

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2024 and 2023

(With Independent Auditors' 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 Enerbility Co., Ltd. :

Opinion

We have audited the consolidated financial statements of Doosan Enerbility Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising 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 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("K-IFRS").

We also have audited, in accordance with Korean Standards on Auditing ("KSAs"), the Group's Internal Control over Financial Reporting ("ICFR") for Consolidation Purposes as of December 31, 2024 based on the criteria established in Conceptual Framework for Designing and Operating ICFR issued by the Operating Committee of ICFR in the Republic of Korea, and our report dated March 19, 2025 expressed an unmodified opinion on the effectiveness of the Group's ICFR for consolidation purposes.

Basis for Opinion

We conducted our audits 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 Matters

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

1) Uncertainty in estimated total contract cost

As described in note 3 to the consolidated financial statements, the Group estimates percentage-of-completion of performance obligation satisfied over time by using the input method and recognizes revenue over time accordingly.

The determination of the percentage-of-completion is influenced by the estimated total contract cost and the adequacy of the cumulative input cost. As the estimated total contract cost is based on management's accounting estimates and judgements, uncertainty exists. Therefore, as there is a risk of overstatement of revenue due to an error in judgment or intent, we have identified the uncertainty in estimated total contract cost as a key audit matter.

The following audit procedures were performed regarding uncertainty in estimated total contract cost.

- Evaluation and testing of internal controls related to the determination and modification of estimated total contract cost.
- For major projects completed during the current year, performed retrospective review by comparing the actual cost incurred during the current year with the estimated cost at the end of the prior year.
- Inquiries and inspection of documents for projects with significant changes in estimated total contract cost.
- Inquiries and analytical review of changes in the percentage-of-completion as compared to prior year.
- For major projects, inquiries and inspection of documents if there were significant differences between the progress rate in the respective monthly progress reports and the percentage-of-completion calculated based on input cost.
- Performed site visits for on-going construction sites and sites which have equipment under construction for a selection of projects.
- Comparison between estimated total contract cost used in revenue recognition and that maintained by respective site department for major projects.

2) Impairment of goodwill

As described in note 3 to the consolidated financial statements, the Group conducts an annual impairment test for goodwill and compares the carrying amount of each cash generating unit to which goodwill is allocated with the recoverable amount which is measured at value in use using discounted cash projection.

In calculating the value in use, significant judgments by management and uncertainties are involved in forecasting future cash flows and estimating key assumptions (terminal growth rate, discount rate, etc.). Therefore, we identified the impairment of goodwill as a key audit matter.

The following audit procedures were performed regarding impairment of goodwill.

- Evaluation and testing of internal controls related to impairment test for goodwill.
- Evaluation of the competence and objectivity of management experts involved in value in use estimation.
- Inquiries and assessment of the valuation model applied by the Group.
- Verifying the mathematical accuracy of the valuation model applied to the estimation of the value in use of the goodwill.
- Understanding of the future cash flows and checking whether the estimated future cash flow agrees to business plan approved by the Group's management.
- Testing the appropriateness of major assumptions (discount rate, terminal growth rate, etc.) applied in the valuation model by comparing to benchmark of peer industry and historical financial information of cash generating unit.
- Evaluation of the sensitivity analysis results for the discount rate and permanent growth rate presented by the Group to assess the impact of changes in major assumptions on the impairment assessment.

Other Matter

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, 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 Jeong Gu Kang.

KPMG Samjong Accounting Corp.

Seoul, Korea
March 19, 2025

This report is effective as of March 19, 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 ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position
As of December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Assets			
Cash and cash equivalents	4,10	₩ 2,898,298	2,620,187
Short-term financial instruments	4,5,10,34	143,577	118,272
Short-term investments in securities	4,6,10	-	84,977
Trade receivables, net	4,7,10,26,35	1,290,275	1,333,420
Due from customers for contract work, net	7,26,35	1,594,506	1,485,570
Other receivables, net	4,7,10,35	477,472	479,391
Prepayments, net	7,26	360,750	508,210
Prepaid expenses, net		131,249	120,138
Short-term loans, net	4,7,10,35	27,611	47,332
Derivative financial assets	4,9,10	37,905	20,214
Firm commitment assets	9	114,250	37,394
Inventories, net	8,26,34	2,733,933	2,539,004
Assets held for sale	37	1,506	44,184
Other current assets, net	4,7,10,14	237,690	203,275
Total current assets		10,049,022	9,641,568
Long-term financial instruments	4,5,10	25,117	28,596
Long-term investments in securities	4,6,10,34	436,601	218,618
Investments in associates and joint ventures	11,34	347,660	316,870
Long-term loans, net	4,7,10,35	171,691	184,879
Property, plant and equipment, net	12,14,34,37	5,703,049	5,225,149
Intangible assets, net	13,34	8,397,290	7,892,982
Investment properties, net	14,15,37	228,288	208,608
Derivative financial assets	4,9,10	17,772	17,104
Firm commitment assets	9	13,537	25,849
Guarantee deposits, net	4,7,10,26,35	169,612	222,644
Deferred tax assets	31	556,161	502,988
Defined benefit asset, net	17	16,927	10,383
Other non-current assets, net	4,7,10,14	182,108	144,596
Total non-current assets		16,265,813	14,999,266
Total assets		₩ 26,314,835	24,640,834

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position, Continued
As of December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Liabilities			
Trade payables	4,10,35 ₩	2,220,935	2,434,048
Short-term borrowings	4,10,16,33,34,36	2,141,257	1,186,577
Other payables	4,10,35	318,589	380,067
Advance received	26	50,165	46,174
Due to customers for contract work	26,35	1,800,050	2,261,265
Withholdings		96,808	103,254
Accrued expenses	4,10	1,026,238	940,747
Current Income tax liabilities	31	93,490	78,519
Current portion of long-term debt	4,10,16,33,34,36	398,220	1,576,372
Derivative financial liabilities	9,10	214,127	57,146
Firm commitment liabilities	9	5,893	11,661
Provisions	19,26,33	241,923	257,969
Current lease liabilities	4,10,14,36	102,853	78,988
Sales and lease back liabilities	18,36	18,331	17,269
Other current liabilities	4,10	216,941	166,694
Total current liabilities		8,945,820	9,596,750
Bonds	4,10,16,33,34,36	906,758	493,917
Long-term borrowings	4,10,16,33,34,36	2,434,534	1,457,749
Long-term asset-backed borrowings	4,10,16,33,34,36	19,392	52,762
Long-term other payables	4,10	11,189	11,674
Defined benefit liabilities, net	17	570,726	472,216
Deposits received	4,10	277,852	309,947
Derivative financial liabilities	9,10	30,217	38,609
Firm commitment liabilities	9	2,457	13,448
Deferred tax liabilities	31	510,165	477,396
Provisions	19,26,33	364,830	372,327
Non-current lease liabilities	4,10,14,36	302,032	309,080
Non-current sales and lease back liabilities	18,36	48,234	49,030
Other non-current liabilities	4,10	229,537	144,420
Total non-current liabilities		5,707,923	4,202,575
Total liabilities	₩	14,653,743	13,799,325

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position, Continued
As of December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Equity			
Capital stock	20 ₩	3,267,327	3,267,327
Capital surplus	20,21	1,572,095	1,712,764
Other components of equity	22	46,766	46,057
Accumulated other comprehensive income	9,10,12,17,23	1,215,926	906,691
Retained earnings	24	1,394,448	1,184,532
Equity attributable to owners of the controlling company		7,496,562	7,117,371
Non-controlling interests	1	4,164,530	3,724,138
Total equity		11,661,092	10,841,509
Total liabilities and equity	₩	26,314,835	24,640,834

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Profit or loss
For the years ended December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Sales	25,26,35 ₩	16,233,055	17,589,888
Cost of sales	8,27,35	13,503,336	14,572,887
Gross profit		2,729,719	3,017,001
Selling and administrative expenses	10,27,28,35	1,712,119	1,549,683
Operating profit	25	1,017,600	1,467,318
Finance income and expenses		(181,252)	(267,951)
Finance income	10,29	1,155,804	595,111
Finance expenses	10,29	1,337,056	863,062
Other non-operating income and expenses		(199,053)	(422,197)
Other non-operating income	10,30	143,768	49,304
Other non-operating expenses	10,30	342,821	471,501
Share of profit (loss) of equity method investees, net	11	20,484	(38,688)
Profit before income tax		657,779	738,482
Income tax expense	31	263,090	220,960
Profit for the year	25 ₩	394,689	517,522
Profit attributable to:			
Owners of the Company	₩	111,365	55,598
Non-controlling interests	1	283,324	461,924
Earnings per share			
Basic earnings per share (In won)	32 ₩	174	87
Diluted earnings per share (In won)	32	174	87

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Profit for the year	₩	394,689	517,522
Other comprehensive income		578,277	19,751
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liabilities	17	(41,712)	(85,518)
Retained earnings adjustments in equity method investees	11	(9,600)	-
Loss on change in fair value of fair value through other comprehensive income ("FVOCI") financial assets	6,10	(365)	(576)
Gain (loss) on revaluation of assets	12	9	(37,501)
Items that are or may be reclassified subsequently to profit or loss		629,945	143,346
Gain (loss) on valuation of cash flow hedge derivatives	9,10	27,967	(13,420)
Equity adjustments in equity method investees	11	5,159	808
Gain on translation of foreign operations		596,819	155,958
Total comprehensive income for the year	₩	972,966	537,273
Total comprehensive income (loss) attributable to:			
Owners of the Company	₩	369,714	(786)
Non-controlling interests		603,252	538,059

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(In millions of won)		Capital stock	Capital surplus	Other components of equity	Accumulated other comprehensive income	Retained earnings	Non-controlling interests	Total Equity
Balance at January 1, 2023	₩	3,256,061	2,870,068	45,676	882,653	58,814	2,967,018	10,080,290
Total comprehensive income (loss):								
Profit for the year		-	-	-	-	55,598	461,924	517,522
Remeasurements of defined benefit liabilities		-	-	-	-	(81,833)	(3,685)	(85,518)
Gain (loss) on change in fair value of FVOCI financial assets		-	-	-	(847)	271	-	(576)
Gain (loss) on valuation of cash flow hedge derivatives		-	-	-	(13,640)	-	220	(13,420)
Equity adjustments in equity method investees		-	-	-	808	-	-	808
Gain on translation of foreign operations		-	-	-	79,324	-	76,634	155,958
Gain (loss) on revaluation of assets		-	-	-	(41,607)	1,140	2,966	(37,501)
Subtotal		-	-	-	24,038	(24,824)	538,059	537,273
Transactions with owners of the Company:								
Disposition of deficit		-	(1,150,542)	-	-	1,150,542	-	-
Stock option		-	212	(212)	-	-	-	-
Conversion of convertible bonds		11,266	13,276	-	-	-	-	24,542
Partial disposal of investment in subsidiaries		-	(19,698)	-	-	-	300,235	280,537
Dividends of subsidiaries		-	-	-	-	-	(79,961)	(79,961)
Stock option of subsidiaries		-	(5)	593	-	-	658	1,246
Acquisition of treasury shares of subsidiaries		-	446	-	-	-	(2,960)	(2,514)
Others		-	(993)	-	-	-	1,089	96
Balance at December 31, 2023	₩	3,267,327	1,712,764	46,057	906,691	1,184,532	3,724,138	10,841,509

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity, Continued
For the years ended December 31, 2024 and 2023

(In millions of won)		Capital stock	Capital surplus	Other components of equity	Accumulated other comprehensive income	Retained earnings	Non-controlling interests	Total Equity
Balance at January 1, 2024	₩	3,267,327	1,712,764	46,057	906,691	1,184,532	3,724,138	10,841,509
Total comprehensive income :								
Profit for the year		-	-	-	-	111,365	283,324	394,689
Remeasurements of defined benefit liabilities		-	-	-	-	(41,348)	(364)	(41,712)
Retained earnings adjustments in equity method investees		-	-	-	-	(9,600)	-	(9,600)
Gain (loss) on change in fair value of FVOCI financial assets		-	-	-	(428)	63	-	(365)
Gain (loss) on valuation of cash flow hedge derivatives		-	-	-	30,779	-	(2,812)	27,967
Equity adjustments in equity method investees		-	-	-	5,159	-	-	5,159
Gain on translation of foreign operations		-	-	-	273,679	-	323,140	596,819
Gain (loss) on revaluation of assets		-	-	-	46	-	(37)	9
Subtotal		-	-	-	309,235	60,480	603,251	972,966
Transactions with owners of the Company:								
Disposition of deficit		-	(149,436)	-	-	149,436	-	-
Stock option		-	173	(173)	-	-	-	-
Acquisition of additional shares of investment in subsidiaries		-	(6,046)	-	-	-	5,893	(153)
Dividends of subsidiaries		-	-	-	-	-	(90,284)	(90,284)
Stock option of subsidiaries		-	-	882	-	-	1,017	1,899
Acquisition of treasury shares of subsidiaries		-	14,640	-	-	-	(79,485)	(64,845)
Balance at December 31, 2024	₩	3,267,327	1,572,095	46,766	1,215,926	1,394,448	4,164,530	11,661,092

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Cash flows from operating activities			
Cash generated from operations:	36 ₩	847,522	2,709,524
Profit for the year		394,689	517,522
Adjustments		1,344,153	1,547,385
Changes in operating assets and liabilities		(891,320)	644,617
Interest received		90,662	54,208
Interest paid		(383,030)	(350,143)
Dividends received		4,006	6,123
Income tax paid		(316,956)	(349,078)
Net cash provided by operating activities		242,204	2,070,634
Cash flows from investing activities			
Cash inflows from investing activities:			
Proceeds from disposal of short-term financial instruments		113,435	146,343
Proceeds from disposal of short-term investments in securities		7,322	19,578
Collection of short-term loans		448	30,929
Proceeds from disposal of long-term financial instruments		6,214	1,539
Proceeds from disposal of long-term investments in securities		3,157	3,263
Collection of long-term loans		65,464	2,533
Proceeds from disposal of associates and joint ventures		9,238	-
Proceeds from disposal of investments in subsidiaries		10,446	5,000
Proceeds from disposal of property, plant and equipment		9,354	8,883
Proceeds from disposal of intangible assets		1,399	1,813
Proceeds from disposal of assets held for sales		37,174	3,680
Decrease in lease receivables		-	2,345
Decrease in derivative financial assets		29,354	-
Others		40	13,648
Subtotal		293,045	239,554
Cash outflows for investing activities:			
Acquisition of short-term financial instruments		(138,684)	(158,804)
Increase in short-term loans		(5,369)	(102,646)
Acquisition of long-term financial instruments		(359)	(6)
Acquisition of long-term investments in securities		(41,110)	(16,487)
Increase in long-term loans		(31,701)	(165,590)
Acquisition of investments in associates and joint ventures		(34,286)	(1,996)
Net cash outflows from acquisition of subsidiaries		(204,417)	-
Acquisition of property, plant and equipment		(461,497)	(395,596)
Acquisition of intangible assets		(192,151)	(207,597)
Acquisition of investment properties		(3,809)	(1,104)
Decrease in derivative financial liabilities		-	(6,157)
Others		(1,061)	(199)
Subtotal		(1,114,444)	(1,056,182)
Net cash used in investing activities		(821,399)	(816,628)

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows, Continued
For the years ended December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Cash flows from financing activities			
Cash inflows from financing activities:			
Increase in short-term borrowings, net	₩	1,062,869	-
Proceeds from asset-backed borrowings		-	69,643
Issuance of bonds		473,922	509,198
Proceeds from long-term borrowings		1,338,509	646,066
Exercise of stock warrants of subsidiaries		-	274,620
Increase of lease liabilities in sale and leaseback transactions		14,378	8,245
Subtotal		<u>2,889,678</u>	<u>1,507,772</u>
Cash outflows for financing activities:			
Decrease in short-term borrowings, net		-	(242,391)
Repayment of current portion of long-term debt		(1,548,963)	(735,928)
Repayment of long-term borrowings		(465,233)	(390,812)
Payment of lease liabilities		(94,067)	(84,154)
Payment of lease liabilities in sale and leaseback transactions		(21,834)	(24,891)
Expense of ordinary shares issuance		-	(60)
Payment of dividends in subsidiaries		(86,314)	(79,961)
Acquisition of treasury stock in subsidiaries		(64,845)	(2,514)
Subtotal		<u>(2,281,256)</u>	<u>(1,560,711)</u>
Net cash provided by (used in) financing activities		<u>608,422</u>	<u>(52,939)</u>
Effect of movements in exchange rates on cash held		248,884	23,282
Net increase in cash and cash equivalents		278,111	1,224,349
Cash and cash equivalents at January 1		<u>2,620,187</u>	<u>1,395,838</u>
Cash and cash equivalents at December 31	₩	<u><u>2,898,298</u></u>	<u><u>2,620,187</u></u>

See accompanying notes to the consolidated financial statements.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting entity

(1) The controlling company

Doosan Enerbility Co., Ltd. ("the Company") was incorporated on September 20, 1962, with its headquarters in Changwon, Korea. The Company is engaged in the manufacturing of various power generation equipment such as boilers, turbines and generators. Additionally, it engages in engineering, procurement and construction of thermal power plants as well as general construction activities, seawater desalination and other related areas.

The Company was listed on the Korea Exchange on October 25, 2000 and its major stockholder as of December 31, 2024 is Doosan Corp. (holding 30.40% equity ownership).

(2) Consolidated subsidiaries

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

Company	Key operating activities	Location	Ownership(%) (*1)		Closing date (*2)
			2024	2023	
Doosan Enerbility Vietnam Co., Ltd.	Manufacturing of machinery & equipment	Vietnam	100.00	100.00	December 31
Doosan HF Controls Corp. (*5)	Manufacturing	USA	-	100.00	"
Doosan HF Controls Asia Co., Ltd. (*5)	Manufacturing	Korea	-	100.00	"
PT. Doosan Heavy Industries Indonesia	Manufacturing	Indonesia	83.64	83.64	"
Doosan Heavy Industries Malaysia Sdn. Bhd	Dormant	Malaysia	100.00	100.00	"
Doosan Enerbility Japan Corp.	Sales	Japan	100.00	100.00	"
Doosan Water UK Ltd.	Engineering & Services	UK	100.00	100.00	"
Doosan Power Systems India Private Ltd.	Engineering & Services	India	100.00	100.00	March 31
Doosan Heavy Industries Muscat SPC (*7)	Manufacturing	Oman	100.00	70.00	December 31
Doosan Power Systems Arabia Company Limited	Manufacturing & Services	Saudi Arabia	51.00	51.00	"
Azul Torre Construction Corporation (*3)	Manufacturing	Philippines	40.00	40.00	"
Doosan Enerbility America Holdings Inc.	Holdings Company	USA	100.00	100.00	"
Doosan Enerbility America LLC	Sales	USA	100.00	100.00	"
Doosan ATS America, LLC	Engineering & Services	USA	100.00	100.00	"
Doosan Power Service America, LLC (*8)	Engineering & Services	USA	-	100.00	"
Doosan Turbomachinery Services Holding, Inc.	Holdings Company	USA	100.00	100.00	"
Doosan Turbomachinery Services Inc.	Manufacturing	USA	100.00	100.00	"
Doosan GridTech Inc.	Software & System engineering	USA	100.00	100.00	"
Doosan GridTech LLC	Software & System engineering	USA	100.00	100.00	"
Doosan GridTech CA LLC	Software & System engineering	USA	100.00	100.00	"
Doosan GridTech EPC LLC	Software & System engineering	USA	100.00	100.00	"
Doosan GridTech C&I LLC	Software & System engineering	USA	100.00	100.00	"
Continuity Energy LLC	Software & System engineering	USA	100.00	100.00	"
Doosan Skoda Power s.r.o	Manufacturing	Czech	100.00	100.00	"
Skoda Power Private Ltd.	Engineering	India	100.00	100.00	March 31
DPS UK Pension Company Ltd.	Professional services	UK	100.00	100.00	December 31

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

1. Reporting entity, Continued

Company	Key operating activities	Location	Ownership(%) (*1)		Closing date (*2)
			2024	2023	
Doosan Power Systems Pension Trustee Co., Ltd	Professional services	UK	100.00	100.00	December 31
Doosan Lentjes GmbH	Engineering & Services	Germany	100.00	100.00	"
Doosan Power Systems S.A.	Holdings Company	Luxembourg	100.00	100.00	"
Doosan Lentjes Czech s.r.o	Professional services	Czech	100.00	100.00	"
Osung Power O&M Co., Ltd.	Engineering & Services	Korea	100.00	100.00	"
Doosan Ukudu Power, LLC	Engineering & Services	USA	100.00	100.00	"
Doosan Recycle Solution Co., Ltd.	Manufacturing	Korea	100.00	100.00	"
Doosan Geosolution Co., Ltd.	Professional Science and Technology Service	Korea	100.00	100.00	"
Solar D Roof Co., Ltd. (*6)	Engineering & Services	Korea	100.00	-	"
Doosan Cuvex Co., Ltd.	Operation of resort and golf club	Korea	100.00	100.00	"
Doosan Bobcat Inc. and the subsidiaries (*4)	Manufacturing and sales of construction equipment	Korea and others	46.75	46.11	"
Doosan Fuel Cell Co., Ltd. and the subsidiaries (*4)	Manufacturing	Korea	30.33	30.33	"
D20 Capital, LLC and the subsidiaries	Financial investment	USA	100.00	100.00	"

(*1) The ownership percentage represents the ownership interest held by the Company (the parent) in each respective subsidiary.

(*2) Where the reporting date of subsidiaries is not consistent with that of the Company based on local laws, adjustments have been made to conform to the Company's reporting date for preparation of consolidated financial statements.

(*3) Although the Company's ownership interest in the investee is less than 50%, it is classified as a consolidated subsidiary since the Company is considered to have the majority voting rights in the equity's board of directors, and others.

(*4) Although the Company's ownership interest in the investee is less than 50%, the Company assessed that it has control over the investee based on its holdings relative to the size and dispersion of ownership interests held by other equity holders and the voting patterns in previous shareholders' meetings.

(*5) Disposed in 2024.

(*6) Newly established in 2024.

(*7) The name of the company is changed from Doosan Heavy Industries Muscat LLC to Doosan Heavy Industries Muscat SPC and additionally acquired in 2024.

(*8) Liquidated in 2024.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

1. Reporting entity, Continued

(3) Summarized financial information of major subsidiaries

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

(In millions of won)

Company	Assets	Liabilities	Sales	Net profit (loss)	Total comprehensive income (loss)
Doosan Enerbility Vietnam Co., Ltd.	₩ 599,654	256,918	457,251	31,621	31,621
PT. Doosan Heavy Industries Indonesia	77,658	222,264	141,558	(44,401)	(44,401)
Doosan Enerbility Japan Corp.	11,794	8,278	2,242	181	181
Doosan Power Systems India Private Ltd.	402,627	835,487	146,445	(82,399)	(82,399)
Doosan Power Systems Arabia Company Limited	32,094	9,721	39,602	11,175	11,175
Doosan Enerbility America Holdings Inc. and the subsidiaries (*1)	228,219	64,269	117,921	9,057	9,057
Doosan GridTech Inc. and the subsidiaries (*1)	40,107	216,548	32,102	(46,645)	(46,645)
Doosan Power Systems S.A. and the subsidiaries (*1)	916,900	711,748	429,376	(56,404)	(10,618)
Doosan Ukudu Power, LLC	23,433	13,435	107,276	1,782	1,782
Doosan Recycle Solution Co., Ltd.	50,646	214	-	1,334	1,334
Doosan Geosolution Co., Ltd. and the subsidiaries (*1)	48,544	1,517	-	(1,752)	(1,752)
Doosan Cuvex Co., Ltd.	471,704	96,812	59,455	5,635	5,635
Doosan Bobcat Inc. and the subsidiaries (*1)	12,009,613	5,115,108	8,551,207	563,364	317,127
Doosan Fuel Cell Co., Ltd. and the subsidiaries (*1)	1,179,655	680,759	411,784	(10,475)	(10,475)
D20 Capital, LLC and the subsidiaries (*1)	68,463	959	3,954	(205)	(543)

(*1) Consolidated financial statements of each intermediate controlling company.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

1. Reporting entity, Continued

(4) Changes in the scope of consolidation

Changes in the scope of consolidation for the year ended December 31, 2024 are as follows:

Company	Description	Reason
Doosan Bobcat Korea Co., Ltd. (*1)	Excluded from consolidation	Merger
HyAxiom Motors Co., Ltd.	Newly included in consolidation	Acquisition
Doosan HF Controls Corp.	Excluded from consolidation	Disposition
Doosan HF Controls Asia Co., Ltd.	Excluded from consolidation	Disposition
Doosan Power Service America, LLC	Excluded from consolidation	Liquidation
Solar D Roof Co., Ltd.	Newly included in consolidation	Establishment
Doosan Mottrol Co., Ltd.	Newly included in consolidation	Acquisition
Doosan Mottrol China Jiangyin Co., Ltd.	Newly included in consolidation	Acquisition
Rushlift GSE Limited.	Newly included in consolidation	Acquisition

(*1) In 2024, the company was merged with Doosan Industrial Vehicle Co., Ltd., and after the merger, Doosan Industrial Vehicle Co., Ltd. renamed its name to Doosan Bobcat Korea Co., Ltd..

