In thousands of won)

| | 2023 | | | |
|-------------------------------|----------------------------|-------------------|-------------------------|-------------|
| | Industrial property rights | Development costs | Other intangible assets | Total |
| As of January 1, 2023 | ₩ 173,079 | 5,244,767 | 1,259,578 | 6,677,424 |
| Acquisition | 19,104 | 5,830,725 | 210,346 | 6,060,175 |
| Amortization | (27,546) | (522,848) | (612,610) | (1,163,004) |
| Transfer (*1) | - | (283,589) | 1,943,033 | 1,659,444 |
| Others (*2) | - | - | (2) | (2) |
| As of December 31, 2023 | ₩ 164,637 | 10,269,055 | 2,800,345 | 13,234,037 |
| - Acquisition cost | ₩ 287,854 | 19,511,964 | 4,850,467 | 24,650,285 |
| - Accumulated amortization | (123,217) | (4,184,633) | (2,050,122) | (6,357,972) |
| - Accumulated impairment loss | - | (5,058,276) | - | (5,058,276) |

(*1) Includes the amount of ₩90,887 thousand that has been transferred from development costs to property, plant and equipment and the amount of ₩192,702 thousand that has been transferred from development costs to inventories and the amount of ₩1,943,033 thousand that has been transferred from construction in progress to other intangible assets.

(*2) Changes due to exchange rate difference and others.

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13. Intangible assets, Continued

(2) Details of development costs as of December 31, 2024 and 2023 are as follows:

| <i>(In thousands of won)</i> | | 2024 | Remaining amortization period |
|------------------------------|---|-------------|--|
| P-PJT | ₩ | 1,903,623 | 4.7 years |
| E-PJT | | 1,210,917 | 3.3 years |
| Motion control algorithm | | 586,896 | Development in progress |
| <i>(In thousands of won)</i> | | 2023 | Remaining amortization period |
| E-PJT | ₩ | 1,574,192 | 4.3 years |
| H-PJT | | 809,288 | Development in progress |
| SW development | | 7,288,923 | Development in progress |

(3) The intangible assets recognized impairment losses for the year ended December 31, 2024 are as follows:

| <i>(In thousands of won)</i> | | 2024 | | Amount after impairment | Method used to Assess recoverability |
|------------------------------|---|-----------------------|-------------------------------|------------------------------------|---|
| | | Current period | Accumulated amount | | |
| Development cost (*1): | | | | | |
| H-PJT | ₩ | 1,131,358 | 1,131,358 | - | Value in use |
| SW development | | 6,317,067 | 6,317,067 | - | Value in use |
| Total | ₩ | 7,448,425 | 7,448,425 | - | |

(*1) A full impairment was recognized for the development costs due to a change in the business environment and suspension of the development projects.

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14. Right-of-use assets

(1) Changes in the right-of-use assets by type of underlying asset for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | |
|----------------------------|---|------------------|----------------|------------------|
| | | Buildings | Vehicles | Total |
| As of January 1, 2024 | ₩ | 4,354,407 | 220,228 | 4,574,635 |
| Acquisition | | 1,664,056 | 228,194 | 1,892,250 |
| Cancellation | | (1,598,657) | (25,740) | (1,624,397) |
| Depreciation | | (1,397,064) | (113,227) | (1,510,291) |
| Others (*1) | | 128,974 | - | 128,974 |
| As of December 31, 2024 | ₩ | <u>3,151,716</u> | <u>309,455</u> | <u>3,461,171</u> |
| - Acquisition cost | ₩ | 5,773,549 | 541,423 | 6,314,972 |
| - Accumulated depreciation | | (2,621,833) | (231,968) | (2,853,801) |

(*1) Changes due to exchange rate difference and others.

(In thousands of won)

| | | 2023 | | |
|----------------------------|---|------------------|----------------|------------------|
| | | Buildings | Vehicles | Total |
| As of January 1, 2023 | ₩ | 3,549,730 | 185,129 | 3,734,859 |
| Acquisition | | 2,046,058 | 125,557 | 2,171,615 |
| Depreciation | | (1,228,195) | (90,458) | (1,318,653) |
| Others (*1) | | (13,186) | - | (13,186) |
| As of December 31, 2023 | ₩ | <u>4,354,407</u> | <u>220,228</u> | <u>4,574,635</u> |
| - Acquisition cost | ₩ | 7,098,725 | 364,452 | 7,463,177 |
| - Accumulated depreciation | | (2,744,318) | (144,224) | (2,888,542) |

(*1) Changes due to exchange rate difference and others.

(2) Gain or loss by lease for the years ended December 31, 2024 and 2023, is as follows:

(In thousands of won)

| | | 2024 | | | |
|----------------------------|---|-----------|----------|------------------|-----------|
| | | Buildings | Vehicles | Office equipment | Total |
| Depreciation | ₩ | 1,397,064 | 113,227 | - | 1,510,291 |
| Interest expense | | 379,407 | 29,135 | - | 408,542 |
| Short-term lease expense | | 146,362 | 65,970 | 16,067 | 228,399 |
| Lease expense of low value | | - | - | 72,881 | 72,881 |

The total cash outflow of the lease payment is ₩1,970,478 thousand for the year ended December 31, 2024.