(5) Significant non-controlling interests

Financial information of subsidiaries attributable to significant non-controlling interests as of December 31, 2024 is as follows:

(In millions of won)

Company	Net profit (loss) attributable to non- controlling interests	Cumulative non- controlling interests	Dividends distributed to non-controlling interests
Doosan Bobcat Inc. and the subsidiaries ₩	295,944	3,784,315	(86,314)
Doosan Fuel Cell Co., Ltd. and the subsidiaries	(11,047)	393,878	-

(6) Cash flow information for subsidiaries with significant non-controlling interests

Cash flow information for subsidiaries with significant non-controlling interests for the year ended December 31, 2024 is as follows:

(In millions of won)

		2024	
		Doosan Bobcat Inc. and the subsidiaries	Doosan Fuel Cell Co., Ltd. and the subsidiaries
I.	Net cash flows from operating activities ₩	727,198	101,056
II.	Net cash flows from investing activities	(577,917)	(82,727)
III.	Net cash flows from financing activities	152,142	69,056
IV.	Effect of movements in exchange rates on cash held	155,337	4
V.	Net increase in cash and cash equivalents	456,760	87,389
VI.	Cash and cash equivalents at January 1	1,400,031	50,173
VII.	Cash and cash equivalents at December 31 ₩	1,856,791	137,562

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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

Doosan Enerbility Co., Ltd. and its subsidiaries ("the Group") has prepared the consolidated financial statements in accordance with K-IFRS.

The material accounting principles as applied in the consolidated financial statements correspond to those pertaining to the annual consolidated financial statements for the year ended December 31, 2023, except for the effects associated with the introduction of the Standard or Interpretation as described below.

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 in exchange for assets.

1) Changes in accounting standards effective from January 1, 2024 are as follows:

- *Amendments to K-IFRS No. 1001 'Presentation of Financial Statements'* : the amendments clarify the classification of liabilities as current or non-current and disclose non-current liabilities with covenants

- *Amendments to K-IFRS No. 1007 'Statement of Cash Flow' and K-IFRS No. 1107 'Financial instruments: Presentation'* : the amendments disclose about Supplier Finance Arrangements

- *Amendments to K-IFRS No. 1116 'Leases'* : the amendments clarify the accounting for lease liability in a sale and leaseback

The Group believes that these amendments have no significant impact on the Group's consolidated financial statements.

2) New and revised K-IFRSs in issue, but not yet effective:

- *Amendments to K-IFRS No. 1021 'The Effects of Changes in Foreign Exchange Rates'* : the amendments require a clarification of the method for determining the spot exchange rate when there is a lack of exchangeability

The Group anticipates that the application of the enactment and amendments will not have a significant impact on the Group's consolidated financial statements.

(2) 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.

(3) 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.

2. Material accounting policies and basis of preparation, Continued

(4) Foreign currency translation

Unless the functional currency of the Group's foreign operations is not the currency of a hyperinflationary economy, the assets and liabilities are translated into Korean won using exchange rates at the end of the reporting period, and income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

(5) Cash and cash equivalents

Cash and cash equivalents include cash balances and term deposits with original maturities of three months or less from the date of acquisition.

(6) 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.

2. Material accounting policies and basis of preparation, Continued

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).

3) Offsetting between financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement 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.

(7) 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;
- debt securities measured at FVOCI; and
- contract assets defined by K-IFRS No. 1115.

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 of debt instruments is low at the end of reporting date
- 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 and contract assets.

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; or
- the disappearance of an active market for that financial asset because of financial difficulties.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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

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, while loss allowance on debt instruments at FVOCI is recognized in OCI.

4) De-recognition

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 assess whether there are reasonable expectations of recovering the contractual cash flows from customers and individually assess 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.

(8) 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 K-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.

(9) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories includes fixed and variable manufacturing overhead costs which are systematically allocated to inventories by appropriate methods based on each category of inventory. The cost of inventories is determined by the specific identification method for finished goods, work-in-process and materials in transit, and moving average method for all other inventories.

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

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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

(10) Property, plant and equipment

After initial recognition, the land is stated as fair value at revaluation date less accumulated impairment loss. The revaluation is performed periodically to ensure that carrying value of the asset does not differ materially from its fair value at the end of reporting period. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost of an item of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the asset including the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are capitalized only if it is highly probable that future economic benefits associated with the assets will flow into the Group.

Depreciation of property, plant and equipment is calculated to the cost of each asset less residual value using the straight-line method over the estimated useful lives of the assets as follows:

	Useful lives
Buildings	7~40 years
Structures	5~40 years
Machinery	3~20 years
Others	3~15 years

When there is an indicator for impairment, and the carrying amount of property, plant and equipment is higher than the recoverable amount, the carrying amount is adjusted to the recoverable amount and the difference is recognized as an impairment loss. Meanwhile, when the recoverable amount subsequently exceeds the carrying amount of the impaired asset, the excess is recorded as a reversal of impairment loss to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized. Upon derecognition of a property, plant and equipment, the difference between the net disposal proceeds and carrying amount of the item is recognized in other non-operating income (expense).

A revaluation surplus is recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

(11) Investment property

Subsequent to initial recognition, the book value of investment property is presented at the cost less accumulated depreciation and accumulated impairment.

Land within investment properties is not depreciated; however, buildings, other than investment properties that have been replaced by leased assets, are depreciated using the straight-line method over the useful lives between 10 and 40 years.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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

(12) Intangible assets

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

Intangible assets other than goodwill and intangibles with indefinite useful lives are amortized on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives of the intangible assets are as follows:

	Useful lives
Industrial property rights	5~10 years
Development costs	5~25 years
Others	1~20 years

Goodwill acquired in business combination is the consideration paid in excess of the fair value of the group's interest in the identifiable net assets of the subsidiary acquired at the acquisition date, and the goodwill resulting from the acquisition of the subsidiary is included in the intangible asset. The goodwill is not amortized, is annually tested for impairment and is the cost less accumulated impairment losses. Reversal of an impairment loss for goodwill is prohibited. The goodwill is distributed to the cash-generating unit for the purpose of impairment testing, and the distribution is made to the identified cash-generating unit or group of cash-generating units that are expected to benefit from the business combination in which the goodwill occurs, and it is determined by the sales segment.

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

However, useful lives of other 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 but tested for impairment once a year.

(13) 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 statement of financial position when the Group becomes a party to the contractual provisions of the financial liability.

2. Material accounting policies and basis of preparation, Continued

(14) Financial guarantee contracts

The Group has financial guarantee contract liabilities, which are obligations to pay specific amounts for indemnifying creditors' loss on insolvency of specific debtors according to initial or revised contract provisions of liabilities on the payment date. Financial guarantee contract liabilities are initially measured at their fair value less the direct transaction cost relating to the issuance. Subsequently, financial guarantee contract liabilities are measured at the higher of the amount of the loss allowance determined in accordance with K-IFRS No. 1109 'Financial instruments', and the amount initially recognized less the cumulative amortizations recognized in accordance with the K-IFRS No. 1115.

(15) Employee benefits liability

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

(16) Provision

At the end of each reporting period, the remaining provision balance is reviewed and assessed to determine if the current best estimate is being recognized. The increase in provision due to passage of time is recognized as interest expense. If the existence of an obligation to transfer economic benefit is no longer probable, the related provision is reversed during the period. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. In this case, any income arising from the third-party reimbursement is netted off against the related expense to be recognized in the consolidated statements of profit or loss from the recognition of provisions.

(17) Leases

1) 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.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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) 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.

(18) Derivative financial instruments and hedge accounting

The Group operates fair value hedges to avoid the risk of fair value change, which is incurred from particular risk on assets, liabilities and firm contracts, and cash flow hedges to avoid the risk of future cash flow change, which is incurred from particular risk on a highly probable forecast transaction.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group assesses whether there is an economic relationship between the hedged item and the hedging instrument.

(19) Share-based payments

The Group measures the cost of share options granted to employees by reference to the estimated fair value at the date at which they are granted. The share-based payment expenses are recognized on a straight-line basis over the vesting period reflecting expected forfeiture rate. The Group determines the fair value of share options using the Black-Scholes option pricing model.

(20) Due from (to) customers for contract work

When contract costs incurred to date plus recognized profits less recognized losses exceed progress billing, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognized profits less recognized losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade receivables.

2. Material accounting policies and basis of preparation, Continued

(21) Government grants

The benefits of government loans at an interest rate lower than the market interest rate are treated as government grants, and the government grants are measured as the difference between the fair value of the government loans calculated based on the market interest rate and the consideration received.

Asset-related government grants are deducted when determining the carrying amount of assets and presented in the statements of financial position. The government grants are recognized in profit or loss over the useful life of the related assets by reducing depreciation expenses.

Revenue-related government grants are recognized as revenue over the period based on a systematic basis in order to respond to expenses intended to be compensated. Government grants received for immediate financial assistance provided to the Group without compensation for expenses or losses already incurred or related costs in the future are recognized in profit or loss during the period in which the right to receive them is incurred.

(22) Taxes and deferred tax

The minimum tax paid in accordance with Pillar Two Model Rules is corporate tax subject to K-IFRS No. 1012 'Income Tax'. The Group has applied the mandatory temporary exception to recognition of deferred tax assets and liabilities arising from Pillar Two income taxes and recognizes current income tax as incurred. The impact of Pillar Two Model Rules is described in Note 31.

2. Material accounting policies and basis of preparation, Continued

(23) Greenhouse gas emissions right

In connection with Enforcement of Allocation and Trading of Greenhouse Gas Emissions Allowances, the Group applies the following accounting policies for greenhouse gas emissions rights and obligations.

1) Greenhouse gas emissions rights

Greenhouse gas emissions rights consist of the allowances received free of charge from the government and the ones purchased. The allowances received free of charge from the government are measured and recognized at zero, and emissions rights purchased are recognized at acquisition cost by including expenditures arising directly from the acquisition and any other costs incurred during normal course of the acquisition.

Greenhouse gas emissions rights are held by the Group to fulfill the legal obligation and recorded as intangible assets. To the extent that the portion to be submitted to the government within one year from the end of reporting period, the greenhouse gas emissions rights are classified as current assets. Greenhouse gas emissions rights recorded as intangible assets are initially measured at cost and substantially remeasured at cost less accumulated impairment losses.

Greenhouse gas emissions rights with the intention to sell within a short period are classified as current assets and measured at fair value, and changes in fair value are recognized in profit or loss for the year. Greenhouse gas emissions rights are derecognized on submission to the government or when no future economic benefits are expected from its use or disposal.

2) Greenhouse gas emissions obligations

Greenhouse gas emissions obligations are the Group's present legal obligation to submit the greenhouse gas emissions allowances to the government and measured as the sum of the carrying amount of the allocated rights and best estimate of expenditure required to settle the obligation at the end of the reporting period for any excess emission. The Group derecognizes the emission obligations when the Group submits the emissions rights to the government.

(24) 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.

2. Material accounting policies and basis of preparation, Continued

(25) Revenue from contracts with customers

1) Identify performance obligations

The Group is mainly engaged in the businesses of power generation facilities, industrial facilities, manufacturing of casting and forging products and comprehensive construction business. The Group identifies separate performance obligations in the contracts and determines whether each of the performance obligations is satisfied at a point of time or over time under K-IFRS No. 1115.

The Group identified as a separate performance obligation if the customer benefits from the good or service on its own or together with other readily available resources and the entity's promise to transfer the good or service separately is identifiable from other promises in the contract. In addition, the transaction price is allocated to each performance obligation in proportion to its stand-alone selling price and if the stand-alone selling price is not directly observable then the entity estimates the amount by using a suitable method.

2) Obligations to perform over period of time

The Group manufactures and sells specialized power machinery which are built based on customer's orders designating the design elements. The Group recognizes revenue over time measuring the progress towards complete satisfaction of the performance obligation, only when the asset in its completed state has no alternative use to the Group and there is an enforceable right to payment for performance completed to date.

3) Measurement of the percentage-of-completion by using the input method

The Group contracts for EPC plant construction contracts and power generating service contracts including purchasing, manufacturing and installing boiler, turbine and others and generally proceeds over a long period of time. The Group recognizes revenue following percentage-of-completion method, judging whether the construction/service contracts are provided over period of time if it meets all of the following conditions:

- the customers simultaneously acquire and consume benefits that the Group provides
- the Group creates or enhances the value of the asset that customers control

However, to represent performance degree faithfully, the Group recognizes the amount equal to the cost of the goods to perform the obligation as revenue if it meets all of the following conditions:

- the good is not distinct when the contract initiates
- expected that the customer can control significantly before the service is provided related to the goods
- the cost of the goods transferred is more significant than the total cost expected to fully perform the obligation
- the Group is provided the goods from the third party
- not significantly involved in the design and production of the goods

4) Variable consideration

The Group estimates an amount of variable consideration by using the method the Group expects to better predict the amount of consideration to which it will be entitled. The Group includes an amount of variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the return period expires.

2. Material accounting policies and basis of preparation, Continued

5) Allocating the transaction price to performance obligations

The Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis. The Group uses adjusted market assessment approach to estimate the stand-alone selling price, however, for certain transactions, 'expected cost plus a margin approach' is used exceptionally.

6) Warranty obligation

The Group generally provide warranty contract with customers pursuant to the local laws and customs. Most of these warranties are assurance type of warranty. The Group recognizes provision based on reliable estimate under K-IFRS No. 1037, 'Provisions, Contingent Liabilities and Contingent Assets'.

However, if the Group provides extended warranty that is not assurance type of warranty under non-standardized contract, it is accrued as service type of warranty and separated to performance obligation requiring allocation of transaction price. Revenue is recognized over period of time.

3. Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and underlying assumptions are based on historical experiences and other factors including expectation on possible future events. Actual results may differ from these estimates. The following are critical assumptions and key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year.

(1) Recognition of revenue

The Group recognizes revenue over time using the input method in relation to its performance obligation over time. Revenue is recognized as work progresses based on the ratio of actual costs incurred to estimated total costs. The percentage-of-completion basis using the input method requires the Group to estimate the ratio of actual costs incurred to total estimated costs. Any changes in the early stages of long-term projects in the scope and costs of project implementation in the construction period, and in construction plans may have a significant effect on the amount of revenue recognized.

(2) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Recoverable amount of cash generating unit ("CGU") is calculated based on the value in use and fair value, this calculation requires the use of accounting estimates.

(3) Defined benefit liability

The Group operates a defined benefit plan. 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 and others are required to be estimated.

3. Significant accounting estimates and assumptions, Continued

(4) 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.

(5) 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.

(6) 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 cost 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.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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 risk, interest rate risk and price risk), credit and liquidity, relating to the operations of the Group. The purpose of risk management policy is to minimize potential risks which could have material adverse effect on financial performance.

Financial risk management activities are performed by the treasury department in accordance with the risk management policies. In addition, the Group enters into derivative contracts to hedge against certain risks. The Group is trying to minimize the effect of financial risks by reorganizing financial risk management policy and monitoring financial risks regularly.

(1) Market risk

1) Foreign currency risk

The Group's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Group's operating activities and net investments in foreign subsidiaries. The Group's objective of foreign currency risk management is to minimize uncertainty and volatility arising from fluctuations in foreign currency exchange rates. Foreign currency risk is managed in accordance with the Group's policy on foreign currencies, and currency trading for speculative purposes is prohibited.

The Group's objective for foreign currency management is to reduce income/loss volatility. The Group reduces exposure to foreign currency risk by matching the inflow and the outflow of foreign currencies (natural hedge) and manages foreign currency risk by using currency derivatives, such as currency forwards, for the remaining exposure.

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 millions of won)

		2024					
		USD	EUR	JPY	GBP	Others (*1)	Total
Financial assets	₩	2,119,005	258,225	788	160,314	574,858	3,113,190
Financial liabilities		2,093,089	326,950	18,076	40,253	402,474	2,880,842
Net assets (liabilities)	₩	25,916	(68,725)	(17,288)	120,061	172,384	232,348

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

(In millions of won)

		2023					
		USD	EUR	JPY	GBP	Others (*1)	Total
Financial assets	₩	1,609,914	169,036	2,822	93,879	611,136	2,486,787
Financial liabilities		1,421,611	296,636	54,116	25,608	329,045	2,127,016
Net assets (liabilities)	₩	188,303	(127,600)	(51,294)	68,271	282,091	359,771

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

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

A sensitivity analysis on the Group's income before tax for the year, assuming a 10% increase and decrease in currency exchange rates, as of December 31, 2024 and 2023 are as follows:

(In millions of won)	2024		2023	
	10% increase	10% decrease	10% increase	10% decrease
Income (loss) before tax impact ₩	23,235	(23,235)	35,977	(35,977)

The above-mentioned sensitivity analysis is based on monetary assets and liabilities denominated in foreign currencies other than the Group's functional currency as of December 31, 2024 and 2023.

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 borrowing or deposit with floating interest rates. The purpose of interest rate risk management is to minimize uncertainty and financial expense arising from interest rate fluctuation.

To manage its interest rate risk, the Group minimizes external borrowings using internal funds, reduces borrowings with high interest rates, maintains an appropriate balance between borrowings with floating interest rate and fixed-interest rate and improves system for short-term and long-term borrowings. The Group manages its interest rate risk preemptively through regular monitoring and adjustments to the changing domestic and overseas markets conditions and nature of its interest rates.

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

(In millions of won)	2024		2023	
Financial assets ₩		453,127		396,879
Financial liabilities		2,482,999		2,114,751
Net liabilities ₩		(2,029,872)		(1,717,872)

A sensitivity analysis on the Group's income before tax for the year, assuming a 1% increase and decrease in interest rates, as of December 31, 2024 and 2023 are as follows:

(In millions of won)	2024		2023	
	1% increase	1% decrease	1% increase	1% decrease
Income before tax impact ₩	(20,299)	20,299	(17,179)	17,179

3) Price risk

The Group is exposed to equity price risks arising from its listed equity investments among financial instruments. The Group periodically measures the risk as the fair value or future cash flows of equity investments may fluctuate due to the changes in market prices. Significant investments in the Group's portfolio are individually managed, and acquisition and disposal are approved by the Board of Directors.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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4. Financial risk management, Continued

(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 arises from trade and other receivables, debt instruments, beneficiary certificates, deposits in financial institutions, derivative financial instruments and financial guarantee contracts.

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 credit quality of a new customer is assessed based on publicly announced financial information and the information provided by credit rating agencies. Such assessment is used as a basis for determining a customer's credit limit. Furthermore, collaterals and credit guarantees are obtained as security, if necessary. In addition, the Group periodically reassesses the credit quality of customers by auditing credit limits and adjusts the amount covered by collaterals when deemed necessary. The Group also monitors whether the collection of financial assets have been impaired to take relevant actions.

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:

(In millions of won)

		2024	2023
Cash and cash equivalents	₩	2,898,298	2,620,187
Short and long- term financial instruments		168,694	146,868
Trade receivables and other receivables		2,052,898	2,138,597
Deposits		169,612	222,644
Short and long- term investment in securities (excluding equity securities)		175,858	212,428
Derivative financial assets		55,677	37,318
Total	₩	<u>5,521,037</u>	<u>5,378,042</u>

In addition to the above, the maximum amount to be paid for the principal debtor related to financial guarantee contract is described in Note 33.

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

(In millions of won)

		2024				
		Receivables assessed for impairment individually or on a collective basis				
		Before maturity	0-3 months	3-6 months	6-12 months	More than 12 months
Trade receivables	₩	946,586	110,204	35,094	34,857	268,668
Loans and other receivables		1,166,453	37,578	4,703	18,421	94,167
Accrued income		46,383	53	-	-	13,020
Total	₩	<u>2,159,422</u>	<u>147,835</u>	<u>39,797</u>	<u>53,278</u>	<u>375,855</u>
						<u>2,776,187</u>

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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4. Financial risk management, Continued

(In millions of won)

		2023					
		Receivables assessed for impairment individually or on a collective basis					
		Before maturity	0-3 months	3-6 months	6-12 months	More than 12 months	Total
Trade receivables	₩	933,530	141,707	53,324	64,635	337,944	1,531,140
Loans and other receivables		1,299,413	31,197	3,568	13,709	133,752	1,481,639
Accrued income		52,853	-	-	385	12,588	65,826
Total	₩	2,285,796	172,904	56,892	78,729	484,284	3,078,605

ECLs are measured as the present value of all cash shortfalls. If the Group does not have reasonable and supportable information that is available without overwhelming cost or effort to measure ECLs on an individual instrument basis, the Group can group financial instruments on the basis of shared credit risk characteristics.

(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.

The Group manages liquidity risk by matching the duration of financial assets and liabilities through estimating future cash flows from its operating, investing and financing activities, and securing moderate levels of liquidity in advance.

1) The Group's financial liabilities' maturity analysis

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

(In millions of won)

(In millions of won)		2024					
		Nominal cash flows according to contract					
		Book value	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Principal on non-derivative financial liabilities	₩	10,118,584	10,205,927	5,482,641	2,194,127	2,244,969	284,190
Interest on non-derivative financial liabilities		-	517,088	210,214	131,262	175,234	378
Derivative financial liabilities		244,344	250,348	218,328	26,934	5,086	-
Guarantee contract (*1)		-	637,762	637,762	-	-	-
Total	₩	10,362,928	11,611,125	6,548,945	2,352,323	2,425,289	284,568

(*1) Maximum exposure associated with the guarantee contracts is the maximum amounts of the obligation (See Note 33).

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

4. Financial risk management, Continued

(In millions of won)

(In millions of won)		2023					
		Book value	Nominal cash flows according to contract				
			Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Principal on non-derivative financial liabilities	₩	9,122,128	9,206,660	6,103,379	919,509	1,097,196	1,086,576
Interest on non-derivative financial liabilities		-	559,498	185,119	109,776	242,732	21,871
Derivative financial liabilities		95,755	80,463	54,349	28,777	(4,270)	1,607
Guarantee contract (*1)		-	871,514	871,514	-	-	-
Total	₩	9,217,883	10,718,135	7,214,361	1,058,062	1,335,658	1,110,054

(*1) Maximum exposure associated with the guarantee contracts is the maximum amounts of the obligation.

The contractual amounts of financial liabilities in the above tables are calculated based on non-discounted cash flows (including estimated interest expense) and differ from its book values.

2) Supplier finance arrangements

The Group has entered into supplier finance arrangements with a number of financial institutions with a term of one year. Supplier finance arrangements are characterized by one or more financial institutions paying amounts owed by the Group to its suppliers, and the Group paying the financial institutions in accordance with the terms of the arrangement after the suppliers have been paid. These arrangements provide the Group with an extended payment period beyond the payment date of the relevant invoice or allow the Group's suppliers to receive payments earlier.

Under the arrangement, the bank acquires rights to certain accounts receivable from the supplier. The arrangement changes the following, otherwise the terms are the same as the accounts payable to that supplier.

- The payment due date is extended from 7-90 days after the invoice date to 360 days after acceptance.
- Accounts payable acquired by the bank can no longer be offset against credits received from the supplier.

The carrying amount of the supplier finance arrangement liability as of December 31, 2024, is as follows:

(In millions of won)

	2024
Supplier finance arrangement liabilities	₩ 652,513
Supplier finance arrangement liabilities where the financial institution has made payments to the supplier	363,801

There have been no significant business combinations or foreign currency translation differences that would affect the supplier finance arrangement liabilities. The carrying amount of the supplier financing arrangement liability is considered to be a reasonable approximation of its fair value due to its short-term nature.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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 interested parties 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 millions of won)</i>		2024	2023
Total liabilities (A)	₩	14,653,743	13,799,325
Total equity (B)		11,661,092	10,841,509
Debt-to-equity ratio (A/B)		125.66%	127.28%

5. Restricted financial assets

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

<i>(In millions of won)</i>		2024	2023	Restrictions
Short-term financial instruments	₩	96,133	100,732	Establishment of pledge related to financial loan, Shared growth fund, Government R&D projects (*1)
Long-term financial instruments				Establishment of pledge related to financial loan, deposits for maintenance of checking accounts and others
		25,117	30,430	
Total	₩	121,250	131,162	

(*1) The amounts are restricted in use and may only be used for specific national R&D projects.

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Notes to the Consolidated Financial Statements, Continued
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6. Investments in securities

(1) Investments in securities as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Description		2024	2023
Short-term investments in securities	Financial assets as measured at FVTPL	₩ -	84,977
Long-term investments in securities (*1)	Financial assets as measured at FVOCI	7,974	6,530
	Financial assets as measured at FVTPL	428,627	212,088
	Subtotal	436,601	218,618
	Total	₩ 436,601	303,595

(*1) A portion of long-term investments in securities have been pledged as collateral for the Group's debt obligations as of December 31, 2024 (See Note 34).

(2) Details of the Group's investments in securities as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Description			2024	2023
Financial assets as measured at FVOCI	Non-marketable equity securities	Al Asilah Desalination Company and others	₩ 7,974	6,530
Financial assets as measured at FVTPL	Marketable equity securities	NuScale Power LLC and others	102,861	21,415
	Non-marketable equity securities	Valuegrowth Co., Ltd. and others (*1)	149,908	63,222
	Investment in guarantee cooperative	Construction Guarantee and others	160,693	120,320
	Beneficiary certificates	Emerald Technology Ventures and others	13,848	11,552
	Debt securities	Destin Power Co., Ltd. Convertible bond	1,317	80,556
		Subtotal	428,627	297,065
	Total		₩ 436,601	303,595

(*1) Although the Group has more than 20% voting rights in Valuegrowth Co., Ltd., the preferred shares are classified as financial assets at fair value through profit or loss in accordance with K-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.

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

6. Investments in securities, Continued

(3) Changes in financial assets as measured at fair value for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024				
		January 1	Acquisition	Disposal	Gain or loss on valuation	December 31
Financial assets as measured at FVOCI	₩	6,530	-	(349)	(464)	7,974
Financial assets as measured at FVTPL		297,065	41,110	(10,060)	92,742	428,627
Total	₩	303,595	41,110	(10,409)	92,278	436,601

(*1) Includes amounts due to the conversion of loans to equity and foreign exchange differences.

(In millions of won)

		2023				
		January 1	Acquisition	Disposal	Gain or loss on valuation	December 31
Financial assets as measured at FVOCI	₩	11,100	81	(1,299)	(766)	6,530
Financial assets as measured at FVTPL		333,770	16,406	(20,751)	(33,267)	297,065
Total	₩	344,870	16,487	(22,050)	(34,033)	303,595

7. Trade and other receivables

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

(In millions of won)

		2024			2023		
		Gross	Allowance for doubtful accounts	Book value	Gross	Allowance for doubtful accounts	Book value
Current assets:							
Trade receivables	₩	1,394,367	(104,092)	1,290,275	1,531,140	(197,720)	1,333,420
Other receivables		531,184	(53,712)	477,472	561,772	(82,381)	479,391
Accrued income		59,456	(16,487)	42,969	65,826	(13,397)	52,429
Short-term loans		76,558	(48,947)	27,611	194,834	(147,502)	47,332
Subtotal		2,061,565	(223,238)	1,838,327	2,353,572	(441,000)	1,912,572
Non-current assets:							
Long-term other receivables		90,100	(47,220)	42,880	88,366	(47,220)	41,146
Long-term loans		623,479	(451,788)	171,691	636,667	(451,788)	184,879
Subtotal		713,579	(499,008)	214,571	725,033	(499,008)	226,025
Total	₩	2,775,144	(722,246)	2,052,898	3,078,605	(940,008)	2,138,597

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Notes to the Consolidated Financial Statements, Continued
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7. Trade and other receivables, Continued

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

(In millions of won)

(In millions of won)		2024				
		January 1	Provision for (reversal of) allowance	Write-off of uncollectible amounts	Changes in foreign currency translation and others	December 31
Trade and other receivables:						
Trade receivables	₩	197,720	(12,592)	(82,503)	1,467	104,092
Short and long-term other receivables		129,601	(3,396)	(25,273)	-	100,932
Accrued income		13,397	3,090	-	-	16,487
Short and long-term loans		599,290	20,919	(124,196)	4,722	500,735
Subtotal		940,008	8,021	(231,972)	6,189	722,246
Others:						
Due from customers for contract work		56,744	11,372	-	29	68,145
Deposits		2,800	153	-	(1)	2,952
Prepayments		1,178	-	(1,247)	69	-
Subtotal		60,722	11,525	(1,247)	97	71,097
Total	₩	1,000,730	19,546	(233,219)	6,286	793,343

(In millions of won)

(in millions of won)

		2023				
		January 1	Provision for allowance	Write-off of uncollectible amounts	Changes in foreign currency translation and others	December 31
Trade and other receivables:						
Trade receivables	₩	176,979	26,644	(5,205)	(698)	197,720
Short and long-term other receivables		78,623	50,896	-	82	129,601
Accrued income		12,588	809	-	-	13,397
Short and long-term loans (*1)		523,133	21,302	-	54,855	599,290
Subtotal		791,323	99,651	(5,205)	54,239	940,008
Others:						
Due from customers for contract work		77,111	3,185	(24,313)	761	56,744
Deposits		2,800	-	-	-	2,800
Prepayments		-	1,193	-	(15)	1,178
Subtotal		79,911	4,378	(24,313)	746	60,722
Total	₩	871,234	104,029	(29,518)	54,985	1,000,730

(*1) Includes ₩54,855 million related to the membership fees return guarantee, transferred from other provision to allowance for doubtful accounts.

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

8. Inventories

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

(In millions of won)

		2024			2023		
		Acquisition cost	Valuation allowance	Book value	Acquisition cost	Valuation allowance	Book value
Finished goods	₩	1,004,106	(54,548)	949,558	945,780	(46,301)	899,479
Merchandise		278,379	(23,286)	255,093	169,664	(18,154)	151,510
Semi-finished goods		53,707	(86)	53,621	32,390	-	32,390
Work-in-process		326,424	(34,035)	292,389	321,460	(22,957)	298,503
Raw materials		1,012,484	(64,720)	947,764	932,684	(40,298)	892,386
Supplies		29,168	(2,894)	26,274	28,801	(3,081)	25,720
Materials-in-transit		209,234	-	209,234	239,016	-	239,016
Total	₩	<u>2,913,502</u>	<u>(179,569)</u>	<u>2,733,933</u>	<u>2,669,795</u>	<u>(130,791)</u>	<u>2,539,004</u>

As of December 31, 2024, certain inventories have been pledged as collateral for the Group's debts (See Note 34).

Losses on inventory valuation recognized within the cost of sales amounted to ₩43,388 million and ₩23,873 million for the years ended December 31, 2024 and 2023, respectively.

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

9. Derivatives

(1) Overview of the derivatives of the Group is as follows:

	Category	Summary
Fair value hedge	Currency forward exchange	Avoiding the risk of exchange rate fluctuations for foreign currency contracts that meet the requirements of the firm commitment
Cash flow hedge	Currency forward exchange	Avoiding the cash flow risk due to fluctuations in the exchange rate of the expected foreign currency collection and the expected foreign currency expenditure related to the purchasing of foreign materials
	Currency rate swap ("CRS")	Contracts that pay a fixed rate of local currency and receive a fixed rate of foreign currency on the future interest and principal payment date in order to avoid the cash flow risk due to fluctuations in exchange rates
	Interest rate swap ("IRS")	Contracts that pay a fixed rate and receive a variable rate on the future interest payment date in order to avoid the risk of cash flow fluctuations due to fluctuations in interest rates
Trading	Currency forward exchange	Contracts that concluded a currency forward exchange contract to avoid the risk of future cash flow fluctuations, but did not apply hedging accounting
	Currency rate swap	Contracts that pay a fixed rate of local currency and receive a fixed rate of foreign currency on the future interest and principal payment date in order to avoid the cash flow risk due to fluctuations in exchange rate, but did not apply hedging accounting
	Interest rate swap	Contracts that concluded an interest rate swap contract to avoid the risk of future interest rate fluctuations, but did not apply hedging accounting

The Group classified derivatives as non-current assets (liabilities) if their remaining maturity exceeds 12 months from the end of the reporting period to the contract maturity date, and current assets (liabilities) if they are within 12 months. When cash flow hedging is applied, the ineffective portion is recognized in profit (loss).

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9. Derivatives, Continued

(2) Details of valuation of derivatives as of December 31, 2024 and 2023 are as follows:

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

2024							
Buy		Sell		Derivative financial assets (liabilities)	Gain (loss) on valuation of derivative financial instruments	Accumulated other comprehensive income (loss) (*1)	Firm commitment assets (liabilities) (*2)
Currency	Amounts	Currency	Amounts				
Forward exchange:							
KRW	2,088,781	USD	1,618,645 ₩	(259,679)	(248,997)	(13,641)	147,202
KRW	147,083	EUR	100,760	(6,850)	(1,277)	(5,558)	685
KRW	140,627	JPY	14,297,270	4,082	2,415	(3,696)	(3,591)
KRW	151,113	Others		(11,652)	(12,729)	(1,668)	4,698
USD	687,575	KRW	924,907	74,615	69,807	27,238	(28,494)
EUR	351,690	KRW	517,337	20,551	673	19,371	(132)
JPY	26,329,400	KRW	260,550	(8,723)	(6,410)	2,108	169
Others		KRW	93,293	6,388	4,642	4,760	(1,100)
GBP and others		EUR and others		(8,768)	(82)	(590)	-
CRS				3,206	-	(1,719)	-
IRS				(1,837)	(1,179)	(15)	-
	Subtotal			(188,667)	(193,137)	26,590	119,437
Tax effect				-	-	(6,090)	-
Adjustments for consolidation				-	-	17,898	-
	Total		₩	(188,667)	(193,137)	38,398	119,437

(*1) In consideration of the amounts adjusted in sales and cost of sales, gain (loss) on valuation of cash flow hedge derivatives amounting to ₩38,398 million, net of tax, was recognized in accumulated other comprehensive income or loss.

(*2) In consideration of the amounts adjusted in sales, firm commitments assets of ₩127,787 million and firm commitment liabilities of ₩8,350 million were recognized in the consolidated statement of financial position by applying a fair value hedge accounting.

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For the years ended December 31, 2024 and 2023

9. Derivatives, Continued

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

				2023			
Buy		Sell		Derivative financial assets (liabilities)	Gain (loss) on valuation of derivative financial instruments	Accumulated other comprehensive income (loss) (*1)	Firm commitment assets (liabilities) (*2)
Currency	Amounts	Currency	Amounts				
Forward exchange:							
KRW	2,624,037	USD	2,087,889 ₩	(37,765)	(15,279)	4,357	43,276
KRW	203,110	EUR	144,558	(2,762)	(1,957)	(1,602)	625
KRW	157,907	JPY	15,871,930	6,879	3,041	(1,300)	(8,294)
KRW	129,703	Others		(5,100)	(6,232)	(562)	368
USD	892,550	KRW	1,137,891	(878)	782	542	2,107
EUR	393,798	KRW	564,972	(2,595)	2,653	(3,398)	(424)
JPY	25,271,532	KRW	258,818	(17,503)	(5,879)	(10,722)	485
Others		KRW	69,264	1,389	1,716	1,248	(9)
GBP and others		EUR and others		(734)	396	1,183	-
CRS				1,136	3,525	211	-
IRS				(504)	(555)	57	-
	Subtotal			(58,437)	(17,789)	(9,986)	38,134
Tax effect				-	-	2,519	-
Adjustments for consolidation				-	-	15,087	-
	Total		₩	(58,437)	(17,789)	7,620	38,134

(*1) In consideration of the amounts adjusted in sales and cost of sales, gain (loss) on valuation of cash flow hedge derivatives amounting to ₩7,620 million, net of tax, was recognized in accumulated other comprehensive income or loss.

(*2) In consideration of the amounts adjusted in sales, firm commitments assets of ₩63,243 million and firm commitment liabilities of ₩25,109 million were recognized in the consolidated statement of financial position by applying a fair value hedge accounting.

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10. Financial instruments

(1) Financial assets as of December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024					
		Financial assets as measured at amortized cost	Financial assets as measured at FVOCI	Financial assets as measured at FVTPL	Other financial assets (*1)	Carrying amounts	Fair value
Cash and cash equivalents	₩	2,898,298	-	-	-	2,898,298	2,898,298
Short and long-term financial instruments		168,694	-	-	-	168,694	168,694
Short and long-term investment in securities (*2)		-	7,974	428,627	-	436,601	436,601
Derivative financial assets		-	-	1,479	54,198	55,677	55,677
Trade and other receivables		2,043,136	9,762	-	-	2,052,898	2,052,898
Deposits		169,612	-	-	-	169,612	169,612
Total	₩	5,279,740	17,736	430,106	54,198	5,781,780	5,781,780

(*1) Other financial assets included derivatives as hedged item.

(*2) Certain long-term investment in securities have been pledged as collateral for the Group's borrowing (See Note 34).

(In millions of won)

		2023					
		Financial assets as measured at amortized cost	Financial assets as measured at FVOCI	Financial assets as measured at FVTPL	Other financial assets (*1)	Carrying amounts	Fair value
Cash and cash equivalents	₩	2,620,187	-	-	-	2,620,187	2,620,187
Short and long-term financial instruments		146,868	-	-	-	146,868	146,868
Short and long-term investment in securities		-	6,530	297,065	-	303,595	303,595
Derivative financial assets		-	-	4,673	32,645	37,318	37,318
Trade and other receivables		2,111,984	26,613	-	-	2,138,597	2,138,597
Deposits		222,644	-	-	-	222,644	222,644
Total	₩	5,101,683	33,143	301,738	32,645	5,469,209	5,469,209

(*1) Other financial assets included derivatives as hedged item.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

10. Financial instruments, Continued

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

(In millions of won)

		2024				
		Financial liabilities as measured at amortized cost	Financial liabilities as measured at FVTPL	Other financial liabilities (*1)	Carrying amounts	Fair value
Trade and other payables	₩	2,550,713	-	-	2,550,713	2,550,713
Borrowings and bonds		5,900,161	-	-	5,900,161	5,900,161
Derivative financial liabilities		-	12,550	231,794	244,344	244,344
Financial guarantee liabilities		-	-	40,323	40,323	40,323
Lease liabilities		404,885	-	-	404,885	404,885
Sales and lease back liabilities		66,565	-	-	66,565	66,565
Others		1,132,459	-	-	1,132,459	1,132,459
Total	₩	10,054,783	12,550	272,117	10,339,450	10,339,450

(*1) Other financial liabilities include derivatives as hedged item and others.

(In millions of won)

		2023				
		Financial liabilities as measured at amortized cost	Financial liabilities as measured at FVTPL	Other financial liabilities (*1)	Carrying amounts	Fair value
Trade and other payables	₩	2,825,789	-	-	2,825,789	2,825,789
Borrowings and bonds		4,767,377	-	-	4,767,377	4,767,377
Derivative financial liabilities		-	7,578	88,177	95,755	95,755
Financial guarantee liabilities		-	-	27,321	27,321	27,321
Lease liabilities		388,068	-	-	388,068	388,068
Sales and lease back liabilities		66,299	-	-	66,299	66,299
Others		1,023,660	-	-	1,023,660	1,023,660
Total	₩	9,071,193	7,578	115,498	9,194,269	9,194,269

(*1) Other financial liabilities include derivatives as hedged item and others.

(3) Fair value hierarchy of financial instruments

As of December 31, 2024, the Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

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

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3: Inputs that are not based on observable market data (unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the dates of the consolidated statements of financial position. These instruments are included in level 1. Instruments included in level 1 primarily comprise listed equity investments classified as trading securities.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

10. Financial instruments, Continued

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- quoted or dealer price of similar instruments.
- the fair value of forward foreign exchange contracts determined by using forward exchange rates at the reporting date, with the resulting value discounted to present value.
- other financial techniques such as discounted cash flow analysis.

The level of fair value measurements of financial instruments as of December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Measured at FVOCI	₩	-	9,762	7,974	17,736
Measured at FVTPL		102,861	1,479	325,766	430,106
Others		-	54,198	-	54,198
Total	₩	102,861	65,439	333,740	502,040
Financial liabilities measured at fair value:					
Measured at FVTPL	₩	-	12,550	-	12,550
Others		-	231,794	40,323	272,117
Total	₩	-	244,344	40,323	284,667

(In millions of won)

		2023			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Measured at FVOCI	₩	-	26,613	6,530	33,143
Measured at FVTPL		21,415	4,673	275,650	301,738
Others		-	32,645	-	32,645
Total	₩	21,415	63,931	282,180	367,526
Financial liabilities measured at fair value:					
Measured at FVTPL	₩	-	7,578	-	7,578
Others		-	88,177	27,321	115,498
Total	₩	-	95,755	27,321	123,076

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Notes to the Consolidated Financial Statements, Continued
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10. Financial instruments, Continued

Assumptions used for the measurement of financial assets at fair value based on level 3 valuation techniques as of December 31, 2024 are as follows:

	Valuation techniques	Discount rate	Note
Gyeonggi East-West Beltway Co.	Dividend discount model	14.35%	Expected dividend cash flow for each financial period
Construction Guarantee	Estimated sales price valuation method	-	Expected sales price
Machinery Financial Cooperative	Estimated sales price valuation method	-	Expected sales price
Engineering Guarantee Insurance	Estimated sales price valuation method	-	Expected sales price
CI Guarantee	Estimated sales price valuation method	-	Expected sales price
Gyeongnam GNTech Creative Economy Innovation Fund	Net asset value assessment	-	Fair value of net asset
Emerald Technology Ventures	Estimated sales price valuation method	-	Return rate on investment
Al Asilah Desalination Company	Net asset value assessment	-	Fair value of net asset
Electric Contractors' Financial Cooperative	Estimated sales price valuation method	-	Expected sales price
Information & Communication Financial Cooperative	Estimated sales price valuation method	-	Expected sales price
Fire Guarantee	Estimated sales price valuation method	-	Expected sales price
Valuegrowth Co., Ltd.	Dividend discount model	10.45%	Expected dividend cash flows for each financial period
Others	Estimated sales price valuation method, etc.	-	Expected sales price and others

Changes in financial assets included in level 3 of the fair value hierarchy for the years ended December 31, 2024 and 2023 are summarized as follows:

(In millions of won)

		2024					
		January 1	Acquisition	Disposal	Profit for the year	Other comprehensive income (loss)	December 31
Financial assets as measured at							
FVOCI	₩	6,530	-	(349)	-	(464)	7,974
Financial assets as measured at							
FVTPL		275,650	41,110	(4,545)	5,781	-	325,766
Total	₩	282,180	41,110	(4,894)	5,781	(464)	333,740

(*1) It includes amounts due to the conversion of loans to equity and changes in foreign currency translation.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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10. Financial instruments, Continued

(In millions of won)

		2023					
		January 1	Acquisition	Disposal	Profit for the year	Other comprehensive income (loss)	December 31
Financial assets as measured at							
FVOCI	₩	11,100	81	(1,299)	-	(766)	6,530
Financial assets as measured at							
FVTPL		259,831	16,406	(1,964)	470	-	275,650
Total	₩	270,931	16,487	(3,263)	470	(766)	282,180

(*1) It includes amounts due to changes in foreign currency translation.

(4) Gain or loss by categories of financial instruments

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

(In millions of won)

		2024					
		Gain or loss					
		Interest income (expense)	Dividend income	Gain or loss on valuation (*1)	Impairment loss on financial instruments	Gain or loss on disposal	Gain or loss on financial guarantee
Financial assets:							Other comprehensive loss (*2)
Measured at amortized cost	₩	109,202	-	-	(12,593)	(4,367)	-
Measured at FVOCI		-	-	-	-	(9,993)	(464)
Measured at FVTPL		-	2,409	92,742	-	70	-
Total	₩	109,202	2,409	92,742	(12,593)	(14,290)	(464)
Financial liabilities:							
Measured at amortized cost	₩	(329,077)	-	-	-	(2,190)	(4,346)
Others		-	-	-	-	-	(702)
Total	₩	(329,077)	-	-	-	(2,190)	(5,048)

(*1) The amounts in gain or loss on valuation exclude the gain or loss related with foreign exchange and derivatives.

(*2) The amounts in other comprehensive income exclude deferred tax effect.

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10. Financial instruments, Continued

(In millions of won)

		2023					
		Gain or loss					Other comprehensive loss(*2)
	Interest income (expense)	Dividend income	Gain or loss on valuation (*1)	Impairment loss on financial instruments	Gain or loss on disposal	Gain or loss on financial guarantee	
Financial assets:							
Measured at amortized cost	₩ 80,220	-	-	(105,801)	(27)	-	-
Measured at FVOCI	-	-	-	-	(10,906)	-	(766)
Measured at FVTPL	-	2,906	(27,905)	-	790	-	-
Total	₩ 80,220	2,906	(27,905)	(105,801)	(10,143)	-	(766)
Financial liabilities:							
Measured at amortized cost	₩ (320,892)	-	-	-	(2,218)	(2,890)	-
Others	-	-	-	-	-	(364)	-
Total	₩ (320,892)	-	-	-	(2,218)	(3,254)	-

(*1) The amounts in gain or loss on valuation exclude the gain or loss related with foreign exchange and derivatives.

(*2) The amounts in other comprehensive income exclude deferred tax effect.

Gains or losses on translation or transaction of foreign currencies arising from foreign currency transactions except for derivative financial instruments have been mostly incurred from financial assets and liabilities measured at amortized cost.

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10. Financial instruments, Continued

2) Details of gains and losses on valuation and settlement of derivative financial instruments for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024		
		Gain or loss on valuation	Gain or loss on settlement	Other comprehensive income (*1)
Derivatives measured at FVTPL	₩	(2,079)	23,168	-
Derivatives for fair value hedge		(186,481)	-	-
Derivatives for cash flow hedge		(4,577)	1,031	36,576
Total	₩	(193,137)	24,199	36,576

(*1) Amounts in other comprehensive income or loss exclude deferred tax effect.

(In millions of won)

		2023		
		Gain or loss on valuation	Gain or loss on settlement	Other comprehensive income (*1)
Derivatives measured at FVTPL	₩	(358)	9,173	-
Derivatives for fair value hedge		(16,819)	-	-
Derivatives for cash flow hedge		(612)	450	(16,231)
Total	₩	(17,789)	9,623	(16,231)

(*1) Amounts in other comprehensive income or loss exclude deferred tax effect.

Above gains or losses on financial instruments for the years ended December 31, 2024 and 2023 include selling and administrative expenses, finance income and expenses, other non-operating income and expenses and other comprehensive income or loss from each financial instrument.