(In thousands of won)

| | | 2023 | | | |
|----------------------------|---|-----------|----------|------------------|-----------|
| | | Buildings | Vehicles | Office equipment | Total |
| Depreciation | ₩ | 1,228,195 | 90,458 | - | 1,318,653 |
| Interest expense | | 518,244 | 29,018 | - | 547,262 |
| Short-term lease expense | | 42,073 | 13,616 | 43,528 | 99,217 |
| Lease expense of low value | | 12,913 | - | 23,501 | 36,414 |

The total cash outflow of the lease payment is ₩1,704,967 thousand for the year ended December 31, 2023.

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15. Trade payables and other payables

Trade payables and other payables as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | <u>2024</u> | <u>2023</u> |
|------------------------------|--------------------|------------------|
| Trade payables | ₩ 4,321,211 | 5,894,349 |
| Other payables: | | |
| Other payables | 3,960,211 | 2,020,854 |
| Accrued expenses | 105,516 | 113,964 |
| Subtotal | <u>4,065,727</u> | <u>2,134,818</u> |
| Total | <u>₩ 8,386,938</u> | <u>8,029,167</u> |

16. Provisions

Changes in provisions for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | <u>2024</u> | <u>2023</u> |
|------------------------------|------------------|----------------|
| As of January 1 | ₩ 721,268 | 536,994 |
| Arising during the year | 502,661 | 703,256 |
| Utilized | (428,029) | (518,982) |
| As of December 31 | <u>₩ 795,900</u> | <u>721,268</u> |
| - Current | ₩ 782,484 | 679,282 |
| - Non-current | 13,416 | 41,986 |

The Group estimated provisions based on historical warranty data related to products sold for the years ended December 31, 2024 and 2023.

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17. Lease liabilities

(1) Changes in lease liabilities for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | 2023 |
|-------------------|--------------------|------------------|
| As of January 1 | ₩ 5,200,985 | 4,246,857 |
| Payment of lease | (1,669,198) | (1,569,336) |
| Acquisition | 469,289 | 1,990,523 |
| Cancellation | (1,861,820) | - |
| Interest expense | 408,542 | 547,262 |
| Others (*1) | 141,047 | (14,321) |
| As of December 31 | ₩ <u>2,688,845</u> | <u>5,200,985</u> |

(*1) Changes due to exchange rate difference and others.

(2) Lease liabilities as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | |
|-------------------------------------|--------------------|-----------------|
| | Buildings | Vehicles |
| Less than 1 year | ₩ 1,051,615 | 170,144 |
| 1–5 years | 1,662,050 | 208,717 |
| Subtotal | <u>2,713,665</u> | <u>378,861</u> |
| Deduction: Present value adjustment | (353,829) | (49,852) |
| Present value of lease liability | ₩ <u>2,359,836</u> | <u>329,009</u> |

(In thousands of won)

| | 2023 | |
|-------------------------------------|--------------------|-----------------|
| | Buildings | Vehicles |
| Less than 1 year | ₩ 1,779,032 | 113,538 |
| 1–5 years | 4,122,236 | 160,086 |
| Subtotal | <u>5,901,268</u> | <u>273,624</u> |
| Deduction: Present value adjustment | (937,921) | (35,986) |
| Present value of lease liability | ₩ <u>4,963,347</u> | <u>237,638</u> |

18. Other liabilities

Other liabilities as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | 2023 |
|--|--------------------|--------------------|
| | Current | Non-current |
| Withholdings | ₩ 240,424 | - |
| Accrued expenses | 4,626,154 | 378,621 |
| Advance received | 410,453 | - |
| Unearned revenue | 2,000 | - |
| Other long-term employee benefit liabilities | - | 433,990 |
| Total | ₩ <u>5,279,031</u> | <u>812,611</u> |

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19. Defined benefit liabilities

The Group operates defined benefit plans, and the insurance actuarial valuation of plan assets and the defined benefit obligation is performed by an independent actuarial firm using the projected unit credit method, which is deemed appropriate.

(1) Details of defined benefit assets and liabilities as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|--|---|--------------------|--------------------|
| Present value of defined benefit obligations | ₩ | 7,758,110 | 5,361,821 |
| Fair value of plan assets | | <u>(6,531,644)</u> | <u>(5,269,587)</u> |
| Net defined benefit liabilities | ₩ | <u>1,226,466</u> | <u>92,234</u> |

(2) Expenses recognized in consolidated statements of income for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|---|---|------------------|------------------|
| Current service cost | ₩ | 1,315,166 | 1,364,112 |
| Net interest cost (interest cost - expected return) | | <u>14,633</u> | <u>92,867</u> |
| Total | ₩ | <u>1,329,799</u> | <u>1,456,979</u> |

(3) Changes in net defined benefit liabilities (assets) for the years ended December 31, 2024 and 2023 are as follows:

| <i>(In thousands of won)</i> | | 2024 | | 2023 |
|---|---|------------------------------------|--------------------|--|
| | | Defined benefit liabilities | Plan assets | Net defined benefit liabilities |
| As of January 1, 2024 | ₩ | 5,361,821 | (5,269,587) | 92,234 |
| Profit or loss: | | | | |
| Current service cost | | 1,315,166 | - | 1,315,166 |
| Interest cost (income) | | <u>226,567</u> | <u>(211,934)</u> | <u>14,633</u> |
| Subtotal | | <u>1,541,733</u> | <u>(211,934)</u> | <u>1,329,799</u> |
| Remeasurement loss (gain) in OCI: | | | | |
| Actuarial changes arising from changes in demographic assumptions | | 25,470 | - | 25,470 |
| Actuarial changes arising from changes in financial assumptions | | 855,853 | - | 855,853 |
| Others | | <u>506,842</u> | <u>3,164</u> | <u>510,006</u> |
| Subtotal | | <u>1,388,165</u> | <u>3,164</u> | <u>1,391,329</u> |
| Transfer from related parties | | 618,325 | (475,767) | 142,558 |
| Contributions by employer | | - | (1,210,000) | (1,210,000) |
| Benefit payments | | <u>(1,151,934)</u> | <u>632,480</u> | <u>(519,454)</u> |
| As of December 31, 2024 | ₩ | <u>7,758,110</u> | <u>(6,531,644)</u> | <u>1,226,466</u> |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
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19. Defined benefit liabilities, Continued