(5) Details of master netting arrangement

Financial assets and financial liabilities subject to an enforceable master netting arrangement or similar agreement as of December 31, 2024 are as follows:

(In millions of won)

		Eligible for master netting arrangement		
		Total assets (liabilities)	Offset amounts	Amounts after offset
Financial assets:				
Derivative financial assets	₩	111,812	(59,932)	51,880
Trade receivables		10,924	(4,590)	6,334
Other receivables		26	(21)	5
Total	₩	122,762	(64,543)	58,219
Financial liabilities:				
Derivative financial liabilities	₩	(288,372)	59,932	(228,440)
Trade payables		(16,615)	4,611	(12,004)
Total	₩	(304,987)	64,543	(240,444)

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11. Investments in associates and joint ventures

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

(In millions of won)

(In millions of won)	Location of incorporation	Percentage of ownership (%)		Acquisition cost		Book value	
				2024	2023	2024	2023
Associates:							
Samcheok Blue Power Co., Ltd. (*1,2)	KOREA	9.00	₩	43,568	43,568	37,715	32,052
Daejung Offshore Wind Power Co., Ltd.	KOREA	26.65		3,196	3,196	2,384	2,380
Hychangwon Co., Ltd. (*3,6,10)	KOREA	25.74		7,000	7,000	-	6,180
Tuwaiq Casting & Forging Company (*2)	SAUDI ARABIA	15.00		43,926	43,926	23,391	37,032
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st	KOREA	65.00		10,496	10,496	10,339	10,406
Keywest Energy Infra Private Investment Trust Fund 1 st (*9)	KOREA	-		-	-	-	-
Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd (*8)	KOREA	76.56		8,400	-	8,309	-
Mirae-asset ESG Marine Wind Power Private Equity Fund 2 nd (*8)	KOREA	56.52		9,213	-	9,208	-
Doosan Engineering & Construction Co., Ltd. (*5)	KOREA	46.35		317,666	317,666	96,406	108,956
Daesan Green Energy Co., Ltd. (*2,4)	KOREA	10.00		3,630	3,630	4,569	3,804
Prestolite Asia Ltd.	KOREA	32.31		2,787	2,787	3,846	3,638
Ainstein AI, Inc (*2)	USA	9.09		2,360	2,360	2,927	2,440
BUNDANG DOOSAN TOWER REIT Co., Ltd (*2)	KOREA	18.60		42,089	42,089	25,709	36,068
Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1 st (*8)	KOREA	30.23		15	-	15	-
Doosan New Technology Investment Fund 1 st (*8)	KOREA	39.60		7,520	-	6,663	-
Subtotal				501,866	476,718	231,481	242,956
Joint ventures:							
The Zenith Holdings Ltd. (*7)	KOREA	31.75		120,000	120,000	-	-
The Weve Holdings Ltd.	KOREA	46.50		119,584	119,584	116,179	73,914
Subtotal				239,584	239,584	116,179	73,914
Total			₩	741,450	716,302	347,660	316,870

(*1) The Group's investments in the investee have been pledged as collateral for the company's project financing loan and contract of completion guarantee (See Note 34).

(*2) Although the Group's ownership interest in the investee is less than 20%, the investee is classified as an associate considering the exercise of voting rights in the board of directors.

(*3) The Group's investments in the investee have been pledged as collateral for the company's project financing loan (See Note 34).

(*4) The Group's investments in the investee have been pledged as collateral for the investee's borrowings (See Note 34).

(*5) The Group's investments in the investee have been pledged as collateral for the Group's borrowing (See Note 34).

(*6) The percentage of ownership is calculated after considering preferred stock. The entity is classified as an associate because the Group holds more than 20% of stock with voting right.

(*7) The carrying amount does not exist because the equity method was discontinued during the previous period.

(*8) Newly acquired in 2024.

(*9) Acquired and disposed in 2024.

(*10) The carrying amount exceeded the recoverable amount and an impairment loss (other non-operating expenses) was recognized for the entire amount of ₩6,223 million in 2024.

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11. Investments in associates and joint ventures, Continued

(2) Changes in investment in associates and joint ventures for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

(In millions of won)		2024							
		January 1, 2024	Acquisition	Dividend Received	Share of Profit (loss)	Increase (decrease) in equity of associates	Disposal	Others (*2)	December 31, 2024
Associates:									
Samcheok Blue Power Co., Ltd.	₩	32,052	-	-	18,154	(7)	-	(12,484)	37,715
Daejung Offshore Wind Power Co., Ltd.		2,380	-	-	4	-	-	-	2,384
Hychangwon Co., Ltd. (*1)		6,180	-	-	43	-	-	(6,223)	-
Tuwaiq Casting & Forging Company		37,032	-	-	(18,803)	5,162	-	-	23,391
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st		10,406	-	-	(67)	-	-	-	10,339
Keywest Energy Infra Private Investment Trust Fund 1 st		-	9,238	-	-	-	(9,238)	-	-
Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd		-	8,400	-	(91)	-	-	-	8,309
Mirae-asset ESG Marine Wind Power Private Equity Fund 2 nd		-	9,213	-	(5)	-	-	-	9,208
Doosan Engineering & Construction Co., Ltd.		108,956	-	-	(12,550)	-	-	-	96,406
Daesan Green Energy Co., Ltd.		3,804	-	-	765	-	-	-	4,569
Prestolite Asia Ltd.		3,638	-	-	208	-	-	-	3,846
Ainstein AI, Inc		2,440	-	-	135	-	-	352	2,927
BUNDANG DOOSAN TOWER REIT Co., Ltd		36,068	-	(1,642)	(8,717)	-	-	-	25,709
Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1 st		-	15	-	-	-	-	-	15
Doosan New Technology Investment Fund 1 st		-	7,520	-	(857)	-	-	-	6,663
Subtotal		242,956	34,386	(1,642)	(21,781)	5,155	(9,238)	(18,355)	231,481
Joint ventures:									
The Zenith Holdings Ltd.		-	-	-	-	-	-	-	-
The Weve Holdings Ltd.		73,914	-	-	42,265	-	-	-	116,179
Subtotal		73,914	-	-	42,265	-	-	-	116,179
Total	₩	316,870	34,386	(1,642)	20,484	5,155	(9,238)	(18,355)	347,660

(*1) Share of profit of equity method investees was calculated as a 41.18% share on common stock basis.

(*2) Others include impairment loss, retained earnings adjustments in equity method investees and changes in foreign currency translation.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

11. Investments in associates and joint ventures, Continued

(In millions of won)

		2023					
		January 1, 2023	Acquisition	Dividend Received	Share of Profit (loss)	Increase (decrease) in equity of associates	December 31, 2023
Associates:							
Samcheok Blue Power Co., Ltd.	₩	31,876	-	-	176	-	32,052
Daejung Offshore Wind Power Co., Ltd.		2,419	-	-	(39)	-	2,380
Hychangwon Co., Ltd. (*1)		7,013	-	-	(834)	1	6,180
Tuwaiq Casting & Forging Company		44,674	-	-	(8,449)	807	37,032
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st		8,494	1,996	-	(84)	-	10,406
Doosan Engineering & Construction Co., Ltd.		173,702	-	-	(64,746)	-	108,956
Daesan Green Energy Co., Ltd.		2,476	-	-	1,328	-	3,804
Prestolite Asia Ltd.		3,141	-	-	497	-	3,638
Ainstein AI, Inc		2,355	-	-	44	-	2,440
BUNDANG DOOSAN TOWER REIT Co., Ltd		41,355	-	(3,242)	(2,045)	-	36,068
Subtotal		317,505	1,996	(3,242)	(74,152)	808	242,956
Joint ventures:							
The Zenith Holdings Ltd.		-	-	-	-	-	-
The Weve Holdings Ltd.		38,450	-	-	35,464	-	73,914
Subtotal		38,450	-	-	35,464	-	73,914
Total	₩	355,955	1,996	(3,242)	(38,688)	808	316,870

(*1) Share of profit of equity method investees was calculated as a 41.18% share on common stock basis.

(*2) Others include changes in foreign currency translation.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

11. Investments in associates and joint ventures, Continued

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

(In millions of won)

		2024				
		Total assets	Total liabilities	Sales	Net Profit (loss)	Total comprehensive income (loss)
Samcheok Blue Power Co., Ltd.	₩	4,887,999	4,040,674	596,497	177,882	177,882
Daejung Offshore Wind Power Co., Ltd.		5,419	2,220	-	16	16
Hychangwon Co., Ltd.		100,029	72,312	-	201	201
Tuwaiq Casting & Forging Company		992,398	742,470	-	(67,731)	(67,731)
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st		17,624	8,852	-	(112)	(112)
Keywest Energy Infra Private Investment Trust Fund 1 st		-	-	-	-	-
Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd		114,583	91,683	-	(309)	(309)
Mirae-asset ESG Marine Wind Power Private Equity Fund 2 nd		16,474	10,347	-	(108)	(108)
Doosan Engineering & Construction Co., Ltd.		1,703,029	1,346,870	2,175,316	19,844	19,844
Daesan Green Energy Co., Ltd.		225,765	153,391	110,002	5,960	5,960
Prestolite Asia Ltd.		15,700	3,797	16,675	642	642
Ainstein AI, Inc		8,953	7,121	7,658	(280)	(280)
BUNDANG DOOSAN TOWER REIT Co., Ltd		649,718	527,073	16,745	(933)	(933)
Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1 st		51	-	1	1	1
Doosan New Technology Investment Fund 1 st		16,419	-	-	(2,164)	(2,164)
The Zenith Holdings Ltd.		1,869,183	1,355,256	2,175,316	25,291	25,291
The Weve Holdings Ltd.		1,828,966	1,355,448	2,175,316	25,287	25,287

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

11. Investments in associates and joint ventures, Continued

(In millions of won)

	2023				
	Total assets	Total liabilities	Sales	Net Profit (loss)	Total comprehensive income (loss)
Samcheok Blue Power Co., Ltd. ₩	4,228,510	3,668,999	14,002	(28,864)	(28,864)
Daejung Offshore Wind Power Co., Ltd.	5,277	2,094	-	(145)	(145)
Hychangwon Co., Ltd.	91,241	63,725	-	(3,092)	(3,092)
Tuwaiq Casting & Forging Company	823,364	540,114	-	(17,987)	(17,987)
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st	17,836	8,952	-	(79)	(79)
Doosan Engineering & Construction Co., Ltd.	1,670,974	1,410,031	1,721,730	(76,210)	(76,210)
Daesan Green Energy Co., Ltd.	237,691	171,228	111,225	14,541	14,541
Prestolite Asia Ltd.	15,711	5,414	19,661	1,540	1,540
Ainstein AI, Inc	7,371	6,131	8,903	481	481
BUNDANG DOOSAN TOWER REIT Co., Ltd	663,593	524,449	27,729	4,033	4,033
The Zenith Holdings Ltd.	1,838,208	1,423,015	1,721,746	(72,187)	(72,187)
The Weve Holdings Ltd.	1,797,995	1,423,015	1,721,746	(72,194)	(72,194)

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

11. Investments in associates and joint ventures, Continued

(4) The following table provides a reconciliation of the summarized financial information of the associates and joint ventures to the carrying amount of its interest in the associates and joint ventures as of December 31, 2024 and 2023:

(In millions of won)

(In millions of won)		2024						
Company		Net asset (a)	Equity ownership (%) (b)	Equity interest in the investee (axb)	Adjustment amount			Book value
					Goodwill	Internal transaction	Others	
Associates:								
Samcheok Blue Power Co., Ltd. (*1)	₩	41,691	9.00	3,752	38,268	(4,305)	-	37,715
Daejung Offshore Wind Power Co., Ltd.		3,199	26.65	852	1,532	-	-	2,384
Hychangwon Co., Ltd. (*2)		10,865	41.18	4,474	79	1,669	(6,222)	-
Tuwaiq Casting & Forging Company		249,928	15.00	37,489	-	(14,098)	-	23,391
Mirae-asset ESG Marine Wind Power Private Equity Fund 1st		8,773	65.00	5,702	4,664	-	(27)	10,339
Keywest Energy Infra Private Investment Trust Fund 1 st		-	-	-	-	-	-	-
Mirae-asset Hydrogen Infra Private Investment Trust Fund 2nd		22,901	76.56	17,533	1,295	-	(10,519)	8,309
Mirae-asset ESG Marine Wind Powe r Private Equity Fund 2nd		6,127	56.52	3,463	5,745	-	-	9,208
Doosan Engineering & Construction Co., Ltd.		356,159	46.35	165,080	60,232	-	(128,906)	96,406
Daesan Green Energy Co., Ltd.		72,374	10.00	7,237	-	(2,668)	-	4,569
Prestolite Asia Ltd.		11,903	32.31	3,846	-	-	-	3,846
Ainstein AI, Inc		1,831	9.09	166	2,306	-	455	2,927
BUNDANG DOOSAN TOWER REIT Co., Ltd		122,644	18.60	22,812	14,936	(1,108)	(10,931)	25,709
Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1st		51	30.23	15	-	-	-	15
Doosan New Technology Investment Fund 1st		16,419	39.60	6,502	-	-	161	6,663
Subtotal		924,865		278,923	129,057	(20,510)	(155,989)	231,481
Joint ventures:								
The Zenith Holdings Ltd. (*3)		269,444	31.75	85,548	18,991	-	(104,539)	-
The Weve Holdings Ltd. (*3)		180,837	46.50	84,089	18,517	-	13,573	116,179
Subtotal		450,281		169,637	37,508	-	(90,966)	116,179
Total	₩	1,375,146		448,560	166,565	(20,510)	(246,955)	347,660

(*1) Includes net assets other than hybrid bonds with equity shares.

(*2) Includes net assets and equity ownership other than share on preferred stock.

(*3) Includes net assets other than goodwill and non-controlling interest of individual entities.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

11. Investments in associates and joint ventures, Continued

(In millions of won)

Company	2023						
	Net asset (a)	Equity ownership (%) (b)	Equity interest in the investee (axb)	Adjustment amount			Book value
				Goodwill	Internal transaction	Others	
Associates:							
Samcheok Blue Power Co., Ltd. (*1)	₩ 2,597	9.00	234	38,268	(6,450)	-	32,052
Daejung Offshore Wind Power Co., Ltd.	3,183	26.65	848	1,532	-	-	2,380
Hychangwon Co., Ltd. (*2)	10,665	41.18	4,392	79	1,709	-	6,180
Tuwaiq Casting & Forging Company	283,250	15.00	42,488	-	(5,456)	-	37,032
Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st	8,884	65.00	5,775	4,664	-	(33)	10,406
Doosan Engineering & Construction Co., Ltd.	260,943	46.35	120,947	60,232	-	(72,223)	108,956
Daesan Green Energy Co., Ltd.	66,463	10.00	6,646	-	(2,842)	-	3,804
Prestolite Asia Ltd.	10,297	32.31	3,327	-	-	311	3,638
Ainstein AI, Inc	1,240	9.09	113	2,306	-	21	2,440
BUNDANG DOOSAN TOWER REIT Co., Ltd	139,144	18.60	25,881	14,936	(3,242)	(1,507)	36,068
Subtotal	786,666		210,651	122,017	(16,281)	(73,431)	242,956
Joint ventures:							
The Zenith Holdings Ltd. (*3)	119,827	31.75	38,045	18,991	-	(57,036)	-
The Weve Holdings Ltd. (*3)	80,896	46.50	37,617	18,517	-	17,780	73,914
Subtotal	200,723		75,662	37,508	-	(39,256)	73,914
Total	₩ 987,389		286,313	159,525	(16,281)	(112,687)	316,870

(*1) Includes net assets other than hybrid bonds with equity shares.

(*2) Includes net assets and equity ownership other than share on preferred stock.

(*3) Includes net assets other than goodwill and non-controlling interest of individual entities.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

12. Property, plant and equipment

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

(In millions of won)

	2024						
	Land	Buildings and structures	Machinery	Others	Construction in progress	Right-of-use assets	Total
As of January 1, 2024	₩ 3,014,696	751,800	679,917	99,783	356,349	322,604	5,225,149
Acquisition/capital expenditure	39,125	17,231	64,906	23,294	330,878	100,221	575,655
Transfer (*1)	(10,534)	36,348	128,008	7,111	(183,424)	(2,199)	(24,690)
Disposal (*2)	-	(1,704)	(5,839)	(728)	(1,076)	(12,616)	(21,963)
Depreciation	-	(51,535)	(164,370)	(34,780)	-	(93,169)	(343,854)
Impairment	-	(25)	145	(338)	-	-	(218)
Business combination	53,340	23,507	22,729	4,854	2,769	6,329	113,528
Changes in consolidation scope	-	-	(426)	(206)	-	(1,312)	(1,944)
Changes in foreign currency translation and others	4,966	56,167	56,297	5,986	34,500	23,470	181,386
As of December 31, 2024	₩ <u>3,101,593</u>	<u>831,789</u>	<u>781,367</u>	<u>104,976</u>	<u>539,996</u>	<u>343,328</u>	<u>5,703,049</u>
- Acquisition cost	₩ 1,542,969	1,812,829	2,878,561	481,678	577,358	601,396	7,894,791
- Accumulated depreciation and impairment loss	(124)	(981,040)	(2,097,194)	(376,702)	(37,362)	(258,068)	(3,750,490)
- Revaluation surplus	1,558,748	-	-	-	-	-	1,558,748

(*1) Certain land have been reclassified to investment properties (See Note 15).

(*2) Includes the amount due to the contract cancelation of the right-of-use assets (See Note 14).

As of December 31, 2024, certain property, plant and equipment have been pledged as collateral for debts and others (See Note 34).

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

12. Property, plant and equipment, Continued

(In millions of won)

	2023						
	Land	Buildings and structures	Machinery	Others	Construction in progress	Right-of-use assets	Total
As of January 1, 2023	₩ 3,019,812	705,164	657,652	89,563	234,582	315,375	5,022,148
Acquisition/capital expenditure	-	33,843	50,739	22,927	313,038	88,245	508,792
Transfer (*1)	(23,802)	64,171	116,952	16,630	(199,767)	2,542	(23,274)
Disposals (*2)	(1,753)	(1,169)	(4,125)	(1,118)	-	(6,250)	(14,415)
Depreciation	-	(54,650)	(151,584)	(31,260)	-	(78,868)	(316,362)
Impairment	(19,114)	(6,088)	(4,832)	(16)	(240)	-	(30,290)
Revaluation	35,973	-	-	-	-	-	35,973
Changes in foreign currency translation and others	3,580	10,529	15,115	3,057	8,736	1,560	42,577
As of December 31, 2023	₩ <u>3,014,696</u>	<u>751,800</u>	<u>679,917</u>	<u>99,783</u>	<u>356,349</u>	<u>322,604</u>	<u>5,225,149</u>
- Acquisition cost	₩ 1,456,104	1,642,437	2,549,703	430,288	393,711	512,606	6,984,849
- Accumulated depreciation and impairment loss	(111)	(890,637)	(1,869,786)	(330,505)	(37,362)	(190,002)	(3,318,403)
- Revaluation surplus	1,558,703	-	-	-	-	-	1,558,703

(*1) Certain land and buildings have been reclassified to assets held-for-sale (See Note 37).

(*2) Includes the amount due to the contract cancelation of the right-of-use assets (See Note 14).

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

12. Property, plant and equipment, Continued

(2) Capitalized borrowing cost

Capitalized borrowing costs for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Capitalized borrowing costs	₩	16,353	6,803
Interest rate of borrowing costs		4.92%~8.04%	4.01%~6.48%

(3) Depreciation

Details of depreciation on property, plant and equipment for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Cost of sales	₩	278,449	257,493
Selling and administrative expenses		57,932	53,165
Research and development costs and others		7,586	5,704
Others		(113)	-
Total	₩	<u>343,854</u>	<u>316,362</u>

(4) Revaluation of land

The Group accounts for land using revaluation model. If the land were remeasured using cost model, the carrying amount as of December 31, 2024 and 2023 would have been amounted to ₩1,542,845 million and ₩1,455,993 million, respectively. As of December 31, 2024, there is no significant difference compared to the fair value of land measured as of December 31, 2023.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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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 millions of won)

	2024					
	Goodwill	Industrial property rights	Development costs	Construction in progress	Other intangible assets	Total
As of January 1, 2024	₩ 4,914,302	1,277,875	1,245,843	54,960	400,002	7,892,982
Increase	19,990	4,898	145,469	64,069	42,416	276,842
Internal development	-	-	145,469	-	-	145,469
Individual acquisition	-	4,886	-	63,842	13,401	82,129
Business combination	19,990	12	-	227	29,015	49,244
Decrease	-	(2,087)	(73,871)	(523)	(66,395)	(142,876)
Amortization	-	(2,087)	(73,871)	-	(64,774)	(140,732)
Disposal	-	-	-	(523)	(1,621)	(2,144)
Transfer to other assets	-	174	(2,128)	(23,021)	35,717	10,742
Transfer to other expenses	-	-	(786)	-	-	(786)
Changes in consolidation scope	-	-	(1,508)	-	(118)	(1,626)
Changes in foreign currency translation and others	401,903	147,405	17,071	8,597	10,675	585,651
Reversal of an impairment loss (Impairment loss)	(216,806)	(3,410)	(12,180)	-	8,757	(223,639)
As of December 31, 2024	₩ 5,119,389	1,424,855	1,317,910	104,082	431,054	8,397,290

As of December 31, 2024, certain intangible assets have been pledged as collateral for the Group's debts (See Note 34).

(In millions of won)

	2023					
	Goodwill	Industrial property rights	Development costs	Construction in progress	Other intangible assets	Total
As of January 1, 2023	₩ 4,946,440	1,246,264	1,157,295	-	422,725	7,772,724
Increase	-	2,082	168,710	50,343	24,127	245,262
Internal development	-	-	168,710	-	-	168,710
Individual acquisition	-	2,082	-	50,343	24,127	76,552
Decrease	-	(1,674)	(75,371)	-	(68,035)	(145,080)
Amortization	-	(1,674)	(75,371)	-	(67,094)	(144,139)
Disposal	-	-	-	-	(941)	(941)
Transfer to other assets	-	-	(3,860)	4,830	19,110	20,080
Transfer to other expenses	-	-	(633)	-	-	(633)
Changes in foreign currency translation and others	132,745	37,656	3,876	(213)	2,075	176,139
Impairment loss	(164,883)	(6,453)	(4,174)	-	-	(175,510)
As of December 31, 2023	₩ 4,914,302	1,277,875	1,245,843	54,960	400,002	7,892,982

The carrying amounts of intangible assets with indefinite useful lives including goodwill and others as of December 31, 2024 and 2023 amounted to ₩6,552,074 million and ₩6,205,379 million, respectively.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

13. Intangible assets, Continued

(2) Research and development costs

Research and development costs expensed as incurred for the years ended December 31, 2024 and 2023 amounted to ₩253,325 million and ₩236,375 million, respectively.

(3) Capitalized borrowing costs

Capitalized borrowing costs for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Capitalized borrowing costs	₩	35,856	33,102
Interest rate of borrowing costs		4.53%~8.17%	4.82%~8.17%

(4) Amortization of intangible assets

Details of amortization of intangible assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Cost of sales	₩	83,030	92,278
Selling and administrative expenses		57,702	51,861
Total	₩	140,732	144,139

(5) Goodwill impairment test

Carrying amount of goodwill allocated to each CGU as of December 31, 2024 and 2023 are as follows:

	CGU		2024	2023
Doosan Enerbility Co., Ltd.	Doosan Enerbility Co., Ltd.	₩	781,384	743,811
Doosan Bobcat Inc.	Doosan Bobcat Inc.		4,038,146	3,673,816
	Doosan Mottrol Co., Ltd.		18,585	-
Doosan Fuel Cell Co., Ltd.	Doosan Fuel Cell Co., Ltd.		281,274	496,675
	Total	₩	5,119,389	4,914,302

The recoverable amount of CGU is determined based on a value in use calculation or fair value less cost of disposal, and major assumptions used as of December 31, 2024 are as follows:

CGU	Doosan Enerbility Co., Ltd.	Doosan Bobcat Inc.	Doosan Mottrol Co., Ltd.	Doosan Fuel Cell Co., Ltd.
Valuation methods	Fair value less cost of disposal	Value in use	Value in use	Fair value less cost of disposal
Major assumptions and estimation methods	Estimated at Doosan Enerbility Co., Ltd.'s share price	Permanent growth rate: 1.50% Discount rate: 8.33%	Permanent growth rate: 1.00% Discount rate: 11.2%	Estimated at Doosan Fuel Cell Co., Ltd.'s share price

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

13. Intangible assets, Continued

A value in use is calculated using pre-tax cash flow projections based on financial budgets approved by senior management covering a five-year period. The management assessed the total profit in the budget based on past performances and market growth forecasts. Cash flows beyond the five-year period are extrapolated using permanent growth rates, which do not exceed the long-term average growth rate for the industry in which the CGU operates and are consistent with estimations included in industry reports. The discount rate used is risk adjusted discount rate that reflects relevant risks specific to the related CGU.

Fair value less cost of disposal is calculated by deducting the cost of disposal after adding control premium to the share price as of December 31, 2024, valuation date.

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

(In millions of won)

		2024	
	Description	Book value	Remaining amortization period (*1)
Doosan Enerbility Co., Ltd.	Large-sized Gas Turbine	₩ 771,256	-
	Gas Turbine 7F Retrofit	66,559	-
	Mid-sized Gas Turbine Development Phase1	460	4.58 years
	Mid-sized Gas Turbine Development Phase2	37,777	-
	8MW Offshore Wind Power	52,809	-
Doosan Bobcat Inc.	Compact product development (relating to new models and emission regulations) (*2)	72,017	-
	Compact product development (relating to new models and emission regulations) (*2)	49,783	2.63 years
	Portable Power product development (relating to new models and emission regulations) (*2)	-	-
	Portable Power product development (relating to new models and emission regulations) (*2)	8,370	2.5 years
	Forklift product development (relating to new models and emission regulations) (*2)	9,611	-
	Forklift product development (relating to new models and emission regulations) (*2)	6,928	2.54 years

(*1) Remaining amortization period is disclosed for assets which amortization has been initiated and disclosed as '-' for assets not yet amortized.

(*2) Some of the sub-projects that were amortized among the development costs were separately marked.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

13. Intangible assets, Continued

(In millions of won)

		2023	
	Description	Book value	Remaining amortization period (*1)
Doosan Enerbility Co., Ltd.	Large-sized Gas Turbine	₩ 727,992	-
	Gas Turbine 7F Retrofit	59,252	-
	Mid-sized Gas Turbine Development Phase1	560	5.58 years
	Mid-sized Gas Turbine Development Phase2	37,777	-
	8MW Offshore Wind Power	49,951	-
Doosan Bobcat Inc.	Compact product development (relating to new models and emission regulations) (*2)	60,234	-
	Compact product development (relating to new models and emission regulations) (*2)	73,191	2.73 years
	Portable Power product development (relating to new models and emission regulations) (*2)	214	-
	Portable Power product development (relating to new models and emission regulations) (*2)	11,399	3.06 years
	Forklift product development (relating to new models and emission regulations) (*2)	6,032	-
	Forklift product development (relating to new models and emission regulations) (*2)	10,442	3.29 years

(*1) Remaining amortization period is disclosed for assets which amortization has been initiated and disclosed as '-' for assets not yet amortized.

(*2) Some of the sub-projects that were amortized among the development costs were separately marked.

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13. Intangible assets, Continued

(7) Intangible assets for which an impairment loss has been recognized for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024					Method used to assess recoverability
		Acquisition cost	Impairment loss		Accumulated amortization	Book value	
			Loss	Accumu- lated			
Description							
Doosan Enerbility Co., Ltd.	Development costs						
	Development of 700 bar vessels for hydrogen fueling stations	₩ 242	109	109	133	-	Value in use
	GT Next Generation Seal Commercial Development	36	36	36	-	-	Value in use
	GT Next Generation Seal Commercial Development_Own	300	300	300	-	-	Value in use
	Others	1,016	139	1,016	-	-	Value in use
	Subtotal	1,594	584	1,461	133	-	
Doosan Bobcat Inc.	Industrial rights and others						
	STEINER brand right and others	10,941	3,410	10,941	-	-	Fair value less cost of disposal
	Development costs						
	MEX 1-2T Upgrade and others	90,543	9,565	19,989	69,963	591	Fair value less cost of disposal
	Other intangible assets						
	Membership	1,409	10	227	-	1,182	Fair value less cost of disposal
	Subtotal	102,893	12,985	31,157	69,963	1,773	
Doosan Fuel Cell Co., Ltd.	Goodwill (*1)						
	Goodwill	1,084,404	216,806	803,130	-	281,274	Fair value less cost of disposal
	Development costs						
	National R&D project Tri-Gen Development Cost	3,582	2,030	2,030	1,552	-	Value in use
	Subtotal	1,087,986	218,836	805,160	1,552	281,274	
	Total	₩ 1,192,473	232,405	837,778	71,648	283,047	

(*1) The Group recognized impairment loss of ₩216,806 million as non-operating expense because the book value of operating net asset including goodwill acquired from the business combination with Doosan Fuel Cell Co., Ltd. exceeded net fair value.

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

13. Intangible assets, Continued

(In millions of won)

(In millions of won)

		2023					
Description	Acquisition cost	Impairment loss		Accumulated amortization	Book value	Method used to assess recoverability	
		Loss	Accumulated				
Doosan Enerbility Co., Ltd.	Development costs						
	Development of rotor automated inspection system ₩	874	157	536	338	-	Value in use
	Others	33,013	878	24,752	8,261	-	Value in use
	Subtotal	33,887	1,035	25,288	8,599	-	
Doosan Bobcat Inc.	Industrial rights and others						
	RYAN brand right	6,453	6,453	6,453	-	-	Fair value less cost of disposal
	Development costs						
	Medium Frame GenV and others	65,411	3,139	11,292	54,119	-	Fair value less cost of disposal
	Subtotal	71,864	9,592	17,745	54,119	-	
Doosan Fuel Cell Co., Ltd.	Goodwill (*1)						
	Goodwill	1,082,998	164,883	586,323	-	496,675	Fair value less cost of disposal
	Total ₩	1,188,749	175,510	629,356	62,718	496,675	

(*1) In 2023, the Group recognized impairment loss of ₩164,883 million because the book value of operating net asset including goodwill, which has been distributed to the corresponding CGU, exceeded net fair value.

(8) Reversal of impairment loss of intangible assets

Intangible assets reversed for impairment for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		Reversal of impairment loss		Method used to assess recoverability
Description		2024	2023	
Doosan Enerbility Co., Ltd.	Other intangible assets			
	Golf membership	₩ 8,766	-	Fair value

(9) Items in the consolidated statements of profit or loss that included an impairment loss

For the years ended December 31, 2024 and 2023, item in the consolidated statements of profit or loss for which the Group recognized an impairment loss are as follows:

(In millions of won)

	2024	2023
Other non-operating expenses	₩ 232,405	175,510
Other non-operating revenues	(8,766)	-
Total	₩ 223,639	175,510

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

13. Intangible assets, Continued

(10) Greenhouse gas emission permits and obligations

1) The emission permits that are received free of charge from the government as the 3rd planning period (from year 2021 to 2025) as of December 31, 2024 are as follows:

(In tons (tCO₂-eq))

	2021	2022	2023	2024	2025	Total
Free emission permits	260,526	260,526	260,526	258,086	258,086	1,297,750

2) Changes in emission permits for the years ended December 31, 2024 and 2023 are as follows:

(In tons (tCO₂-eq))

	2024			
	2023	2024	2025	Total
As of January 1, 2024 (*1)	318,488	258,294	258,294	835,076
Cancellation of free permits	(598)	(592)	-	(1,190)
Submission to the government	(246,289)	-	-	(246,289)
Sale	(18,000)	-	-	(18,000)
Carried forward	(53,601)	53,601	-	-
As of December 31, 2024	-	311,303	258,294	569,597

(*1) Including changes such as carried forward of vested free permits and succession of free permits.

(In tons (tCO₂-eq))

	2023			
	2022	2023	2024	Total
As of January 1, 2023 (*1)	302,876	260,736	258,294	1,080,200
Cancellation of free permits	(574)	-	-	(574)
Submission to the government	(214,550)	-	-	(214,550)
Sale	(30,000)	-	-	(30,000)
Carried forward	(57,752)	57,752	-	-
As of December 31, 2023	-	318,488	258,294	835,076

(*1) Including succession of allowances received free of charge.

Greenhouse gas emission rights that are granted by the government were recognized by measuring the carrying amount in zero.

3) Details of emission permits held for short-term trading purpose for the years ended December 31, 2024 and 2023 are as follows:

(In tons (tCO₂-eq), in millions of won)

	2024		2023	
	Quantity	Book value	Quantity	Book value
Beginning balance	55,248 ₩	718	55,248 ₩	1,657
Acquisition	-	-	-	-
Loss on Valuation	-	(166)	-	(939)
Ending balance	55,248 ₩	552	55,248 ₩	718

4) The estimate of greenhouse gas emissions as of December 31, 2024 was 249,000 tons (tCO₂-eq) and no emission liabilities are recognized as it is not expected to exceed the free emission permits.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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14. Lease

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

(In millions of won)

		2024				
		Land	Buildings and structures	Machinery	Other tangible assets	Total
As of January 1, 2024	₩	6,865	288,746	9,551	17,442	322,604
Acquisition		316	74,728	4,669	20,508	100,221
Business combination		5,845	399	53	32	6,329
Contract cancellation		(22)	(10,466)	(203)	(1,925)	(12,616)
Depreciation		(559)	(69,944)	(4,344)	(18,322)	(93,169)
Transfer (*1)		33	(2,232)	-	-	(2,199)
Changes in consolidation scope		-	(1,285)	-	(27)	(1,312)
Foreign currency differences and others		557	20,254	1,237	1,422	23,470
As of December 31, 2024	₩	<u>13,035</u>	<u>300,200</u>	<u>10,963</u>	<u>19,130</u>	<u>343,328</u>
- Acquisition cost	₩	14,735	507,578	21,846	57,237	601,396
- Accumulated depreciation		(1,700)	(207,378)	(10,883)	(38,107)	(258,068)

(*1) Includes the amount of sublease provision reclassified to investment property due to the change in the lease contract of BUNDANG DOOSAN TOWER (See Note 15).

(In millions of won)

		2023				
		Land	Buildings & structures	Machinery	Other tangible assets	Total
As of January 1, 2023	₩	7,651	285,136	7,337	15,251	315,375
Acquisition		25	67,060	5,522	15,638	88,245
Contract cancelation		(129)	(4,544)	-	(1,577)	(6,250)
Depreciation		(821)	(62,833)	(3,430)	(11,784)	(78,868)
Transfer (*1)		-	2,549	-	(7)	2,542
Foreign currency differences and others		139	1,378	122	(79)	1,560
As of December 31, 2023	₩	<u>6,865</u>	<u>288,746</u>	<u>9,551</u>	<u>17,442</u>	<u>322,604</u>
- Acquisition cost	₩	8,052	442,494	14,974	47,086	512,606
- Accumulated depreciation		(1,187)	(153,748)	(5,423)	(29,644)	(190,002)

(*1) Reclassified to right-of-use assets from investment properties due to the change in sublease ratio of BUNDANG DOOSAN TOWER in 2023.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

14. Lease, Continued

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

<i>(In millions of won)</i>		2024	2023
As of January 1	₩	388,068	393,894
Payment of lease		(120,027)	(106,299)
Acquisition		99,475	85,049
Business combination		551	-
Contract cancellation		(13,823)	(4,055)
Interest expense		25,960	22,145
Changes in consolidation scope		(1,533)	-
Foreign currency differences and others		26,214	(2,666)
As of December 31	₩	404,885	388,068

(3) The details of depreciation of right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Cost of sales	₩	49,929	39,670
Selling and administrative expenses		43,240	39,198
Total	₩	93,169	78,868

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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14. Lease, Continued

(4) The maturity of lease receivables and liabilities as of December 31, 2024 and 2023 are as follows:

(In millions of won)		2024				
		Contractual nominal cash flow				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Lease liabilities	₩	476,027	112,804	89,641	202,892	70,690

(In millions of won)		2023				
		Contractual nominal cash flow				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Lease liabilities	₩	447,810	90,335	79,387	179,692	98,396

(5) Expenses incurred in short-term leases and low-value asset leases that are not included in the Group's right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)		2024		2023	
		₩			
Cost of sales			23,336		15,939
Selling and administrative expenses			8,228		6,581
Total		₩	31,564		22,520

The Group, as an intermediate lessor, recognized a lease income amounted to ₩2,345 million from the sub-lease of right-of-use assets for the years ended December 31, 2023 , while there was no lease income for the year ended December 31, 2024.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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15. Investment properties

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

(In millions of won)

		2024			
		Land	Construction in progress	Buildings	Total
As of January 1, 2024	₩	152,432	-	56,176	208,608
Acquisition/ capital expenditure		1,910	1,165	734	3,809
Transfer		22,110	-	2,175	24,285
Depreciation		-	-	(6,445)	(6,445)
Impairment loss		-	(1,165)	-	(1,165)
Others		-	-	(804)	(804)
As of December 31, 2024	₩	<u>176,452</u>	<u>-</u>	<u>51,836</u>	<u>228,288</u>
- Acquisition cost	₩	185,417	54,955	78,165	318,537
- Accumulated depreciation and impairment loss		(8,965)	(54,955)	(26,329)	(90,249)

(In millions of won)

		2023			
		Land	Construction in progress	Buildings	Total
As of January 1, 2023	₩	165,878	37,837	70,731	274,446
Acquisition/ capital expenditure		-	-	1,104	1,104
Transfer (*1)		(13,446)	-	(2,690)	(16,136)
Depreciation		-	-	(6,164)	(6,164)
Impairment loss		-	(37,837)	-	(37,837)
Others		-	-	(6,805)	(6,805)
As of December 31, 2023	₩	<u>152,432</u>	<u>-</u>	<u>56,176</u>	<u>208,608</u>
- Acquisition cost	₩	161,397	53,790	76,061	291,248
- Accumulated depreciation and impairment loss		(8,965)	(53,790)	(19,885)	(82,640)

(*1) Includes the amounts reclassified from investment properties to held-for-sale and right-of-use assets.

(2) Rental incomes from investment properties for the years ended December 31, 2024 and 2023 are ₩19,466 million and ₩24,101 million, respectively.

(3) Changes in the right-of-use assets which are classified as investment properties for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024	2023
As of January 1	₩	32,570	46,548
Transfer		2,175	(2,549)
Depreciation		(4,832)	(4,624)
Others		(804)	(6,805)
As of December 31	₩	<u>29,109</u>	<u>32,570</u>

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15. Investment properties, Continued

(4) Fair value of investment properties excluding right-of-assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Land	₩	209,202	148,195
Construction in progress		-	33,905
Buildings		24,121	24,188
Total	₩	233,323	206,288

The fair value of the investment property was assessed by an independent evaluation agency, and the Group believes that changes in the fair value following the fair value assessment performed upon initial recognition of the investment property are not material. Meanwhile, the fair value of investment properties is classified as Level 3 based on the input variables used in the valuation. The valuation techniques used to measure fair value include the individual valuation method, transaction case comparison method, and profit return method.

However, for right-of-use assets classified as investment properties, the value-in-use based on K-IFRS No. 1116 'Lease' was used as fair value, and recorded as initial book value. As there was no significant change in assumptions such as cash flow and interest rates after the acquisition, the value-in-use according to IFRS 16 'Lease' was considered as a proxy for fair value, and fair value evaluation was not performed.

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16. Bonds and borrowings

(1) Borrowings

1) Short-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Type of borrowings	Borrower (*1)	Lender	Annual interest rate (%) as of December 31, 2024	2024 (*2)	2023
Denominated in KRW	Doosan Enerbility Co., Ltd.	Korea Development Bank ("KDB") and others	1.10~5.69	₩ 1,552,104	753,250
	Doosan Bobcat Inc.	Hana Bank and others	CD91D + 1.55~6M MOR + 1.76		
	Doosan Fuel Cell Co., Ltd.	Woori Bank and others	Industrial financial debentures (6M) + 1.51~CD(3M) + 2.38	60,000	-
	Doosan Cuvex Co., Ltd.	Woori Bank	CD(3M) + 1.58	100,000	60,000
				10,000	-
Denominated in foreign currencies	Doosan Enerbility Co., Ltd.	Hana Bank and others	0.00~10.30	353,776	310,851
	Doosan Bobcat Inc.	Shinhan Bank China and others	2.70~EURIBOR + 1.50	65,377	62,476
	Total			₩ 2,141,257	1,186,577

(*1) Includes the Company's overseas subsidiaries and their consolidated subsidiaries.

(*2) The Group's PP&E and others have been pledged as collateral for the above borrowings (See Notes 33 and 34).

2) Long-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Type of Borrowings	Borrower (*1)	Lender	Annual interest rate (%) as of December 31, 2024	2024 (*2)	2023
Denominated in KRW	Doosan Enerbility Co., Ltd.	Korea EXIM Bank and others	4.27~5.90	₩ 1,000,000	1,260,663
	Doosan Bobcat Inc.	Nonghyup Bank and others	CD91D + 1.5~3M MOR + 1.88		
	Doosan Fuel Cell Co., Ltd.	KDB	Industrial financial debentures (1yr) +1.45 ~ Industrial financial debentures (1yr) +1.47	130,000	80,000
	Doosan Cuvex Co., Ltd.	Woori Bank	-	70,000	70,000
				-	20,000
Denominated in foreign currencies	Doosan Enerbility Co., Ltd.	Canadian Imperial Bank of Commerce	3.00~2.50 + SOFR	4,989	162,709
	Doosan Bobcat Inc.	Institutional investors and banks in the United States and others	Japan ST Prime Lending Rate + 1.45 ~ 3M SOFR + 1.5	1,488,221	1,060,898
Subtotal				2,693,210	2,654,270
Less: Current portion of long-term borrowings				(242,078)	(1,178,626)
Less: Present value discounts				(16,598)	(17,895)
Total				₩ 2,434,534	1,457,749

(*1) Includes the Company's overseas subsidiaries and their consolidated subsidiaries.

(*2) The Group's PP&E and others have been pledged as collateral for the above borrowings (See Notes 33 and 34).

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16. Bonds and borrowings, Continued

(2) Bonds

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

(In millions of won)

	Annual interest rate (%) as of December 31, 2024		2024	2023
Public offering bonds (*1)	3.95~6.47	₩	910,000	696,820
Privately placed bonds	5.36~9.20		125,500	184,500
Subtotal			1,035,500	881,320
Less: Current portion of long-term bonds			(122,897)	(381,084)
Less: Discount on bonds			(5,845)	(6,319)
Total		₩	906,758	493,917

(*1) The ordinary shares of Doosan Bobcat Inc. have been pledged as collateral for public offering bonds in foreign currencies of the Company (See Notes 33 and 34).

(3) Asset-backed borrowings

The Group transferred revenue from construction contracts to a special purpose vehicle, and the special purpose vehicle issued asset-backed securities backed by transferred assets. Asset-backed borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Borrower	Lender	Discount rate (%)		2024 (*1)	2023
Doosan Fuel Cell Co., Ltd.	NewstarFC 1st Co., Ltd. and others	7.00~CD(3M) + 3.61	₩	53,200	70,000
Less: Current portion of long-term borrowings				(33,244)	(16,662)
Less: Present value discounts				(564)	(576)
Total			₩	19,392	52,762

(*1) The Group provides a beneficiary certificate as collateral (See Notes 33 and 34).

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17. Defined benefit assets and liabilities

The Group operates defined benefit plans, and the cost of providing benefits under the defined benefit plans is determined using the projected unit credit method on the actuarial valuation of the present value of its defined benefit obligations.

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

<i>(In millions of won)</i>		2024	2023
Present value of defined benefit obligations	₩	1,803,738	1,648,634
Fair value of plan assets (*1)		(1,249,939)	(1,186,801)
Defined benefit liabilities		570,726	472,216
Defined benefit assets		(16,927)	(10,383)

(*1) Include employer contributions of ₩550 million and ₩564 million to the National Pension Service as of December 31, 2024 and 2023, respectively.

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

<i>(In millions of won)</i>		2024	2023
Current service cost	₩	59,000	52,359
Net interest cost		20,692	20,286
Past service cost (*1)		(13,690)	(67,935)
Total	₩	66,002	4,710

(*1) Changes in retirement benefit obligations due to the revision of the employee severance provision were recognized as a deduction from past service costs as of December 31, 2024 and 2023, respectively.

(3) Classification of expenses related to the employee benefit liability for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Cost of sales	₩	41,421	40,758
Selling and administrative expenses		19,067	(40,994)
Research and development costs		5,514	4,946
Total	₩	66,002	4,710

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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17. Defined benefit assets and liabilities, Continued

(4) Changes in the present value of the defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>	2024	2023
As of January 1	₩ 1,648,634	1,529,305
Current service costs	59,000	52,359
Past service costs	(13,690)	(67,935)
Transfer from associates	6,913	3,027
Transfer to associates	(6,044)	(2,007)
Interest expense	75,105	75,047
Remeasurement loss (gain) in OCI:		
Actuarial changes arising from		
changes in demographic assumptions	(1,440)	2,212
Actuarial changes arising from changes		
in financial assumptions	(55,685)	58,030
Empirical adjustment	37,882	49,405
Business combination	12,027	-
Contributions by plan participants	220	1,033
Benefits paid	(95,347)	(103,853)
Others	136,163	52,011
As of December 31	₩ 1,803,738	1,648,634

(5) Changes in the fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>	2024	2023
As of January 1	₩ 1,186,801	1,091,353
Expected return on plan assets	54,413	54,761
Transfer from associates	3,720	2,010
Transfer to associates	(3,003)	(1,683)
Remeasurement gain (loss) in OCI	(77,839)	7,563
Contributions by plan participants	120	1,033
Contributions by employer	52,016	78,155
Benefits paid	(80,447)	(83,624)
National Pension Service	(3)	-
Business combination	12,794	-
Others	101,367	37,233
As of December 31	₩ 1,249,939	1,186,801

In relation to the defined benefit plans, the reasonable estimates of future employer contributions during the year 2025 amounts to ₩364,068 million. In addition, the actual return on plan assets for the years ended December 31, 2024 and 2023 amounts to ₩(23,426) million and ₩62,324 million, respectively.

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17. Defined benefit assets and liabilities, Continued

(6) The principal assumptions used in determining employee benefit obligation as of December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Discount rate	2.49%~7.37%	3.50%~7.44%
Future salary increase rate	0.75%~8.00%	0.75%~5.00%

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

<i>(In millions of won)</i>	<u>2024</u>	<u>2023</u>
Equity investments	₩ 149,437	122,686
Government bonds	720,536	707,491
Trust funds and others	379,966	356,624
Total	₩ <u>1,249,939</u>	<u>1,186,801</u>

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

<i>(In millions of won)</i>	<u>Amount</u>	<u>Ratio</u>
Discount rate:		
1% increase	₩ (160,703)	-8.91%
1% decrease	182,537	10.12%
Future salary increases:		
1% increase	₩ 126,939	7.04%
1% decrease	(123,860)	-6.87%

(9) The weighted average maturity of defined benefit obligations is approximately 9.51 years as of December 31, 2024.

(10) With regard to the defined contribution pension plans, the Group recognized expenses for the years ended December 31, 2024 and 2023 amounts to ₩34,495 million and ₩27,212 million, respectively.

18. Sale and leaseback liabilities

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

(In millions of won)

<u>Company</u>	<u>Annual interest rate (%) as of December 31, 2024</u>	<u>2024</u>	<u>2023</u>
Doosan Bobcat Inc.	7.00%	₩ 66,565	66,299
Less: Current portion		(18,331)	(17,269)
Total		₩ <u>48,234</u>	<u>49,030</u>

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19. Provision

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

		2024						
		January 1	Arising during the year	Unused amounts reversed	Utilized	Others (*1)	December 31	Less: Current Non-current
Provisions for warranties	₩	437,805	166,403	(13,719)	(155,705)	26,256	461,040	(149,039) 312,001
Provisions for construction losses		73,882	8,472	(26,673)	(19,959)	1,534	37,256	(37,256) -
Others		118,609	54,875	(13,370)	(57,969)	6,312	108,457	(55,628) 52,829
Total	₩	630,296	229,750	(53,762)	(233,633)	34,102	606,753	(241,923) 364,830

(*1) Includes gain or loss arising from changes in foreign exchange rates and changes in the scope of consolidation.