(3) Changes in net defined benefit liabilities (assets) for the years ended December 31, 2024 and 2023, are as follows, continued:

(In thousands of won)

| | 2023 | | |
|---|------------------------------------|--------------------|--|
| | Defined benefit liabilities | Plan assets | Net defined benefit liabilities |
| As of January 1, 2023 | ₩ 4,528,922 | (3,137,835) | 1,391,087 |
| Profit or loss: | | | |
| Current service cost | 1,364,112 | - | 1,364,112 |
| Interest cost (income) | 231,989 | (139,122) | 92,867 |
| Subtotal | 1,596,101 | (139,122) | 1,456,979 |
| Remeasurement loss (gain) in OCI: | | | |
| Actuarial changes arising from changes in demographic assumptions | 25,321 | - | 25,321 |
| Actuarial changes arising from changes in financial assumptions | 103,623 | - | 103,623 |
| Others | 115,121 | 24,285 | 139,406 |
| Subtotal | 244,065 | 24,285 | 268,350 |
| Transfer from related parties | 619,716 | (317,105) | 302,611 |
| Contributions by employer | - | (2,410,000) | (2,410,000) |
| Benefit payments | (1,626,983) | 710,190 | (916,793) |
| As of December 31, 2023 | ₩ 5,361,821 | (5,269,587) | 92,234 |

(4) Assumptions used for actuarial valuation as of December 31, 2024 and 2023, are as follows:

| | 2024 | 2023 |
|-------------------------------|---------------------------------|---------------------------------|
| Discount rate (%) | 3.8 | 4.4 |
| Future salary growth rate (%) | Employee: 5.0 Executive: 2.3 | Employee: 4.0 Executive: 2.0 |

(5) Details of plan assets as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | 2024 | 2023 |
|---------------------|-------------|-------------|
| Deposits and others | ₩ 6,531,644 | 5,269,587 |

Plan assets are invested in principal-guaranteed fixed-income financial instruments.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

19. Defined benefit liabilities, Continued

(6) Details of a sensitivity analysis on the defined benefit obligation for changes in the significant assumptions as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | |
|--------|---|---------------|-------------|--------------------|-------------|
| | | Discount rate | | Salary growth rate | |
| | | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Amount | ₩ | (537,955) | 620,981 | 608,746 | (538,314) |
| Ratio | | (-)6.93% | 8.00% | 7.85% | (-)6.94% |

(In thousands of won)

| | | 2023 | | | |
|--------|---|---------------|-------------|--------------------|-------------|
| | | Discount rate | | Salary growth rate | |
| | | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Amount | ₩ | (393,553) | 458,856 | 460,856 | (402,159) |
| Ratio | | (-)7.34% | 8.56% | 8.60% | (-)7.50% |

(7) As of December 31, 2024, the weighted average maturity of defined benefit obligations is 7.73 years. The Group expects to pay contributions amounting to ₩2,224,535 thousand in the following year.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
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20. Capital stock and others

(1) Details of capital stock as of December 31, 2024 and 2023, are as follows:

| | 2024 | 2023 |
|---|----------------|----------------|
| Number of shares authorized (in shares) | 400,000,000 | 400,000,000 |
| Number of shares (in shares) | 64,819,980 | 64,819,980 |
| Par value (In won) ₩ | 500 | 500 |
| Capital stock (In won) ₩ | 32,409,990,000 | 32,409,990,000 |

(2) Details of capital surplus as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|--|-------------|-------------|
| Paid-in capital in excess of par value ₩ | 506,389,590 | 506,389,590 |

(3) Changes in capital stock and capital surplus for the years ended December 31, 2024 and 2023 are as follows:

| <i>(In thousands of won)</i> | Capital stock | Capital surplus |
|--|----------------------|------------------------|
| As of January 1, 2023 ₩ | 24,309,990 | 101,092,604 |
| Issuance of ordinary shares | 8,100,000 | 405,296,986 |
| As of December 31, 2023/ As of January 1, 2024 | 32,409,990 | 506,389,590 |
| As of December 31, 2024 ₩ | 32,409,990 | 506,389,590 |

(4) Details of other components of equity as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|--|-------------|-------------|
| Equity-settled employee benefit (*1) ₩ | (465,422) | (1,270,677) |

(*1) The Group granted Restricted Stock Unit ("RSU") to executives and employees by a resolution of the board of directors. The RSUs granted by the Group are ordinary shares in the Group held by Doosan Corp. At the grant date, the Group is obligated to pay the consideration for the RSUs to Doosan Corp. and accounts for equity-settled employee benefit. The fair value of share-based payment expenses is based on the market price of stocks as of the date of grant.