		2023						
		January 1	Arising during the year	Unused amounts reversed	Utilized	Others (*1,2)	December 31	Less: Current Non-current
Provisions for warranties	₩	421,311	153,022	(14,569)	(127,881)	5,922	437,805	(132,872) 304,933
Provisions for construction losses		99,573	18,392	(28,505)	(16,482)	904	73,882	(53,670) 20,212
Others (*3)		178,693	69,666	(16,772)	(59,148)	(53,830)	118,609	(71,427) 47,182
Total	₩	699,577	241,080	(59,846)	(203,511)	(47,004)	630,296	(257,969) 372,327

(*1) Includes gain or loss arising from changes in foreign exchange rates.

(*2) As of December 31, 2023, it includes ₩54,855 million in provisions related to guarantee the return of membership fees and other considerations.

(*3) The Company has provided to guarantees for supplemental funding of ₩5,256 million to Gyeonggi East-West Beltway Co. in relation to the construction of Bongdam-Songsan Expressway construction project, which was recognized as other provision in 2023.

The Group estimates expenses required to settle the Group's obligations on product warranties, refunds, maintenance and others based on the level of warranty period, historical experience and other considerations.

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20. Capital stock

The Company is authorized to issue 2,000,000,000 shares, with a par value of ₩5,000 per share and the number of ordinary shares issued as of December 31, 2024 and 2023 is 640,561,146 shares. The number of shares with limited voting rights under Korean Commercial Code as of December 31, 2024 and 2023 is 95,978 treasury shares.

Details in capital stock and Paid-in capital in excess of par value as of December 31, 2024 and 2023 are as follows:

(In millions of won except for share, In shares)

	Number of shares		Capital stock			Paid-in capital in excess of par value		
	Ordinary shares	Preference shares	Ordinary shares	Preference shares (*1)	Total	Ordinary shares	Preference shares	Total
December 31, 2024	640,561,146	- ₩	3,202,805	64,522	3,267,327	1,076,562	-	1,076,562
December 31, 2023	640,561,146	- ₩	3,202,805	64,522	3,267,327	1,225,998	-	1,225,998

(*1) Redeemable convertible preference shares were purchased and retired using voluntary reserves before prior year, and there is no reduction in capital stock.

21. Capital surplus

Capital surplus as of December 31, 2024 and 2023 are summarized as follows:

(In millions of won)

		2024	2023
Paid-in capital in excess of par value (*1)	₩	1,076,562	1,225,998
Other capital surplus		495,533	486,766
Total	₩	1,572,095	1,712,764

(*1) The accumulated deficits for the years ended December 31, 2024 and 2023 were compensated using paid-in capital in excess of par value and amounts to ₩149,436 million and ₩1,150,542 million, respectively.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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22. Other components of equity

(1) Other components of equity as of December 31, 2024 and 2023 are summarized as follows:

<i>(In millions of won)</i>		2024	2023
Treasury share	₩	(2,135)	(2,135)
Stock options		-	174
Others		48,901	48,018
Total	₩	46,766	46,057

(2) Treasury shares as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won except for share, In shares)</i>		2024		2023	
		Number of shares	Amount	Number of shares	Amount
Ordinary shares		95,978	₩ 2,135	95,978	₩ 2,135

23. Accumulated other comprehensive income

(1) Accumulated other comprehensive income as of December 31, 2024 and 2023 are summarized as follows:

<i>(In millions of won)</i>		2024	2023
Loss on valuation of FVOCI	₩	(15,563)	(15,134)
Gain on valuation of derivative financial instruments		38,398	7,619
Change in equity of equity method investments		3,359	(1,800)
Gain on revaluation of assets		1,063,478	1,063,431
Gain (loss) on translation of foreign operations		126,254	(147,425)
Total	₩	1,215,926	906,691

(2) Details of income taxes on OCI items directly reflected in equity as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024		
		Balance before tax	Tax effect	Balance after tax
Loss on valuation of FVOCI	₩	(16,634)	1,071	(15,563)
Gain on valuation of derivative financial instruments		40,518	(2,120)	38,398
Change in equity of equity method investments		3,450	(91)	3,359
Gain on revaluation of assets		1,558,749	(495,271)	1,063,478
Gain on translation of foreign operations		126,254	-	126,254
Total	₩	1,712,337	(496,411)	1,215,926

<i>(In millions of won)</i>		2023		
		Balance before tax	Tax effect	Balance after tax
Loss on valuation of FVOCI	₩	(16,080)	946	(15,134)
Gain on valuation of derivative financial instruments		659	6,960	7,619
Change in equity of equity method investments		(1,709)	(91)	(1,800)
Gain on revaluation of assets		1,558,702	(495,271)	1,063,431
Loss on translation of foreign operations		(147,425)	-	(147,425)
Total	₩	1,394,147	(487,456)	906,691

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24. Retained earnings

(1) Retained earnings as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Legal reserve	₩	82,966	82,966
Voluntary reserve		43,396	43,396
Unappropriated retained earnings		1,268,086	1,058,170
Total	₩	<u>1,394,448</u>	<u>1,184,532</u>

(2) There is no dividend for the years ended December 31, 2024 and 2023.

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Notes to the Consolidated Financial Statements, Continued
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25. Segment information

(1) The reportable segments of the Group and major products and services by segments are as follows:

Business segment	Main products and services
Doosan Enerbility Co., Ltd.	NSSS, BOP, Turbine, Seawater desalination plants and water treatment systems, Plants, Road construction and others
Doosan Bobcat Inc. (*1)	Small construction machinery and equipment, and others
Doosan Fuel Cell Co., Ltd.	Development, manufacture and sale of fuel cell, renewable energy and others
Others	Operation of resort and golf club and others

(*1) Includes Doosan Mottrol Co., Ltd. and its subsidiaries acquired by Doosan Bobcat Inc. in 2024.

(2) Summarized financial information by business segments for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024			
		Sales	Intercompany sales	Net sales	Operating income (loss)
Doosan Enerbility Co., Ltd.	₩	7,814,861	(522,020)	7,292,841	243,618
Doosan Bobcat Inc.		8,551,207	(229)	8,550,978	871,402
Doosan Fuel Cell Co., Ltd.		411,784	(67,443)	344,341	(1,729)
Others		63,409	(18,514)	44,895	3,200
Consolidation adjustments		(608,206)	608,206	-	(98,891)
Total	₩	16,233,055	-	16,233,055	1,017,600

(In millions of won)

		2023			
		Sales	Intercompany sales	Net sales	Operating income (loss)
Doosan Enerbility Co., Ltd.	₩	8,239,267	(709,077)	7,530,190	225,069
Doosan Bobcat Inc.		9,758,907	(358)	9,758,549	1,389,900
Doosan Fuel Cell Co., Ltd.		260,886	(3)	260,883	1,642
Others		58,619	(18,353)	40,266	(2,402)
Consolidation adjustments		(727,791)	727,791	-	(146,891)
Total	₩	17,589,888	-	17,589,888	1,467,318

(3) Summarized financial information on assets and liabilities by business segments as of December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024		2023	
		Assets	Liabilities	Assets	Liabilities
Doosan Enerbility Co., Ltd.	₩	16,285,777	10,480,475	16,278,525	10,003,954
Doosan Bobcat Inc.		12,009,613	5,115,108	10,371,754	4,416,941
Doosan Fuel Cell Co., Ltd.		1,179,655	680,759	1,070,843	558,191
Others		540,167	97,771	542,586	112,900
Consolidation adjustments		(3,700,377)	(1,720,370)	(3,622,874)	(1,292,661)
Total	₩	26,314,835	14,653,743	24,640,834	13,799,325

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

26. Revenue

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

(In millions of won)		2024	2023
Revenue from contracts with customers			
Sales of goods	₩	8,887,153	10,107,821
Construction contracts		7,206,245	7,297,430
Others		208,452	186,626
Subtotal		16,301,850	17,591,877
Others			
Rental and others		119,047	113,715
Hedging losses		(187,842)	(115,704)
Subtotal		(68,795)	(1,989)
Total	₩	16,233,055	17,589,888

(2) Revenue from contracts with customers for the years ended December 31, 2024 and 2023 are disaggregated as follows.

(In millions of won)		2024				
		Doosan Enerbility Co., Ltd.	Doosan Bobcat Inc.	Doosan Fuel Cell Co., Ltd.	Others	Total
Primary geographical market						
Domestic	₩	3,113,164	347,617	342,652	40,942	3,844,375
Americas		359,151	6,547,490	1,688	-	6,908,329
Asia		1,782,098	194,182	-	-	1,976,280
Middle East		1,765,196	166,289	-	-	1,931,485
Europe		444,773	960,707	-	-	1,405,480
Others		903	234,998	-	-	235,901
Total	₩	7,465,285	8,451,283	344,340	40,942	16,301,850
Timing of revenue recognition						
At a point in time	₩	364,044	8,404,750	224,610	40,942	9,034,346
Over time		7,101,241	46,533	119,730	-	7,267,504
Total	₩	7,465,285	8,451,283	344,340	40,942	16,301,850

(In millions of won)		2023				
		Doosan Enerbility Co., Ltd.	Doosan Bobcat Inc.	Doosan Fuel Cell Co., Ltd.	Others	Total
Primary geographical market						
Domestic	₩	3,095,966	375,533	259,185	39,154	3,769,838
Americas		402,511	7,473,720	1,698	-	7,877,929
Asia		2,137,811	181,344	-	-	2,319,155
Middle East		1,550,860	151,595	-	-	1,702,455
Europe		437,352	1,251,669	-	-	1,689,021
Others		2,101	231,378	-	-	233,479
Total	₩	7,626,601	9,665,239	260,883	39,154	17,591,877
Timing of revenue recognition						
At a point in time	₩	432,271	9,633,361	145,660	39,154	10,250,446
Over time		7,194,330	31,878	115,223	-	7,341,431
Total	₩	7,626,601	9,665,239	260,883	39,154	17,591,877

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26. Revenue, Continued

(3) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers as of December 31, 2024 and 2023.

(In millions of won)		2024	2023
Receivables, which are included in 'trade and other receivables'	₩	1,385,867	1,488,143
Contract assets		1,619,980	1,503,529
Contract liabilities		2,657,501	2,888,795

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities primarily relate to the advance consideration received from customers for construction, for which revenue is recognized over time.

(4) Changes in transaction price for construction contract allocated to the performance obligations satisfied over time for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)		2024			
	Project name	January 1	Increase (Decrease)	Revenue recognized	December 31
Doosan Enerbility Co., Ltd.	Shinhanul #3,4 nuclear reactor facilities and others	₩ 15,591,337	8,184,630	7,101,241	16,674,726
Doosan Fuel Cell Co., Ltd.	Operational services on consignment	1,683,905	315,385	119,730	1,879,560
Doosan Bobcat Inc.	Extended warranty and others	582,150	257,433	46,533	793,050
	Total	₩ 17,857,392	8,757,448	7,267,504	19,347,336

(In millions of won)		2023			
	Project name	January 1	Increase (Decrease)	Revenue recognized	December 31
Doosan Enerbility Co., Ltd.	Vung Ang II Power Project and others	₩ 14,002,976	8,782,691	7,194,330	15,591,337
Doosan Fuel Cell Co., Ltd.	Operational services on consignment	1,517,089	282,039	115,223	1,683,905
Doosan Bobcat Inc.	Extended warranty and others	311,254	302,774	31,878	582,150
	Total	₩ 15,831,319	9,367,504	7,341,431	17,857,392

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26. Revenue, Continued

(5) The Group shall recognize as an asset for the incremental costs of obtaining a contract with a customer that is, agent fee if the Group expects to recover those costs.

<i>(In millions of won)</i>		2024	2023
Incremental costs of obtaining a contract with a customer recognized as an asset	₩	30,099	45,072
The amount of amortization recognized as cost of sales		17,813	19,806

An asset recognized in accordance with above shall be amortized on the same basis that revenue is recognized over time based on the percentage-of-completion of the specific contract concerned.

(6) The Group shall recognize an asset from the costs incurred to fulfill a contract if those costs relate directly to a contract or to an anticipated contract the Group can specifically identify. The Group believes that these costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future and are expected to be recovered.

<i>(In millions of won)</i>		2024	2023
Costs incurred to fulfill a contract recognized as an asset	₩	122,978	102,763
The amount of amortization recognized as cost of sales		49,991	94,777

An asset recognized in accordance with above shall be amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

(7) Changes in profit or loss in current and future reporting periods and the book value of due from (to) customers for contracts work (excluding foreign currency translation effect) resulting from provision for construction loss, changes in total contract revenue and in total estimated contract costs for construction contracts in progress as of December 31, 2024 are as follows:

<i>(In millions of won)</i>		Provision for construction loss	Changes in total contract revenue	Changes in total contract cost	Effect on profit for the period	Effect on profit for the year	Changes in due from customer for contract work
Doosan Enerbility Co., Ltd.	₩	37,256	1,485,592	940,118	289,604	255,870	289,604

Impacts on current and future profit (loss) were calculated based on total contract revenue and costs which were estimated based on the current circumstances as of December 31, 2024. Those estimations may change in the future.

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26. Revenue, Continued

(8) As of December 31, 2024, details of contracts that the revenue was recognized based on the percentage-of-completion measured by input method, and whose contract revenue is more than 5% of sales of the year ended December 31, 2023 are as follows. There is no contract that the Group decided not to disclose due to the prohibition by related regulations or contracts.

(In millions of won)

	Contract date	Due date / Delivery date (*1)	Percentage-of-completion (%)	Due from customers for contract work		Trade receivables	
				Gross amounts	Allowance for doubtful accounts	Gross amounts	Allowance for doubtful accounts
Saeul #1,2 main equipment construction	Mar-09-07	Dec-31-21	99.87	₩ -	-	-	-
Saeul #3,4 main equipment construction	Jun-12-15	Oct-31-26	98.31	139,131	(529)	-	-
Shinhanul #1,2 NSSS	Jul-31-09	Apr-30-24	98.53	-	-	25,977	(99)
UAE BNPP #1,2 T/G	Jun-30-10	Nov-18-22	100.00	162	(1)	-	-
UAE BNPP #1,2 NSSS	Jun-30-10	Nov-18-22	99.11	-	-	-	-
Saeul #3,4 NSSS	Aug-28-14	Nov-30-26	93.96	24,254	(92)	49,932	(190)
UAE BNPP #3,4 NSSS	Jun-30-10	Dec-31-24	95.82	6,282	(24)	-	-
UAE BNPP #3,4 T/G	Sep-27-11	Dec-31-24	97.07	11,452	(44)	-	-
Vinh Tan 4 TPP	Feb-26-14	Oct-31-21	99.78	23,734	(90)	28,269	(5,654)
Gangneung Anin #1,2 Boiler	Mar-31-15	Mar-15-23	98.84	-	-	-	-
Goseong Hai #1,2 Boiler	Dec-27-16	Aug-30-22	99.96	-	-	-	-
Vinh Tan 4 Extension	Mar-10-16	Aug-31-21	99.83	-	-	6,692	(1,338)
Nghi Son 2	Dec-24-14	Jul-10-22	99.69	-	-	-	-
Samcheok #1,2 EPC	Jul-24-18	Apr-30-24	99.87	141,182	(536)	-	-
Van Phong 1	Aug-26-19	Jan-24-24	99.74	-	-	-	-
Yanbu ph.3 MSF	Dec-04-12	Jan-29-23	100.00	-	-	1,475	(107)
Shoaiba RO Ph.4	Mar-29-17	May-23-23	96.20	39,498	(150)	-	-
Jawa #9,10	Mar-20-19	Feb-15-25	95.44	163,422	(490)	11,805	(107)
Suncheon Wangji 2	Apr-24-19	Jun-30-25	96.42	-	-	71,012	-
Yanbu 4 IWP	Jan-22-21	Nov-01-23	94.51	85	-	2,962	(215)
Dangjin 1st phase #1~4 storage tank	Jul-23-21	May-31-27	71.31	68,116	(259)	-	-
Vung Ang II Power Project	Oct-26-21	Oct-26-25	89.85	-	-	-	-
Tuwaiq casting and forging project	Feb-10-22	Apr-15-25	93.32	-	-	10,497	-
Guam Ukudu CAPP	Dec-18-20	Sep-30-25	91.73	11,160	(23)	-	-
Shuaibah 3 IWP	Aug-19-22	May-20-25	91.61	-	-	-	-
El-Dabaa NPP	Nov-09-22	Apr-08-29	16.63	-	-	-	-
Shinhanul #3,4 nuclear reactor facilities	Mar-29-23	Oct-31-33	18.24	-	-	-	-
Turkistan CCGT	Mar-14-23	Aug-23-26	44.72	240,446	(914)	-	-
Song Hau1	Apr-10-15	May-17-22	99.86	13,220	(50)	13,538	(984)
Shinhanul #3,4 main equipment construction	Dec-11-23	Oct-31-33	2.76	-	-	-	-
Jawaharpur	Dec-22-16	Jun-30-25	98.63	56,204	-	5,723	(669)
Obra C	Dec-22-16	Jun-30-25	95.04	49,040	-	11,836	(460)

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26. Revenue, Continued

(*1) Date being negotiated to extend contract period with respective contract party or due date/delivery date in contract.

(9) Customers accounting for 10% or more of the Group's revenue for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>	2024	2023
Company group A	₩ 2,260,913	2,122,271

27. 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 millions of won)</i>	2024	2023
Changes in inventories	₩ (194,929)	(79,978)
Purchases of raw materials and goods	7,687,922	8,983,299
Salaries	2,136,301	1,896,474
Depreciation and amortization	491,031	466,665
Others	5,095,130	4,856,109
Total	₩ 15,215,455	16,122,569

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28. Selling and administrative expenses

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

<i>(In millions of won)</i>		2024	2023
Salaries	₩	536,783	501,698
Post-Employment benefits		24,261	(37,956)
Employee welfare benefits		106,599	95,641
Travel		46,257	43,761
Training		20,965	21,189
Taxes and dues		24,337	21,083
Commissions		278,753	240,286
Sales commissions		25,141	30,543
Rents		13,629	8,551
(Reversal of) Bad debt expenses		(5,942)	22,888
Transportation and warehousing		3,593	5,385
Depreciation		64,313	59,280
Amortization		57,702	51,861
Research		250,030	231,541
Expansion expenses of overseas market		13,249	8,716
Advertising		139,293	131,870
Warranty		7,198	6,574
Others		105,958	106,772
Total	₩	1,712,119	1,549,683

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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29. Finance income and expenses

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

<i>(In millions of won)</i>		2024	2023
Interest income	₩	109,202	80,220
Dividend income		2,409	2,906
Gain on foreign currency transaction		260,566	270,160
Gain on foreign currency translation		327,953	54,900
Gain on settlement of derivative financial instruments		138,750	76,389
Gain on valuation of derivative financial instruments		82,187	66,578
Gain on valuation of firm commitments		234,737	43,958
Total	₩	<u>1,155,804</u>	<u>595,111</u>

(2) Finance expenses for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(In millions of won)</i>		2024	2023
Interest expenses	₩	329,077	320,892
Loss on foreign currency transaction		259,550	261,145
Loss on foreign currency translation		271,639	67,647
Loss on settlement of derivative financial instruments		114,551	66,765
Loss on valuation of derivative financial instruments		275,324	84,367
Loss on valuation of firm commitments		48,256	27,139
Loss on redemption of borrowings		2,190	2,218
Loss on financial guarantee		32,123	29,999
Others		4,346	2,890
Total	₩	<u>1,337,056</u>	<u>863,062</u>

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Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

30. Other non-operating income and expenses

(1) Other non-operating income for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(In millions of won)</i>		2024	2023
Gain on disposal of property, plant and equipment	₩	8,113	2,232
Gain on disposal of intangible assets		5	872
Gain on disposal of assets held for sale		8,530	627
Reversal of impairment loss on property, plant and equipment		-	29
Reversal of impairment loss on intangible assets		8,766	-
Gain on valuation of short and long-term investment in securities		94,439	11,509
Gain on disposal of short and long-term investment in securities		70	836
Miscellaneous gain and others		23,845	33,199
Total	₩	<u>143,768</u>	<u>49,304</u>

(2) Other non-operating expenses for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(In millions of won)</i>		2024	2023
Loss on disposal of trade receivables	₩	14,360	10,933
Loss on disposal of property, plant and equipment		8,286	1,510
Loss on disposal of assets held for sale		-	2,620
Other bad debt expenses		25,488	79,920
Impairment loss of property, plant and equipment		417	15,054
Impairment loss of intangible assets		232,405	175,510
Impairment loss of investment property		1,165	37,837
Loss on valuation of short and long-term investment in securities		1,541	39,414
Donations		17,858	21,909
Loss on disposal of investment in subsidiaries		505	1,268
Impairment loss on investment in associates		6,223	-
Miscellaneous loss and others		34,573	85,526
Total	₩	<u>342,821</u>	<u>471,501</u>

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31. Income tax expense

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

(In millions of won)

	2024	2023
Current income tax expense	₩ 319,045	365,001
Adjustments in respect of current income tax of prior year	-	2,087
Tax effect of temporary difference	(20,404)	(111,044)
Total income tax expense	298,641	256,044
Current income tax related to items recognized in equity during the year	126	582
Deferred tax related to items recognized in equity during the year	6,169	(32,548)
Others	(41,846)	(3,118)
Income tax expense	₩ 263,090	220,960

(2) The component of income tax and deferred tax related to items recognized in equity for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Gain (loss) on revaluation of assets	₩ 1	(56,402)
Gain on valuation of FVOCI	126	138
Gain (loss) on valuation of derivative financial instruments	(9,081)	3,690
Remeasurements of defined benefit liabilities	16,105	14,687
Others	(856)	5,921
Total	₩ 6,295	(31,966)

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

(In millions of won)

	2024	
	January 1	Change
Provision for retirement and severance benefits	₩ 130,713	28,008
Allowance for doubtful accounts	368,351	(15,226)
Property, plant and equipment	(58,408)	1,820
Reserve for research and human resource	55,509	45,813
Intangible assets	(513,512)	(86,962)
Derivative financial instruments	3,760	13,507
Foreign currency denominated assets (liabilities)	(4,746)	(15,510)
Gain on revaluation of assets	(577,216)	(94)
Others	621,141	49,048
Total	₩ 25,592	20,404

(In millions of won)

	2023	
	January 1	Change
Provision for retirement and severance benefits	₩ 135,803	(5,090)
Allowance for doubtful accounts	309,968	58,383
Property, plant and equipment	(39,180)	(19,228)
Reserve for research and human resource	9,322	46,187
Intangible assets	(487,954)	(25,558)
Derivative financial instruments	(13,381)	17,141
Foreign currency denominated assets (liabilities)	11,537	(16,283)
Gain on revaluation of assets	(520,917)	(56,299)
Others	509,350	111,791
Total	₩ (85,452)	111,044

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31. Income tax expense, Continued

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

<i>(In millions of won)</i>		2024	2023
Deductible temporary differences	₩	2,646,319	2,920,884
Deferred accumulated deficit		13,072	18,956
Deferred tax credit carried forward		63,202	52,467
Others		-	6,015
Total	₩	<u>2,722,593</u>	<u>2,998,322</u>

The probability of deferred tax assets being realized depends on the Group's ability to generate taxable income in future years over which temporary differences are expected to reverse depending on the economic situation, industry forecast and other various factors. The Group periodically reviews such matters.

(5) Temporary differences related to investment in subsidiaries, associates and joint ventures which are not recognized as deferred tax asset (liability) as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Investment in subsidiaries	₩	(933,108)	(730,729)
Investment in associates and joint ventures		153,022	624,171
Total	₩	<u>(780,086)</u>	<u>(106,558)</u>

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31. Income tax expense, Continued

(6) Reconciliation of profit (loss) before income tax at the statutory tax rate to income tax expense at the effective income tax rate of the Group for the years ended December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>	2024	2023
Profit before income tax	₩ 657,779	738,482
Income tax expense using the statutory tax rate	324,226	266,068
Adjustments:		
Permanent differences	(132,086)	(18,911)
Unrecognized deferred tax related to temporary differences	18,945	56,992
Tax credit	(15,444)	(24,598)
Others	67,449	(58,591)
Income tax expense	₩ 263,090	220,960
Effective tax rate (Income tax expense/ Profit (loss) before income tax)	40.00%	29.92%

(7) Global Minimum Top-up Tax

The Group is required to pay additional tax on the difference between the GloBE(Global Anti-Base Erosion Rules) effective tax rate and the minimum tax rate of 15% for each jurisdiction in which the Group's subsidiaries and permanent establishments are located under the Pillar Two Model Rules.