(5) Details of accumulated other comprehensive income(loss) as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|---|-------------|-------------|
| Gain on translation of foreign operations ₩ | 876,043 | 36,032 |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
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21. Accumulated Deficit

(1) Details of accumulated deficit as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|------------------------------|-----------------|--------------|
| Deficit | ₩ (136,709,021) | (98,756,841) |

(2) Changes in accumulated deficit for the years ended December 31, 2024 and 2023 are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|---|-----------------|--------------|
| As of January 1 | ₩ (98,756,841) | (82,614,952) |
| Loss for the year | (36,560,851) | (15,873,539) |
| Remeasurements of the defined benefit liabilities | (1,391,329) | (268,350) |
| As of December 31 | ₩ (136,709,021) | (98,756,841) |

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22. Sales

(1) Sales for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------------|-------------------|
| Sales of finished goods | ₩ | 38,888,687 | 45,920,904 |
| Sales of merchandise | | 4,429,733 | 6,020,908 |
| Others | | 3,511,524 | 1,096,560 |
| Total | ₩ | <u>46,829,944</u> | <u>53,038,372</u> |

(2) Sales by timing of revenue recognition for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------|-------------|
| Transfer at a point in time | ₩ | 46,829,944 | 53,038,372 |

(3) Sales by location of the customer for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------------|-------------------|
| Domestic | ₩ | 18,889,425 | 23,457,847 |
| Foreign | | 27,940,519 | 29,580,525 |
| Total | ₩ | <u>46,829,944</u> | <u>53,038,372</u> |

(4) Information about major customers

Customers accounting for 10% or more of the Group's revenue for the years ended December 31, 2024 and 2023, are not exist.

(5) Contract liabilities

Contract liabilities as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------|---|-------------|-------------|
| Contract liabilities | ₩ | 410,453 | 361,929 |

Contract liabilities are advances from customers and are recognized as revenue as the Group transfers the goods or services to the customer.

23. Expenses classified by nature

Expenses (cost of sales, selling and administrative expenses) classified by nature for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|--|---|-------------------|-------------------|
| Changes in inventories | ₩ | (15,153,828) | (762,463) |
| Purchases of raw materials, merchandise and semifinished goods | | 46,758,368 | 29,091,905 |
| Salaries | | 23,653,199 | 19,343,548 |
| Depreciation | | 2,324,603 | 1,874,102 |
| Amortization | | 2,311,355 | 1,163,004 |
| Depreciation of right-of-use assets | | 1,510,291 | 1,318,653 |
| Others | | 26,628,072 | 20,177,173 |
| Total | ₩ | <u>88,032,060</u> | <u>72,205,922</u> |

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24. Selling and administrative expenses

Selling and administrative expenses for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|-------------------------------------|---|-------------------|-------------------|
| Salaries | ₩ | 16,049,738 | 12,968,472 |
| Severance and retirement benefits | | 1,221,508 | 1,236,160 |
| Share-based payment | | 821,426 | 365,486 |
| Employee welfare benefits | | 4,769,111 | 3,307,737 |
| Travel | | 2,654,409 | 1,826,793 |
| Communication | | 86,049 | 77,936 |
| Utility | | 102,832 | 82,175 |
| Publication | | 11,140 | 11,680 |
| Office supplies | | 156,348 | 105,503 |
| Supplies | | 78,590 | 159,605 |
| Taxes and dues | | 285,060 | 233,032 |
| Rents | | 298,518 | 73,729 |
| Depreciation | | 1,116,210 | 784,451 |
| Amortization | | 2,289,123 | 872,519 |
| Depreciation of right-of-use assets | | 1,422,235 | 1,234,168 |
| Repairs | | 29,479 | 51,420 |
| Outsourcing | | 4,046,551 | 1,340,770 |
| Commissions | | 4,575,564 | 3,597,525 |
| Bad debt expenses | | 2,463,258 | 363,408 |
| Insurance | | 377,422 | 436,909 |
| Entertainment | | 96,934 | 56,030 |
| Advertising | | 2,350,521 | 1,523,738 |
| Vehicle maintenance | | 62,298 | 55,307 |
| Research and development | | 1,066,235 | 655,501 |
| Freight | | 2,422,285 | 1,137,560 |
| Others | | 1,879,602 | 1,270,148 |
| Total | ₩ | <u>50,732,446</u> | <u>33,827,762</u> |

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25. Finance income and expenses

Finance income and expenses for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|--------------------------------------|---|--------------------------|-------------------------|
| Finance income: | | | |
| Interest income | ₩ | 12,887,589 | 3,938,044 |
| Gain on foreign currency transaction | | 550,729 | 307,766 |
| Gain on foreign currency translation | | 2,000,404 | 143,417 |
| Subtotal | | <u>15,438,722</u> | <u>4,389,227</u> |
| Finance expenses: | | | |
| Interest expenses | | 408,770 | 1,411,071 |
| Loss on foreign currency transaction | | 287,978 | 209,920 |
| Loss on foreign currency translation | | 3,903 | 269,592 |
| Financial guarantee expense | | - | 16,915 |
| Subtotal | | <u>700,651</u> | <u>1,907,498</u> |
| Net finance income | ₩ | <u><u>14,738,071</u></u> | <u><u>2,481,729</u></u> |