Except for Saudi Arabia, Vietnam, Ireland and Egypt, all countries in which the Group's subsidiaries and permanent establishments are located have a GloBE effective tax rate in excess of 15%.

The additional taxes incurred in Saudi Arabia, Vietnam, Ireland, and Egypt resulted in the Pillar Two Model Rules income tax expense of ₩2,420 million in the current period, with exceptions for the recognition and disclosure of related deferred taxes.

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32. Earnings per share

(1) Basic earnings per share

Basic earnings per share attributable to the owners of the Company for the years ended December 31, 2024 and 2023 are as follows:

<i>(In won, except for share)</i>	2024	2023
Profit for the year attributable to the owners of the Company	₩ 111,365,402,123	55,597,965,382
Weighted-average number of ordinary shares at the end of period	640,465,168 shares	639,928,125 shares
Basic earnings per share	₩ 174	87

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

<i>(In shares)</i>	2024	2023
Issued ordinary shares at the beginning of the period (*1)	640,465,168	638,212,055
Conversion of convertible bonds to ordinary shares	-	1,716,070
Weighted-average number of ordinary shares at the end of period	640,465,168	639,928,125

(*1) The number of shares is net of treasury stocks.

(2) Diluted earnings per share

Details of potential ordinary shares that are potentially dilutive but were not included in the calculation of earnings (loss) per share, as there were no dilutive effects for the years ended December 31, 2024 and 2023 are as follows:

<i>(In shares)</i>	2024	2023
Stock option (Mar 21, 2014)	-	5,851
Stock option (Mar 28, 2014)	-	14,900
Total	-	20,751

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33. Commitments and contingencies

(1) As of December 31, 2024, the commitments were as follows:

(In millions of won, in thousands of USD)

2024

No.	Commitment Description						
		Commitment Amount		Used(Executed) Amount		Remaining Amount of Commitment	
		Loan Commitments	Other Commitments	Accounts	Amounts	Loan Commitments	Other Commitments
1	Pledged check	₩	-	-	-	-	-
2	Credit lines for borrowings, bank overdrafts and other financial	6,288,144	-	-	3,632,956	2,655,188	-
3	Early redemption clause and collateral of foreign currency-denominated public offering bond	USD 300,000	-	Bonds	USD 300,000	-	-
4	Collateral and event of default provisions on long-term borrowings 1	-	-	Long-term borrowings	300,000	-	-
5	Collateral and event of default provisions on long-term borrowings 2	-	-	Long-term borrowings	160,000	-	-
6	Collateral and event of default provisions on short-term borrowings	-	-	Short-term borrowings	160,000	-	-
7	Event of default provisions on long-term borrowings 1	-	-	Long-term borrowings	20,000	-	-
8	Event of default provisions on long-term borrowings 2	-	-	Long-term borrowings	40,000	-	-
9	Event of default provisions on short-term borrowings 1	-	-	Short-term borrowings	30,000	-	-
10	Event of default provisions on short-term borrowings 2	-	-	Short-term borrowings	30,000	-	-
11	Event of default provisions on short-term borrowings 3	-	-	Short-term borrowings	20,000	-	-
12	Event of default provisions on public offering bond	-	-	Bonds	219,000	-	-
13	Event of default provisions on private placed bond	-	-	Bonds	10,000	-	-
14	Collateral provision and prepayment arrangements for borrowing commitment 1	100,000	-	-	-	-	-
15	Collateral provision and prepayment arrangements for borrowing commitment 2	110,000	-	-	-	-	-
16	Collateral provision and prepayment arrangements for borrowing commitment 3	50,000	-	-	-	-	-

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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33. Commitments and contingencies, Continued

(In millions of won, in thousands of USD)

2024

No.	Commitment Description	2024					
		Commitment Amount		Used(Executed) Amount		Remaining Amount of Commitment	
		Loan Commitments	Other Commitments	Accounts	Amounts	Loan Commitments	Other Commitments
17	Collateral and event of default provisions on asset-backed borrowings	-	-	Asset-backed borrowings	53,200	-	-
18	Technical contract	-	-	Royalty payment	18,418	-	-
19	Joint responsibility for lease obligations	-	-	-	-	-	-
20	Investment commitments 1	-	USD 19,000	Long-term Investment Assets	USD 18,206	-	USD 794
21	Investment commitments 2	-	40,000	Investments in associates	7,520	-	32,480
22	Investment commitments 3	-	58,625	Investments in associates	28,108	-	30,517
23	Investment commitments 4	-	26,000	Investments in associates	15	-	25,985
24	Obligation for additional capital contribution to business expense	-	77,740	Investments in associates	38,520	-	39,220
25	Funding obligations under investor agreements	-	-	Loan	712	-	-
26	Commitment to preserve investor distributions when shares are sold	-	-	-	-	-	-

The breakdown of the above commitments is as follows:

1) Pledged check

As of December 31, 2024, 2 blank checks have been provided as collateral to Gyeonggi East-West Beltway Co. in relation to Bongdam-Songsan Expressway construction project.

2) Credit lines for borrowings, bank overdrafts and other financial

As of December 31, 2024, the Group has credit lines for borrowings, bank overdrafts and other financial from financial institutions up to ₩6,288,144 million and used ₩3,632,956 million, leaving unused credit lines amounting to ₩2,655,188 million.

3) Early redemption clause and collateral of foreign currency-denominated public offering bond

As of December 31, 2024, the Company issued foreign currency-denominated public offering bond of USD 300,000 thousand. In accordance with the agreement for this bond, an early redemption clause exists for when the guarantor, KDB, is no longer controlled by Korean government. In addition, the Company has provided its 11,000,000 shares of Doosan Bobcat Inc. to lenders as collateral for the above bond. And if the total value of the shares provided is less than the collateral standard price, additional shares or deposits equivalent to the difference amounts should be provided.

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Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

4) Collateral and event of default provisions on long-term borrowings 1

As of December 31, 2024, 2,500,000 shares of Doosan Bobcat Co., Ltd. and 18,500,000 shares of Doosan Fuel Cell Co., Ltd. were pledged as collateral for the long-term borrowings of ₩300,000 million borrowed from Yuanta Securities Korea Co., Ltd., etc., and additional shares or deposits are required to be pledged in the event that the pledge ratio is not met. In addition, the bonds contain a provision for prepayment in the event that the rating of the Group's unsecured senior corporate bonds from at least one of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation) falls below BBB-.

5) Collateral and event of default provisions on long-term borrowings 2

As of December 31, 2024, 6,830,000 shares of Doosan Bobcat Co., Ltd. were pledged as collateral for the long-term borrowings of ₩160,000 million borrowed from KIWOOM Securities Co., Ltd., and additional shares or deposits are required to be pledged in the event that the pledge ratio is not met. In addition, the agreement contains covenants that constitute grounds for forfeiture of the due profits in the event that the rating of the unsecured senior corporate bonds assigned by at least one of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation) falls below BBB- or if there is no valid corporate credit rating assigned by at least one of the three domestic credit rating agencies, and if the auditor's report on the Group's consolidated financial statements contains an audit opinion of "qualified", "adverse opinion", or "disclaimer of opinion".

6) Collateral and event of default provisions on short-term borrowings

As of December 31, 2024, 6,830,000 shares of Doosan Bobcat Inc. were pledged as collateral for short-term borrowings of ₩160,000 million borrowed from Korea Investment & Securities Co., Ltd., and additional shares or deposits are required to be pledged in the event that the pledge ratio is not met. In addition, the agreement contains covenants that constitute grounds for forfeiture of the due profits in the event that the rating of the unsecured senior corporate bonds assigned by one or more of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation) falls below BBB- or if there is no valid corporate credit rating assigned by one or more of the three domestic credit rating agencies, and if the auditor's report on the Group's consolidated financial statements contains an audit opinion of "qualified", "adverse opinion", or "disclaimer of opinion".

7) Event of default provisions on long-term borrowings 1

As of December 31, 2024, the Group's long-term borrowings of ₩20,000 million borrowed from Woori Investment Bank include a covenant that constitutes a reason for loss of due profits in the event that the Group's corporate bond rating from at least two of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation) falls below BBB-.

8) Event of default provisions on long-term borrowings 2

As of December 31, 2024, the Group's long-term borrowings of ₩40,000 million borrowed from Woori Enerbility No.1 Co., Ltd. include covenants that constitute a forfeiture of interest in the event that the Group's obligations to financial institutions other than the lender (loan obligations, guarantee obligations) or securities issued by the lender are forfeited, or if the lapse of time or notice from the lender occurs, and if any reason that may cause the forfeiture of interest occurs.

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33. Commitments and contingencies, Continued

9) Event of default provisions on short-term borrowings 1

As of December 31, 2024, the Group's short-term borrowings of ₩30,000 million from China Everbright Bank are subject to the condition that Doosan Corp. remains the largest shareholder of the Group and that the Group's corporate bond credit rating remains BBB- or higher.

10) Event of default provisions on short-term borrowings 2

As of December 31, 2024, the short-term borrowings of ₩30,000 million borrowed by the Group from the Bank of China are subject to the condition that the Group's corporate bond rating is maintained at BBB- or higher by at least two of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation).

11) Event of default provisions on short-term borrowings 3

As of December 31, 2024, the short-term borrowings of ₩20,000 million borrowed by the Company from Woori Investment Bank include covenant that constitutes a reason for event of default if the rating of the Company's corporate bond by two or more of the three domestic credit rating agencies (Nice Investors Service Co., Ltd., Korea Investors Service, Inc. and Korea Ratings Corporation) falls below BBB-.

12) Event of default provisions on public offering bond

As of December 31, 2024, the bond subscription agreement of the unguaranteed public offering bonds issued by the subsidiary Doosan Fuel Cell Co., Ltd. contains stipulations such as maintaining a debt-to-equity ratio of 700% or less based on Doosan Fuel Cell Co., Ltd.'s financial statements, limiting the establishment of pledge rights within 500% of equity capital, and limiting the disposal of assets within 100% of total assets, and violation of the above stipulations may result in the loss of the benefits due. As of December 31, 2024, Doosan Fuel Cell Co., Ltd. had bonds issued under the above regulations amounts to ₩219,000 million.

13) Event of default provisions on private placed bond

As of December 31, 2024, the underwriting agreement for the unguaranteed private placement bonds issued by Doosan Fuel Cell Co., Ltd. include a covenant that constitutes a reason for loss of profits if the Group's corporate bond rating is lowered below BB+. As of December 31, 2024, Doosan Fuel Cell Co., Ltd. had bonds issued under the above covenants amounts to ₩10,000 million.

14) Collateral provision and prepayment arrangements for borrowing commitment 1

As of December 31, 2024, the Company has provided 3,650,000 shares of Doosan Bobcat Inc. as collateral for borrowings of ₩100,000 million from SC Bank. If the agreed collateral limit ratio for the aforementioned borrowings is not met, additional shares or deposits equivalent to the difference amounts should be provided as collateral or some borrowings must be redeemed early.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

15) Collateral provision and prepayment arrangements for borrowing commitment 2

As of December 31, 2024, 5,000,000 shares of Doosan Bobcat Inc. were pledged as collateral for a borrowing agreement of ₩110,000 million entered into by the Company with Korea Securities Finance Co. If the agreed collateral limit ratio for the aforementioned borrowings is not met, additional shares or deposits equivalent to the difference amounts should be provided as collateral or some borrowings must be redeemed early.

16) Collateral provision and prepayment arrangements for borrowing commitment 3

As of December 31, 2024, 3,000,000 shares of Doosan Fuel Cell Co., Ltd. were pledged as collateral for a borrowing agreement of ₩50,000 million entered into by the Company with SC Bank. If the agreed collateral limit ratio for the aforementioned borrowings is not met, additional shares or deposits equivalent to the difference amounts should be provided as collateral or some borrowings must be redeemed early.

17) Collateral and event of default provisions on asset-backed borrowings

As of December 31, 2024, in connection with ₩53,200 million of asset-backed borrowings that Doosan Fuel Cell Co., Ltd., borrowed from NewstarFC 1st Co., Ltd., if collateral provided to lender (including deposit return claims to be collected under the LTSA contract, which is the original trust in the trust contract, and other accompanying rights) is provided as collateral to third party or transferred, acceleration clause would be invoked for immediate payment.

18) Technical contract

As of December 31, 2024, the Group has entered into 21 technical contracts with Mitsubishi Hitachi Power System, Ltd. and others, which have been effective from April 12, 2007, to September 4, 2035. For the years ended December 31, 2024 and 2023, royalty payments amounted to ₩18,418 million and ₩16,238 million, respectively.

19) Joint responsibility for lease obligations

The Group signed a new lease contract with BUNDANG DOOSAN TOWER REIT Co., Ltd. for 5 years on January 8, 2021, in conjunction with Doosan Corp. and HD Hyundai Infracore Co., Ltd. As HD Hyundai Infracore Co., Ltd. withdrew from the lease agreement on December 31, 2022, the Group took over the related status and rights and obligations. In accordance with above contracts, the Group has joint liability for lease obligations. If certain condition of the lease contract is not met, the contract will be extended once for 5 years under the same conditions.

In addition, the Group has agreed to jointly operate a subleasing business for the leased property with Doosan Corp. and each party has the right to the rental income to the extent applicable excluding the self-lease portion and obliged for the related expenses.

The Group accounts for the joint lease contract mentioned above as joint operation in which the parties jointly control the lease arrangement also have the right to assets and liabilities of the leased asset in accordance to K-IFRS No. 1111 'Joint Arrangements.' As of December 31, 2024, the Group's participating rate is 93.3%.

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Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

20) Investment commitments 1

As of December 31, 2024, the Group entered into investment commitment with ZIGG FUND I and other 8 funds, and the total remaining amounts of agreements are USD 794 thousand.

21) Investment commitments 2

The Company and its subsidiary, Doosan Bobcat Inc., have committed to invest a total of ₩20,000 million in Doosan New Technology Investment Fund 1st, and as of December 31, 2024, the remaining investment commitment of the Company and its subsidiaries amounted to ₩16,240 million, respectively.

22) Investment commitments 3

Doosan Geosolution Co., Ltd., a subsidiary of the Company, has committed to invest a total ₩18,525 million in Mirae-asset ESG Marine Wind Power Private Equity Fund 1st (formerly Multi-asset ESG Marine Wind Power Private Equity Fund 1st), ₩26,000 million in Mirae-asset ESG Marine Wind Power Private Equity Fund 2nd, ₩9,800 million in Mirae-asset Hydrogen Infra Private Investment Trust Fund 2nd, and ₩4,300 million in Woori Roof Top Solar General Private Special Asset Investment Trust 1st. As of December 31, 2024, the remaining investment commitments amounted to ₩8,029 million, ₩16,787 million, ₩1,401 million, and ₩4,300 million, respectively.

23) Investment commitments 4

Doosan Fuel Cell Co., a subsidiary of the Company, has committed to invest ₩26,000 million in Hanwha Clean Hydrogen Energy General Private Special Asset Investment Trust Fund 1st, and as of December 31, 2024, the remaining investment commitments amounted to ₩25,985 million.

24) Obligation for additional capital contribution to business expense

As of December 31, 2024, the Company is an investor of Samcheok Blue Power Co., Ltd. which is responsible for the EPC construction project of Samcheok #1, 2 TPP, and obligated to make an additional investment of ₩77,740 million before the completion of the comprehensive construction in accordance with the investor agreement. As of December 31, 2024, the Company has contributed an additional ₩38,520 million under this agreement.

25) Funding obligations under investor agreements

Daesan Green Energy Co., Ltd., an associate of Doosan Fuel Cell Co., Ltd. which is a subsidiary, has entered into a loan agreement with financial institutions including KDB and others. In this regards, investors of Daesan Green Energy Co., Ltd. including Doosan Fuel Cell Co., Ltd. and other shareholders have entered into an investor agreement with the financial institutions. The agreement states that if net operating cash inflow of Daesan Green Energy Co. does not meet the risk-sharing level, each of them is obligated to replenish the insufficient amount according to their respective investment shares. Accordingly, if Doosan Fuel Cell Co., Ltd. is obligated to fulfill the settlement according to the settlement agreement signed by Daesan Green Energy Co., Ltd. with other investors, Doosan Fuel Cell Co., Ltd. should fulfill either one of the following methods : providing cash, executing subordinated loans, or not receiving its payment. In connection with the above supplemental funding agreement, ₩712 million of funds were loaned to Daesan Green Energy Co., Ltd. as of December 31, 2024.

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Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

26) Commitment to preserve investor distributions when shares are sold

The Group compensates for the shortfall to the extent of the recoverable amount from Doosan Engineering & Construction Co., Ltd. stock (ownership 46.35%) if final distribution amount of the sales price of Doosan Engineering & Construction Co., Ltd. stock (ownership 53.65%) held by The Zenith holdings Ltd. has not met the investment capital of the investors (excluding 2018 QCP No. 13 Private Equity Joint venture, the representative PEF).

(2) The nature and estimated financial impact of the contingent liability as of December 31, 2024 is as follows:

(In millions of won)

	Contingent liabilities related to litigation	Other contingent liabilities	Contingent liabilities related to tax
The nature of the contingent liabilities	As of December 31, 2024, the Group had pending claims for damages totaling ₩196,300 million, the outcome of which cannot be predicted at this time.	Doosan Fuel Cell Co., Ltd., a subsidiary, has joint liability to pay the debt before the spin-off with Doosan Corp. and contingent tax liabilities may arise due to joint tax payment obligation.	Doosan Bobcat Inc., a subsidiary, has succeeded to the joint liability for financial and operating liabilities of Doosan Bobcat Korea Co., Ltd. (formerly, Doosan Industrial Vehicle Co., Ltd.) and Doosan Corp. in relation to business combination with Doosan Bobcat Korea Co., Ltd.. As of December 31, 2024, possibility of resource outflow is remote.
The estimated financial impact of liabilities	₩ 196,300	-	-

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

33. Commitments and contingencies, Continued

(3) Project Financing Contingencies

1) Summary of contingencies related to real estate PF

As of December 31, 2024 and 2023, the Group is providing a conditional debt assumption agreement of ₩270,400 million and ₩459,262 million respectively for project financing loans, in case of violation of completion guarantees. Other business is solely operated by the Group and there is no credit enhancement provided to related parties within this business.

Among the contingencies disclosed as of December 31, 2023, no amount was recognized as a provision the years ended December 31, 2024.

As of December 31, 2024 and 2023, summary of PF contingencies related to other business are as follows. The Group does not have PF contingencies related to maintenance business.

(In millions of won)

				Balance of Loans							
				December 31, 2024	Maturity						December 31, 2023
Type	Guarantee Limit	Guarantee Amount			Less than 3 months	3-6 months	6-12 months	1-2 years	2-3 years	More than 3 years-	
Other business											
Bridge Loans	₩ -	-	-	-	-	-	-	-	-	-	-
Main PF	321,490	270,400	208,000		-	-	-	146,700	-	61,300	353,278

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

2) PF payment guarantee (Real estate PF)

As of December 31, 2024 and 2023, the Group is providing a conditional debt assumption agreement as follows for project financing loans, in case of violation of completion guarantees.

Some agreements related to PF guarantee include the acceleration clause amounting to ₩270,400 million (Prior year: ₩459,262 million). The acceleration clause activates when the borrower fails to pay the amount due under the financial contract, default occurs on the construction company or the borrower, or the construction company's credit rating falls, etc..

(In millions of won)

Location	Real Estate Type	PF Type	Type of Credit Enhancement	Guarantee Limit	Rate (%)	Guarantee amount	Debtor	Related Party (Y/N)	Financial Institutions	Loan Balance		Loan Period	Maturity (Liquidation Securities)	Loan Type	Completion Guarantee Amount
										2024	2023				
Yangsan-si, Gyeongsangnam-do	-	-	-	₩ -	-	₩ -	-	-	-	₩ -	32,578	-	-	-	₩ -
Suncheon-si, Jeollanam-do	-	-	-	-	-	-	-	-	-	-	200,200	-	-	-	-
Seoul	Apartment	Main PF	Conditional debt assumption	143,000	100%	124,540	Ruby Limited	N	Korean Federation of Community Credit Cooperatives and others	95,800	67,400	2022.05.19 ~2026.02.19	-	PF Loan	49,820
Early redemption clause			The borrower makes early repayments before the end of the land trust, to the extent permitted by the lender's regulations on the business conduct and services of financial investment companies.												
Suwon-si, Gyeonggi-do	Knowledge Industry Center	Main PF	Conditional debt assumption	85,800	100%	66,170	T-Star Co., Ltd	N	Capital companies and others	50,900	53,100	2022.07.29 ~2025.11.29	-	PF Loan	36,446
Early redemption clause			The borrower makes early repayments to the extent permitted by the lender in accordance with the management land trust.												
Nonsan-si, Chungcheongnam-do	Apartment	Main PF	Conditional debt assumption	43,290	100%	43,290	Gunwoo CM Ltd	N	Securities companies and others	33,300	-	2024.07.26 ~2028.02.25	-	PF Loan	117,139
Early redemption clause			The borrower makes to repay all or part of the loan in advance by giving written notice to the agent lender at least 5 business days (but may be shortened with the prior consent of the agent lender) before the due date (which means the corresponding day of the monthly interest payment date).												
Changwon-si, Gyeongsangnam-do	Apartment	Main PF	Conditional debt assumption	49,400	100%	36,400	Jinhwa Development Ltd	N	Securitization companies and others	28,000	-	2024.11.25 ~2028.11.25	-	PF Loan	131,263
Early redemption clause			The borrower makes mandatory prepayments of the Loan on each Interest Payment Date after Completion to the extent of the pre-trust termination payment base of the Land Trust Income and may make discretionary prepayments on each Interest Payment Date.												
Total				₩ 321,490		₩ 270,400				₩ 208,000	353,278				₩ 334,668

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

33. Commitments and contingencies, Continued

3) Completion guarantees (Real estate PF)

As of December 31, 2024 and 2023, the Group is providing a conditional debt assumption agreement as follows for other business, in case of violation of completion guarantees. The Group does not have completion guarantees related to maintenance business.

(In millions of won)

	2024 (*1,2)				2023			
	Number of Construction projects	Guarantee Limit	Guarantee amount	Loan Balance	Number of Construction projects	Guarantee Limit	Guarantee amount	Loan Balance
Other business	5	₩ 443,317	443,317	242,191	4	1,083,768	1,083,768	353,278

(*1) Includes contract amounts, guarantee amounts and loan balances of Samcheok Housing Corporation, which does not have any credit enhancement other than a liability compliance obligation.

(*2) Includes the loan balance of Changwon Jinhae Housing Corporation, which is obligated to pay damages in the event of non-compliance.

4) SOC guarantees (Real estate PF)

In the event of early termination due to reasons attributable to the project operator, if the payment received by the SOC corporation is less than the sum of all liabilities of the SOC corporation and the investment funds of financial investors, the Group has an obligation to jointly provide the equivalent amount of the shortfall according to the mandatory sharing ratio, at the request of the creditor representative bank.

5) Intermediate payment loan guarantee in relation to main PF

As of December 31, 2024 and 2023, the Group is providing guarantees for intermediate payment loan of the buyers amounting to ₩62,321 million (Prior year: ₩104,543 million). Other business is solely operated by the Group, and the Group does not have intermediate payment loan guarantee related to maintenance business.

(In millions of won)

	2024				2023			
	Number of Construction projects	Guarantee Limit	Guarantee amount	Loan Balance	Number of Construction projects	Guarantee Limit	Guarantee amount	Loan Balance
Other business	3	₩ 282,084	62,321	115,355	3	282,084	104,543	460,572

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

33. Commitments and contingencies, Continued

(4) Non-PF guarantee contracts

1) Summary

As of December 31, 2024 and 2023, the Group is providing guarantees including contract performance and defect guarantees amounting to ₩297,483 million (Prior year: ₩177,758 million) by subscribing to insurance companies or issuing guarantee certificates, etc. as follows.