26. Other non-operating income and expenses

Other non-operating income and expenses for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|---|---|---------------------------|-----------------------|
| Other non-operating income: | | | |
| Gain on disposal of financial assets | ₩ | 133,622 | - |
| Gain on valuation of financial assets | | 614,950 | - |
| Gain on cancellation of lease agreements | | 237,424 | - |
| Gain on insurance proceeds | | - | 1,050,713 |
| Miscellaneous income | | 1,098,523 | 70,360 |
| Subtotal | | <u>2,084,519</u> | <u>1,121,073</u> |
| Other non-operating expenses: | | | |
| Commission | | 4,036,665 | 147,208 |
| Loss on disposal of property, plant and equipment | | 147,869 | 10,927 |
| Impairment losses on intangible assets | | 7,448,425 | - |
| Donations | | 38,681 | - |
| Miscellaneous loss | | 72,832 | 150,656 |
| Subtotal | | <u>11,744,472</u> | <u>308,791</u> |
| Net other non-operating income (expenses) | ₩ | <u><u>(9,659,953)</u></u> | <u><u>812,282</u></u> |

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27. Income tax expense

(1) The component of income tax expense for the years ended December 31, 2024 and 2023, is as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|------------------------------------|---|-------------|-------------|
| Current income tax expense | ₩ | 8,347 | - |
| Tax effect of temporary difference | | - | - |

(2) Changes in deferred tax assets for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | | |
|---|------------------|---------------------|---------------|--------------------|
| | | Changes | | |
| | January 1 | Gain or loss | Equity | December 31 |
| Deductible temporary differences: | | | | |
| Provision for retirement and severance benefits | ₩ (4,450) | (80,275) | 137,742 | 53,017 |
| Depreciation | 45,043 | 715,351 | 5,169 | 765,563 |
| Accrued expenses | 295,128 | 259,268 | 1,476 | 555,872 |
| Accrued income | (357,695) | 168,463 | (1,399) | (190,631) |
| Provisions | 211,002 | 433,529 | 1,769 | 646,300 |
| Right-of-use assets | (347,756) | 97,821 | - | (249,935) |
| Lease liabilities | 400,707 | (312,219) | (4,365) | 84,123 |
| Non-current accrued expenses | 45,536 | 62,533 | - | 108,069 |
| Present value discount | 10,116 | 115,909 | - | 126,025 |
| Gains and loss on valuation of securities | - | (60,880) | - | (60,880) |
| Other temporary differences | - | 39,089 | 632 | 39,721 |
| Subtotal | 297,631 | 1,438,589 | 141,024 | 1,877,244 |
| Deferred accumulated deficit | 9,075,873 | 2,993,981 | 134,729 | 12,204,583 |
| Tax credit carried forward | 3,140,382 | 124,948 | - | 3,265,330 |
| Total | ₩ 12,513,886 | 4,557,518 | 275,753 | 17,347,157 |
| Adjustment: Deferred tax assets | (12,513,886) | (4,557,518) | (275,753) | (17,347,157) |
| Net total | ₩ - | - | - | - |

| <i>(In thousands of won)</i> | | 2023 | | |
|---|------------------|---------------------|---------------|--------------------|
| | | Changes | | |
| | January 1 | Gain or loss | Equity | December 31 |
| Deductible temporary differences: | | | | |
| Provision for retirement and severance benefits | ₩ 105,407 | (136,424) | 26,567 | (4,450) |
| Depreciation | 66,013 | (20,970) | - | 45,043 |
| Accrued expenses | 711,814 | (416,686) | - | 295,128 |
| Accrued income | (127) | (357,568) | - | (357,695) |
| Provisions | 384,948 | (173,946) | - | 211,002 |
| Right-of-use assets | (784,320) | 436,564 | - | (347,756) |
| Lease liabilities | 891,840 | (491,133) | - | 400,707 |
| Non-current accrued expenses | 21,101 | 24,435 | - | 45,536 |
| Present value discount | - | 10,116 | - | 10,116 |
| Subtotal | 1,396,676 | (1,125,612) | 26,567 | 297,631 |
| Deferred accumulated deficit | 15,600,646 | (6,524,773) | - | 9,075,873 |
| Tax credit carried forward | 3,028,324 | 112,058 | - | 3,140,382 |
| Total | ₩ 20,025,646 | (7,538,327) | 26,567 | 12,513,886 |
| Adjustment: Deferred tax assets | (20,025,646) | 7,538,327 | (26,567) | (12,513,886) |
| Net total | ₩ - | - | - | - |

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27. Income tax expense, Continued

(3) The amount of deductible temporary differences (tax-effected) for which no deferred tax asset is recognized in the consolidated statements of financial position as of December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|-------------------------------------|---|-------------|-------------|
| Deductible temporary differences | ₩ | 19,140,117 | 3,006,384 |
| Deferred accumulated deficit | | 115,421,832 | 91,675,490 |
| Deferred tax credit carried forward | | 3,265,330 | 3,140,382 |

(4) The future realizability of deferred tax assets related to corporate income tax is evaluated taking into account various factors such as the Group's performance, overall economic environment and industry outlook, expected future earnings, the deductible amount and the deductible period of carried-forward tax losses. The Group periodically reviews these factors and has determined that it is not probable that any of the temporary differences for deductible differences as of December 31, 2024 and 2023, could be realizable. Therefore, deferred tax assets have not been recognized.

28. Loss per share

(1) Basic loss per share for the years ended December 31, 2024 and 2023, is as follows:

| <i>(In won)</i> | | 2024 | 2023 |
|---|---|----------------|----------------|
| Loss for the year attributable to the owners of the Company | ₩ | 36,560,851,475 | 15,873,538,546 |
| Weighted-average number of ordinary shares at the end of year (in shares) | | 64,819,980 | 52,880,802 |
| Basic loss per share | ₩ | 564 | 300 |

(2) Weighted-average number of ordinary shares for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In shares)</i> | | 2024 | | |
|---|-------------|-------------------------------|-----------------------|--|
| | Date | Issued ordinary shares | Number of days | Weighted-average number of shares |
| Issued ordinary shares at the beginning of the year | 2024.01.01 | 64,819,980 | 366/366 | 64,819,980 |

| <i>(In shares)</i> | | 2023 | | |
|---|-------------|------------------------------------|-----------------------|--|
| | Date | Issued ordinary shares (*1) | Number of days | Weighted-average number of shares |
| Issued ordinary shares at the beginning of the year | 2023.01.01 | 48,619,980 | 365/365 | 48,619,980 |
| Issuance of ordinary shares | 2023.09.27 | 16,200,000 | 96/365 | 4,260,822 |
| | | <u>64,819,980</u> | | <u>52,880,802</u> |

(*1) The Group has executed 10-for-1 stock split on March 31, 2023, changing the par value from ₩5,000 per share to ₩500 per share. Basic loss per share for the year ended December 31, 2023, was calculated taking into account the effect of the stock split.

The Group does not hold potential ordinary shares that have a dilutive effect, so diluted loss per share is equal to basic loss per share.

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29. Related party transactions

(1) Related parties

Details of related parties as of December 31, 2024, are as follows:

| Control relationship | Related party |
|-----------------------|---|
| Parent | Doosan Corp. |
| Associates | Folletto Robotics Co., Ltd., Doosan New Technology Investment Association No.1 |
| Other related parties | Doosan Cuvex Co., Ltd., Oricom Inc., Doosan Business Research Institute, Doosan Credit Union., Chung-Ang University Hospital, Doosan Mobility Innovation Inc Doosan Bobcat Korea Co., Ltd., Bundang Doosan Tower Tenant Association, Doosan Logistics Solutions Co.,Ltd., Doosan Yonkang Foundation, Doosan Bobcat North America, Inc., Doosan Digital Innovation America, LLC and others |

(2) Significant transactions with related parties

Significant transactions (excluding financial and investment) with related parties for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | |
|-----------------------|---|---------|-------------|-----------|----------------|
| | Related parties | Sales | Other sales | Purchase | Other purchase |
| Parent | Doosan Corp. | ₩ 4,970 | 12,769 | - | 2,627,408 |
| Associates | Folletto Robotics Co., Ltd. | - | - | 1,199,000 | 89,074 |
| Other related parties | Doosan Credit Union | - | - | - | 329,148 |
| | Doosan Business Research Institute | - | - | - | 549,977 |
| | Oricom Inc. | - | - | - | 911,925 |
| | Doosan Cuvex Co., Ltd. | - | - | - | 197,521 |
| | Chung-Ang University Hospital | - | - | - | 29,800 |
| | Doosan Mobility Innovation Co., Ltd. | 366 | - | - | - |
| | Doosan Logistics Solutions Co.,Ltd. | 1,280 | - | - | - |
| | Bundang Doosan Tower Tenant Association | - | - | - | 964,051 |
| | Doosan Bobcat Korea Co., Ltd.(*1) | - | - | - | 31,640 |
| | Doosan Yonkang Foundation | - | - | - | 2,301 |
| | Doosan Digital Innovation America, LLC | - | - | - | 7,949 |
| | Total | ₩ 6,616 | 12,769 | 1,199,000 | 5,740,794 |

(*1) Doosan Industrial Vehicle Co., Ltd. merged with Doosan Bobcat Korea Co., Ltd. and changed its name to Doosan Bobcat Korea Co., Ltd. after the merger for the year ended December 31, 2024.

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29. Related party transactions, Continued

(2) Significant transactions with related parties, continued

(In thousands of won)

| | | 2023 | | | |
|-----------------------|---|-------------|-------------|-----------|----------------|
| | Related parties | Sales | Other sales | Purchase | Other purchase |
| Parent | Doosan Corp. | ₩ 498,607 | 15,931 | - | 2,010,857 |
| Associates | Folletto Robotics Co., Ltd. | 1,647,500 | - | 3,293,195 | 152,402 |
| Other related parties | Doosan Cuvex Co., Ltd. | - | - | - | 150,798 |
| | Oricom Inc. | - | - | - | 209,578 |
| | Chung-Ang University Hospital | - | - | - | 13,200 |
| | Doosan Business Research Institute | - | - | - | 429,317 |
| | Doosan Credit Union | - | - | - | 337,412 |
| | Doosan Industrial Vehicle Co., Ltd. | 72,000 | - | - | - |
| | Doosan Bobcat North America, Inc. (*1) | 72,000 | - | - | - |
| | Bundang Doosan Tower Tenant Association | - | - | - | 1,246,579 |
| | Doosan Yonkang Foundation | 69,000 | - | - | - |
| | Doosan Digital Innovation America, LLC | - | - | 15,053 | 4,189 |
| | Total | ₩ 2,359,107 | 15,931 | 3,308,248 | 4,554,332 |

(*1) Clark Equipment Co. changed its name to Doosan Bobcat North America, Inc. for the year ended December 31, 2023.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
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For the years ended December 31, 2024 and 2023

29. Related party transactions, Continued

(3) Significant balances related to the transactions with related parties

The outstanding receivables and payables arising from the transactions with related parties (excluding dividend and investment) as of December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | | | | |
|-----------------------|---|-------------------|--------------------|-------------------|----------------|----------------|
| | Related parties | Trade receivables | Guarantee deposits | Other receivables | Trade payables | Other payables |
| Parent | Doosan Corp. | ₩ 28,660 | - | 16,113 | - | 374,597 |
| Associates | Folletto Robotics Co., Ltd. | 412,500 | - | 181,976 | 149,875 | 13,949 |
| Other related parties | Doosan Business Research Institute | - | - | - | - | 44,827 |
| | Oricom Inc. | - | - | - | - | 193,598 |
| | Doosan Cuvex Co., Ltd. | - | 411,000 | - | - | 889 |
| | Chung-Ang University Hospital | - | - | - | - | 7,800 |
| | Bundang Doosan Tower Tenant Association | - | 19,865,920 | - | - | 2,015 |
| | Doosan Yonkang Foundation | - | 1,564 | - | - | - |
| | Total | ₩ 441,160 | 20,278,484 | 198,089 | 149,875 | 637,675 |

(In thousands of won)

| | | 2023 | | | |
|-----------------------|---|-------------------|--------------------|----------------|----------------|
| | Related parties | Trade receivables | Guarantee deposits | Trade payables | Other payables |
| Parent | Doosan Corp. | ₩ 203,313 | - | - | 124,685 |
| Associates | Folletto Robotics Co., Ltd. | 1,812,250 | - | 769,175 | 2,499 |
| Other related parties | Doosan Cuvex Co., Ltd. | - | 235,500 | - | 92 |
| | Doosan Business Research Institute | - | - | - | 24,109 |
| | Bundang Doosan Tower Tenant Association | - | 765,287 | - | 1,192 |
| | Oricom Inc. | - | - | - | 2,286 |
| | Chung-Ang University Hospital | - | - | - | 1,500 |
| | Doosan Digital Innovation America, LLC | - | - | - | 501 |
| | Total | ₩ 2,015,563 | 1,000,787 | 769,175 | 156,864 |

(4) Financial and investment transactions between the Group and related parties

Financial and investment transactions with related parties for the year ended December 31, 2024, are as follows:

(In thousands of won)

| | | 2024 | | | |
|-----------------------|---|---------------------|------------|--------------------|------------|
| | | Investments | | Guarantee deposits | |
| | Related parties | Increase of capital | Investment | Receipt | Provided |
| Associates | Doosan New Technology Investment Association No.1 | ₩ - | 3,660,000 | - | - |
| Other related parties | Bundang Doosan Tower Tenant Association | - | - | - | 19,100,633 |
| | Doosan Yonkang Foundation | - | - | - | 1,564 |
| | Total | ₩ - | 3,660,000 | - | 19,102,197 |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

29. Related party transactions, Continued

- (5) There are no collateral or payment guarantees provided or received to/from related parties as of December 31, 2024.
- (6) Key management personnel are standing directors who have authorities and responsibilities for planning, operation and control of the business of the Group. Compensation for key management personnel for years ended December 31, 2024 and 2023, consists of following:

| <i>(In thousands of won)</i> | | 2024 | 2023 |
|----------------------------------|---|-------------|-------------|
| Employee benefits | ₩ | 2,205,273 | 1,671,536 |
| Severance and retirement benefit | | 288,100 | 167,380 |
| Share-based payment | | 325,348 | 87,345 |
| Total | ₩ | 2,818,721 | 1,926,261 |

30. Commitments and contingencies

- (1) Guarantees of payment provided by third parties to the Group as of December 31, 2024, are as follows:

(In thousands of won, in thousands of foreign currency)

| | 2024 | Details |
|------------------------------------|-------------|---|
| Woori Bank | SGD 47 | Warranty bond |
| Seoul Guarantee Insurance Co., Ltd | KRW 727,015 | Tax payment and performance guarantee |
| Woori America Bank | USD 348 | Establishment of the right of pledge for lease contract |

- (2) As of December 31, 2024, there is one lawsuit pending against the Group as a defendant (lawsuit amount ₩74,800 thousand) and the second trial is in progress after winning the first trial. Meanwhile, the outcome of lawsuits cannot be estimated as of December 31, 2024.
- (3) The Group has agreed to invest a total of ₩20,000 million in Doosan New Technology Investment Association No.1 and the remaining investment commitment amount is ₩16,340 million as of December 31, 2024.

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

31. Consolidated statements of cash flows

(1) Details of cash generated from operation for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In thousands of won)</i> | 2024 | 2023 |
|---|----------------|--------------|
| Loss for the year: | ₩ (36,560,851) | (15,873,539) |
| Adjustments: | 6,016,164 | 5,211,141 |
| Severance and retirement benefits | 1,329,799 | 1,456,979 |
| Loss on valuation of inventory | 2,095,287 | 330,563 |
| Share-based payments | 944,171 | 420,688 |
| Depreciation | 2,324,603 | 1,874,102 |
| Amortization | 2,311,355 | 1,163,004 |
| Depreciation of right-of-use assets | 1,510,291 | 1,318,653 |
| Bad debt expenses | 2,463,258 | 363,407 |
| Contribution to provisions | 502,661 | 703,256 |
| Interest expenses | 408,770 | 1,411,071 |
| Loss on disposal of property, plant and equipment | 147,869 | 10,927 |
| Impairment Losses on Intangible Assets | 7,448,425 | - |
| Loss in equity method | 428,506 | - |
| Loss on foreign currency translation | 3,903 | 269,592 |
| Commissions | 2,178 | - |
| Income tax expense | 8,347 | - |
| Interest income | (12,887,589) | (3,938,044) |
| Miscellaneous income | (39,270) | (29,640) |
| Gain on foreign currency translation | (2,000,404) | (143,417) |
| Gain on valuation of financial assets | (614,950) | - |
| Gain on disposal of financial assets | (133,622) | - |
| Gain on cancellation of lease agreements | (237,424) | - |
| Changes in operating assets and liabilities: | (25,048,618) | (15,692,141) |
| Trade receivables | (6,731,858) | (12,069,319) |
| Long-term trade receivables | 121,597 | (7,165) |
| Other receivables | (45,291) | 348,137 |
| Other current assets | (1,151,666) | 2,579,951 |
| Inventories | (18,438,342) | (1,161,971) |
| Other non-current assets | (87,536) | (14,310) |
| Trade payables | (885,534) | 2,062,029 |
| Other payables | 1,936,878 | (908,692) |
| Other current liabilities | 2,062,612 | (2,816,443) |
| Provisions | (428,029) | (518,982) |
| Other non-current liabilities | 185,447 | 68,217 |
| Defined benefit liabilities transfer from related parties | 142,558 | 73,200 |
| Plan assets | (577,520) | (1,699,811) |
| Severance payments paid | (1,151,934) | (1,626,982) |
| Cash generated from operations | ₩ (55,593,305) | (26,354,539) |

DOOSAN ROBOTICS INC. AND ITS SUBSIDIARY
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

31. Consolidated statements of cash flows, Continued

(2) Significant non-cash transactions for the years ended December 31, 2024 and 2023, are as follows:

(In thousands of won)

| | | 2024 | 2023 |
|--|---|-------------|-------------|
| Transfer from construction in progress to other assets | ₩ | 1,056,613 | 3,639,913 |
| Transfer from development costs to inventories | | - | 192,702 |
| Transfer from inventories to property, plant and equipment | | 1,184,757 | 261,647 |
| Changes in other payables through acquisition of property, plant and equipment | | 61,099 | (522,420) |
| Changes in other payables through acquisition of intangible assets | | (68,006) | 70,721 |
| Transfer to current portion of guarantee deposits | | 120,347 | - |
| Transfer to current portion of lease liabilities | | 1,004,424 | 1,394,013 |
| Increase in right-of-use assets | | 1,892,250 | 2,171,615 |

(3) Changes of liability in financing activities for the years ended December 31, 2024 and 2023, are summarized as follows:

(In thousands of won)

| | | 2024 | | | |
|-------------------|---|------------------|--------------------|-------------------|--------------------|
| | | January 1 | Acquisition | Cash flows | Others (*1) |
| Lease liabilities | ₩ | 5,200,985 | 469,289 | (1,260,656) | (1,720,773) |
| | | | | | December 31 |
| | | | | | 2,688,845 |

(*1) Changes due to exchange rate difference and cancellation of lease agreements.

(In thousands of won)

| | | 2023 | | | |
|-----------------------|---|------------------|--------------------|-------------------|--------------------|
| | | January 1 | Acquisition | Cash flows | Others (*1) |
| Lease liabilities | ₩ | 4,246,857 | 1,990,523 | (1,022,073) | (14,322) |
| Short-term borrowings | | - | - | (115,000) | 115,000 |
| Total | ₩ | 4,246,857 | 1,990,523 | (1,137,073) | 100,678 |
| | | | | | December 31 |
| | | | | | 5,200,985 |

(*1) Changes due to exchange rate difference and present value discount.

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Notes to the Consolidated Financial Statements, Continued
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32. Share-based payments

(1) Restricted Stock Unit

The Group granted Restricted Stock Unit ("RSU") to executives and employees by a resolution of the board of directors in 2022. Details of RSUs granted by the Group, which are ordinary shares held by Doosan Corp., are as follows:

| | 1st | 2nd | 3rd |
|-------------------------------------|---|-------------------|--|
| Recipient | Executives and employees of the Group on grant date | | Employees of the Company on grant date |
| Quantity granted (*1,2) (in shares) | 37,370 | 98,350 | 37,186 |
| Price per share (*1) (In won) ₩ | 9,050 | 9,050 | 26,000 |
| Stock grant date | February 25, 2025 | February 25, 2026 | July 1, 2025 |
| Conditions | Employed for more than three years after granted | | Employed for more than two years after granted |

(*1) The quantity and price per share of the first and second grants were calculated taking into account the effect of 10-for-1 stock split on March 31, 2023.

(*2) Includes the number of shares canceled or refunded, which cannot meet the conditions.

(2) Changes of the RSUs for the years ended December 31, 2024 and 2023, are as follows:

| <i>(In shares)</i> | 2024 | 2023 |
|-----------------------|-------------|-------------|
| Beginning of the year | 130,608 | 3,578 |
| Grant | - | 47,021 |
| Stock split | - | 120,717 |
| Cancel | (12,525) | (40,708) |
| Ending of the year | 118,083 | 130,608 |

(3) The Group has determined the number of shares by reflecting individual and organizational performance and granted phantom stocks to executives as below.

| | Contents |
|-----------------------------------|--|
| Date | June. 2024 |
| Subject | 6 Executive Officers as of the date of grant |
| Granted quantity (in shares) | 12,044 |
| Cancellation quantity (in shares) | 286 |
| Method | Cash payment type |
| Condition | At least 2 years of service from the granting date (100% payment for 3 years of service, and payment by daily installment for 2-3 years of service) |

(4) The Group inherited 6,057 shares of Doosan Enerbility Co., Ltd. Phantom Stock granted in 2022 and 2,353 shares of Doosan Corp. RSU (2022: 1,012 shares, 2023: 1,341 shares) due to the transfer of executives of affiliates.