<i>(In millions of won)</i>	Guaranteed Company	Type	Guarantee Limit	Guarantee Balance	Beneficiary	Related Party (Y/N)
Provided Guarantee	Tuwaik Casting & Forging Company and others	Debt Guarantee and others	₩ 127,280	108,491	Saudi Industrial Development Fund and others	Y
	Customers and others	Financial Guarantee and others	188,992	188,992	Financial institutions and others	N
	Subtotal		316,272	297,483		
Received Guarantee	Doosan Enerbility Co., Ltd. and others	Construction Guarantee and others	16,511,700	12,272,879	Construction Guarantee and others	N
	Total		₩ 16,827,972	12,570,362		

2) Guarantees of payment provided to the related party

As of December 31, 2024, details of payment guarantee provided by the Group for the related parties are as follows.

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

Related Party	Guarantee	Type	Currency	Foreign Currency		Local Currency		Beneficiary
				Guarantee Limit	Guarantee Balance	Guarantee Limit	Guarantee Balance	
Associates	Doosan Engineering & Construction Co., Ltd.	Construction Guarantee	EUR	7,404	7,404	₩ 11,319	11,319	Korea EXIM Bank
	Tuwaik Casting & Forging Company	Debt Guarantee	SAR	296,250	248,250	115,961	97,172	Saudi Industrial Development Fund and others
	Total					₩ 127,280	108,491	

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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33. Commitments and contingencies, Continued

3) Guarantees of payment provided to the third parties (excluding related parties)

As of December 31, 2024, details of payment guarantee provided by the Group for the third parties are as follows.

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

Company (*1)	Guarantee	Type	Currency	Foreign Currency		Local Currency		Beneficiary
				Guarantee Limit	Guarantee amount	Guarantee Limit	Guarantee amount	
Doosan Enerbility Co., Ltd.	Employee of DPSI and others	Employee Loan	INR	50,000	50,000	₩ 860	860	DPSI
Doosan Bobcat Inc.	Customers and others	Financial Guarantee and others	USD	127,981	127,981	188,132	188,132	Financial institutions and others
Total						₩ 188,992	188,992	

(*1) Includes the Group's overseas subsidiaries and their consolidated subsidiaries.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

33. Commitments and contingencies, Continued

4) Guarantees of payment provided by third parties

As of December 31, 2024, details of payment guarantee provided by third parties are as follows:

(In millions of won)

Company (*1)	Beneficiary	Type	Guarantee Limit	Guarantee Balance	Related Party (Y/N)
Doosan Enerbility Co., Ltd.	Hana Bank	Construction Guarantee	₩ 166,525	74,874	N
	Korea EXIM Bank	Construction Guarantee	353,531	353,531	N
	Korea Trade Insurance Corporation	Construction Guarantee	441,000	36,611	N
	Woori Bank	Construction Guarantee	91,728	49,366	N
	CI Guarantee (*2)	Construction Guarantee	1,384,702	1,331,800	N
	Construction Guarantee (*2)	Construction Guarantee	7,415,751	4,816,507	N
	Seoul Guarantee Insurance	Construction Guarantee	276,412	276,412	N
	Machinery Financial Cooperative	Construction Guarantee	2,636,031	2,482,422	N
	Engineering Guarantee Insurance (*2)	Construction Guarantee	621,694	444,978	N
	Korea Federation of Small and Medium Businesses	Construction Guarantee	20,000	7,274	N
	KDB and others	Debt Guarantee	489,510	489,510	N
	SAB and others	Construction Guarantee	1,709,035	1,111,119	
	SC Bank and others	Construction Guarantee	257,463	257,463	N
	Subtotal		15,863,382	11,731,867	
Doosan Bobcat Inc.	Machinery Financial Cooperative and others	Performance Guarantee and others	95,142	95,142	N
Doosan Fuel Cell Co., Ltd.	Machinery Financial Cooperative and others	Performance Guarantee and others	553,176	445,870	N
	Total		₩ 16,511,700	12,272,879	

(*1) Includes the Company's overseas subsidiaries and their consolidated subsidiaries.

(*2) The guaranteed limit was calculated by inverse calculation of the weighted amount, and guarantee balance is based on the actual amount issued.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

34. Assets pledged as collateral

(1) Assets pledged as collateral related with debt

As of December 31, 2024, assets that have been pledged as collateral for the Group's borrowings and others are as follows:

(In millions of won)

Pledger	Collateralized asset	Collateralized amount	Amount of borrowings and others	Pledgee
Doosan Enerbility Co., Ltd.	Property, plant and equipment (*1)	₩ 1,285,848	1,179,952	KDB and others
	Shares of subsidiaries and equity shares(*1,2,3)	2,309,326	1,352,402	KDB and others
	Subtotal	3,595,174	2,532,354	
Doosan Bobcat Inc.	Property, plant and equipment and others	187,403	107,168	Shinhan Bank and others
	Inventories and others	479,354	174,999	Unicredit and others
	Investment shares and others	3,732,067	1,333,614	BOA and others
	Subtotal	4,398,824	1,615,781	
Doosan Fuel Cell Co., Ltd.	Property, plant and equipment	90,000	100,000	KDB and others
	Certificate of beneficiary certificates (*4)	53,200	53,200	Hana Bank and others
	Investment shares	999	-	CI Guarantee
	Subtotal	144,199	153,200	
Doosan Cuvex Co., Ltd.	Investment shares (*5)	158	-	K-FINCO and others
	Total	₩ 8,138,355	4,301,335	

(*1) As of December 31, 2024, in accordance with bond, borrowing, and borrowing covenant held by the Company, 35,810,000 shares of Doosan Bobcat Inc., a subsidiary of the Company, 21,500,000 shares of Doosan Fuel Cell Co., Ltd., a subsidiary of the Group, land and others are provided as collateral (See Note 33).

(*2) As of December 31, 2024, in relation to guarantee payment of the Company, 50,000,000 shares of Doosan Engineering & Construction Co., Ltd., an associate of the Company, are provided as collateral.

(*3) As of December 31, 2024, 53,159 shares of Construction Guarantee, 8,767 shares of Engineering Guarantee Insurance, 14,657 shares of CI Guarantee, 35,000 shares of Machinery Financial Cooperative, 300 shares of Information & Communication Financial Cooperative, and 40 shares of Fire Guarantee, 500 shares of Electric Contractors' Financial Cooperative, etc. are provided as collateral in relation to the Company's debts and others.

(*4) Doosan Fuel Cell Co., Ltd. provides deposit return bonds based on Doosan Fuel Cell Co., Ltd.'s future trade receivables and type 1 beneficiary certificate from trust property as collateral to two lenders of NewstarFC 1st Co., Ltd. including Hana bank, and to lenders of Doosan Fuel Cell Co., Ltd., consist of KisSF 15th Co., Ltd., IBK Capital Co., Ltd., and KB Securities Co. Ltd.. The period of provision of collateral is from April 3, 2023, to April 3, 2026, and additional bonds must be trusted if the expected cash flow from the trust property falls short of the agreement.

(*5) As of December 31, 2024, the investment in the subsidiary, Doosan Cuvex Co., Ltd., has been pledged as collateral for future guarantees and borrowings. However, as of December 31, 2024, no amounts have been executed.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
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34. Assets pledged as collateral, Continued

(2) Other Assets pledged as collateral

As of December 31, 2024, assets pledged as collateral on behalf of others are summarized as follows:

(In millions of won)

Pledger	Collateralized asset	Collateralized amount	Pledgee	Beneficiary
Doosan Enerbility Co., Ltd.	Long-term investment securities (*1)	₩ 4,709	Nonghyup Bank	Gyeonggi East-West Beltway Co.
	Shares of Hychangwon Co., Ltd. (*2)	7,000	Industrial Bank of Korea	Hychangwon Co., Ltd.
	Shares of Samcheok Blue Power Co., Ltd. (*3)	82,089	KDB	Samcheok Blue Power Co., Ltd.
	Property, plant and equipment and others (*4)	880,000	Korea Trade Insurance Corporation	Doosan Enerbility Co., Ltd.
	Deposit (*5)	5,253	Korea Securities Finance Corp.	Employee Stock Ownership Association
	Construction receivables (*6)	6,600	Syndicate of Lenders for the Gyo-dong Multifamily Housing Development Project in Samcheok City	Samwoon Co., Ltd.
	Subtotal	985,651		
Doosan Fuel Cell Co., Ltd.	Investments shares of Daesan Green Energy Co., Ltd.	4,569	KDB	Daesan Green Energy Co., Ltd.
	Deposit (*5)	2,379	Korea Securities Finance Corp.	Employee Stock Ownership Association
	Subtotal	6,948		
	Total	₩ 992,599		

(*1) As of December 31, 2024, the Group provided 941,880 shares of Gyeonggi East-West Beltway Co. among the Group's long-term investment securities with the book value of ₩665 million as collateral for the project financing loan of entity, the Group has a security interest in the PF lender, Nonghyup Bank.

(*2) As of December 31, 2024, the Group provided 1,400,000 shares of Hychangwon Co., Ltd. with the book value of zero as collateral for the project financing loan of the entity and established the right of pledge to Industrial Bank of Korea (PF syndicate).

(*3) As of December 31, 2024, the Group has entered into a contract of completion guarantee regarding the EPC construction project of Samcheok #1,2 TPP and provided 1,193,066 shares and others (the book value of ₩76,235 million) of Samcheok Blue Power Co., Ltd. as collateral for the project financing loan of the entity and established the right of pledge to KDB and others (PF syndicate).

(*4) As of December 31, 2024, the Group has signed the export bond insurance limit contract (₩459,000 million) with Korea Trade Insurance Corporation and provided part of the land, buildings, and machinery of the Changwon Plant (Collateralized amount: ₩420,000 million) and all shares of DPS S.A. held by the Company (Collateralized amount: GBP 293 million) as collateral.

(*5) As of December 31, 2024, the Group and Doosan Fuel Cell Co., Ltd., a subsidiary, have provided ₩5,253 million and ₩2,379 million of deposits to Korea Securities Finance Corp. as collateral regarding supplement member loan for stock acquisition of Employee Stock Ownership Association.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

34. Assets pledged as collateral, Continued

(*6) As of December 31, 2024, the Group has provided collateral for the assignment of construction loan receivables in the amount of ₩5,500 million (Collateralized amount: ~~₩6,600~~ million) to a lender in connection with the Syndicate of Lenders for the Gyo-dong Multifamily Housing Development Project in Samcheok City.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
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35. Related party transactions

(1) The related parties of the Group and nature of their relationship with the Group as of December 31, 2024 are as follows:

- 1) As of December 31, 2024, the Group's ultimate parent company is Doosan Corp. (equity ownership: 30.40%).
- 2) As of December 31, 2024, the details of the Group's associates, joint ventures, and other related parties are as follows:

Control relationship	Related party
Associates and joint ventures	Samcheok Blue Power Co., Ltd., Daejung Offshore Wind Power Co., Ltd., Hychangwon Co., Ltd., The Zenith holdings Ltd., Doosan Engineering & Construction Co., Ltd. and the subsidiaries, Tuwaiq Casting & Forging Company, BUNDANG DOOSAN TOWER REIT Co., Ltd., Prestolite Asia Ltd., Daesan Green Energy Co., Ltd., Einstein AI, Inc, The Weve Holdings Ltd., Doosan New Technology Investment Fund 1 st (*1), Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1 st (*1), Mirae-asset ESG Marine Wind Power Private Equity Fund 1 st (*3), Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd (*1), Mirae-asset ESG Marine Wind Power Private Equity Fund 2 nd (*1)
Other related parties	
Subsidiaries of the parent company (*2)	Oricom Inc., Hancom Co., Ltd., Doosan Bears Inc., Doosan Business Research Institute, Doosan Robotics Co., Ltd., Doosan Mobility Innovation Inc., Doosan Logistics Solutions Co., Ltd., Doosan Mobility Innovation (Shenzhen) Co., Ltd., Doosan Electro-Materials Singapore Pte Ltd., Doosan Hongkong Ltd., Doosan Electro-Materials (Shen Zhen) Limited., Doosan Shanghai Chemical Materials Co., Ltd., Doosan Electro-Materials (Changshu) Co., Ltd., Doosan Electro-Materials Vietnam Company Limited, Doosan Second Real Estate Securitization Specialty Ltd., Doosan Digital Innovation America LLC., Doosan Digital Innovation China LLC, Doosan Digital Innovation Europe Limited, Doosan Electro-Materials America, LLC, HyAxiom, Inc., Doosan Energy Solutions America, Inc., DESA Service, LLC, D pay 2 nd Co., Ltd., Doosan H2 Innovation Co., Ltd., Doosan Portfolio Holdings Co., Ltd., D-Pay 3 rd Co., Ltd., Doosan Tesna Inc., NewstarBears Co., Ltd., Doosan Robotics America, LLC, Doosan Investment Co., Ltd., Engion Co., Ltd (*1), Nautilus Semiconductor Secondary Investment Fund (*1) and others
Associates and joint ventures of the parent company (*4)	PT. SEGARA AKASA, Sichuan Kelun-Doosan Biotechnology Company Limited, Mastern Professional Investment Type Private Security Investment Trust No.98, Versogen Inc. SemiFive Co., Ltd. and others
Others	Chung-Ang University, Chung-Ang University Hospital, Doosan Credit Union, Doosan Yonkang Foundation, Folletto Robotics Co., Ltd., Won Sang Co., Ltd., Protera SAS and others

(*1) Newly classified as a related party in 2024.

(*2) In 2024, HyAxiom Motors Co., Ltd. was reclassified from other related parties to a subsidiary.

(*3) In 2024, the entity changed its name from Multi-asset ESG Marine Wind Power Private Equity Fund 1st to Mirae-asset ESG Marine Wind Power Private Equity Fund 1st.

(*4) In 2024, KDDI Korea Corporation has been excluded from the scope of related parties.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. Related party transactions, Continued

(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 millions of won)

		2024					
		Sales and others			Purchases and others		
		Sales	Disposal of PP&E and intangible assets	Other revenue	Purchase	Acquisition of PP&E and intangible assets	Other expense
Parent:							
Doosan Corp.	₩	11,843	-	5,014	50,858	20,653	109,669
Associates and joint ventures:							
Daesan Green Energy Co., Ltd.		14,500	-	32	-	-	43
Samcheok Blue Power Co., Ltd.		151,028	-	-	-	-	-
Tuwaig Casting & Forging Company		441,429	-	-	-	-	-
Prestolite Asia Ltd.		33	-	26	8,682	-	-
Doosan Engineering & Construction Co., Ltd.		1,768	-	1,584	123	2,940	2,424
BUNDANG DOOSAN TOWER REIT Co., Ltd.		-	-	-	-	-	21,985
Others		2,143	-	143	-	-	-
Subtotal		610,901	-	1,785	8,805	2,940	24,452
Other related parties:							
Oricom Inc.		1,150	-	25	166	-	25,884
Doosan Bears Inc.		856	-	-	556	-	15,511
Doosan Business Research Institute		2,329	-	21	3	-	14,489
Chung-Ang University		4	-	-	-	-	6,172
Doosan Digital Innovation America LLC.		8	-	-	554	3,029	71,574
HyAxiom, Inc.		3,195	-	2,586	43,401	-	978
Doosan Digital Innovation Europe Limited		1	-	-	13,143	166	3,164
Others		4,961	2	245	-	198	3,317
Subtotal		12,504	2	2,877	57,823	3,393	141,089
Total	₩	635,248	2	9,676	117,486	26,986	275,210

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. Related party transactions, Continued

(In millions of won)

		2023					
		Sales and others		Purchases and others			
		Sales	Other revenue	Purchase	Acquisition of PP&E and intangible assets		Other expense
Parent:							
Doosan Corp.		₩	11,327	5,007	107,553	21,213	87,837
Associates and joint ventures:							
Samcheok Blue Power Co., Ltd.			264,301	-	-	-	-
Hychangwon Co., Ltd.			11,865	-	-	-	-
Daesan Green Energy Co., Ltd.			14,543	-	-	-	43
Doosan Engineering & Construction Co., Ltd.			1,718	1,021	132	-	1,480
Tuwaiq Casting & Forging Company			440,863	-	-	-	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.			-	-	-	-	17,996
Prestolite Asia Ltd.			-	43	11,224	-	-
Subtotal			733,290	1,064	11,356	-	19,519
Other related parties:							
Oricom Inc.			1,217	23	584	-	18,906
Doosan Bears Inc.			797	-	530	-	12,548
Doosan Business Research Institute			2,212	39	3	-	12,524
Chung-Ang University			-	12	921	-	7,920
Doosan Digital Innovation America LLC			7	-	729	90	58,703
Doosan Information & Communications Beijing Co., Ltd.			-	-	-	-	3,194
HyAxiom, Inc.			14,247	3	10,176	-	-
Doosan Digital Innovation Europe Limited			26	-	4,514	-	1,693
Others			4,179	807	71	72	399
Subtotal			22,685	884	17,528	162	115,887
Total		₩	767,302	6,955	136,437	21,375	223,243

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. 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 millions of won)

	2024					
	Receivables			Payables		
	Trade receivables	Loans receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Parent:						
Doosan Corp.	₩ 794	-	3,791	23,807	30,301	1,863
Associates and joint ventures:						
Daesan Green Energy Co., Ltd.	3,625	712	11	-	-	398
Samcheok Blue Power Co., Ltd. (*1)	-	-	141,188	-	-	-
Hychangwon Co., Ltd.	5,500	-	200	-	805	-
Tuwaiq Casting & Forging Company (*2)	11,876	-	-	-	36,458	-
Doosan Engineering & Construction Co., Ltd.	162	-	30,182	122	16,027	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	-	26,122	-	-	148,804
Others	-	-	1,581	156	-	-
Subtotal	21,163	712	199,284	278	53,290	149,202
Other related parties:						
Oricom Inc.	146	-	-	5,406	3,166	-
Doosan Digital Innovation America LLC.	1	-	116	-	7,885	-
Doosan Digital Innovation Europe Limited	1	-	-	-	5,696	-
HyAxiom, Inc. (*3)	2,840	-	30,032	192	1,827	-
Others	615	-	297	840	5,329	-
Subtotal	3,603	-	30,445	6,438	23,903	-
Total	₩ 25,560	712	233,520	30,523	107,494	151,065

(*1) As of December 31, 2024, the Group has set an allowance for doubtful accounts of ₩536 million for receivables of Samcheok Blue Power Co., Ltd.. The allowance was increased by ₩109 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.

(*2) The allowance for doubtful debts of Tuwaiq Casting & Forging Company was reduced by ₩3 million in 2024 and recognized as reversal of doubtful debts and others in the statement of comprehensive income.

(*3) As of December 31, 2024, the Group has set an allowance for doubtful accounts of ₩470 million for receivables of HyAxiom, Inc.. The allowance was decreased by ₩4,370 million in 2024 and recognized as reversal of bad debt expenses and others in the statement of comprehensive income.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. Related party transactions, Continued

(In millions of won)

		2023					
		Receivables			Payables		
		Trade receivables	Loans receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Parent:							
Doosan Corp.	₩	769	-	4,229	26,786	25,548	1,025
Associates and joint ventures:							
Samcheok Blue Power Co., Ltd. (*1)		-	-	125,648	-	-	-
Hychangwon Co., Ltd.		5,500	-	47	-	1,992	-
Tuwaig Casting & Forging Company (*2)		32,116	-	119	-	248,551	-
Doosan Engineering & Construction Co., Ltd.		157	-	51,470	122	21,639	-
Daesan Green Energy Co., Ltd.		3,625	689	-	-	4	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.		-	-	26,122	-	-	158,605
Prestolite Asia Ltd.,		-	-	-	308	-	-
Subtotal		41,398	689	203,406	430	272,186	158,605
Other related parties:							
Oricom Inc.		144	-	2	3,155	2,234	-
Doosan Digital Innovation America LLC.		1	-	126	-	6,512	-
HyAxiom, Inc. (*3)		769	-	67,831	1,787	5,181	-
Doosan Digital Innovation Europe Limited		26	-	-	-	3,022	-
Others		571	-	998	951	2,942	-
Subtotal		1,511	-	68,957	5,893	19,891	-
Total	₩	43,678	689	276,592	33,109	317,625	159,630

(*1) As of December 31, 2023, the Group has set an allowance for doubtful accounts of ₩427 million for receivables of Samcheok Blue Power Co., Ltd.. The allowance was reduced by ₩339 million in 2023 and recognized as reversal of doubtful debts and others in the statement of comprehensive income.

(*2) As of December 31, 2023, the Group has set an allowance for doubtful accounts of ₩3 million for receivables of Tuwaig Casting & Forging Company. The allowance was reduced by ₩247 million in 2023 and recognized as reversal of doubtful debts and others in the statement of comprehensive income.

(*3) As of December 31, 2023, the Group has set an allowance for doubtful accounts of ₩4,840 million for receivables of HyAxiom, Inc.. The allowance was reduced by ₩1,415 million in 2023 and recognized as reversal of doubtful debts and others in the statement of comprehensive income.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. Related party transactions, Continued

(4) Financial transactions between the Group and related parties

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

(In millions of won)

(In millions of won)		2024								
		Loans		Borrowings			Investments		Dividend	Equity
										securities
		Loans	Collection	Borrowings	Repayment	Repayment of lease	Increase of capital	Investment	Income	Payout
Parent:										
Doosan Corp.	₩	-	-	-	-	481	-	-	-	-
Associates and joint ventures:										
Doosan New Technology Investment Fund 1 st		-	-	-	-	-	7,520	-	-	-
Hanwha Clean Hydrogen Energy Private Special Asset Investment Trust Fund 1 st		-	-	-	-	-	15	-	-	-
Samcheok Blue Power Co., Ltd.		-	-	-	-	-	38,520	-	1,418	-
BUNDANG DOOSAN TOWER REIT Co., Ltd		-	-	-	-	31,603	-	-	1,642	-
Daesan Green Energy Co., Ltd.		23	-	-	-	-	-	-	-	-
Keywest Energy Infra Private Investment Trust Fund 1 st (*3)		-	-	-	-	-	9,238	9,238	-	-
Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd		-	-	-	-	-	8,400	-	-	-
Mirae-asset ESG Marine Wind Power Private Equity Fund 2 nd		-	-	-	-	-	9,213	-	-	-
Subtotal		23	-	-	-	31,603	72,906	9,238	3,060	-
Other related parties:										
Doosan Digital Innovation America LLC		-	-	-	-	909	-	-	-	-
HyAxiom, Inc. (*1,2)		-	-	-	1,000	-	-	-	-	500
Doosan H2 Innovation Co., Ltd.		-	-	-	1,000	-	-	-	-	-
KDDI Korea Corporation (*4)		-	-	-	-	-	-	-	123	-
Subtotal		-	-	-	2,000	909	-	-	123	500
Total	₩	23	-	-	2,000	32,993	72,906	9,238	3,183	500

(*1) As of December 31, 2024, the Group acquired 100% of the shares of HyAxiom Motors Co., Ltd. held by HyAxiom, Inc.

(*2) As of December 31, 2024, the Group repaid the borrowings of HyAxiom Motors Co., Ltd. occurred prior to business combination.

(*3) As of December 31, 2024, the Group recovered its investment in Keywest Energy Infra Private Investment Trust 1st and has excluded it as a related party.

(*4) The related party relationship was terminated during the year and the current year transaction amount is the amount before the termination of the relationship.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

35. Related party transactions, Continued

(In millions of won)

	2023							
	Loans		Borrowings			Investments		Dividend
	Loans	Collection	Borrowings	Repayment	Repayment of lease	Increase (decrease) of capital	Investment	Income
Parent:								
Doosan Corp.	₩	-	-	-	-	482	-	-
Associates and joint ventures:								
Multi-asset ESG Marine								
Wind Power Private Equity								
Fund 1 st		-	-	-	-	-	1,996	-
BUNDANG DOOSAN								
TOWER REIT Co., Ltd.		-	-	-	-	25,902	-	3,242
Daesan Green Energy Co., Ltd.		-	371	-	-	-	-	-
Subtotal		-	371	-	-	25,902	1,996	3,242
Other related parties:								
Doosan Digital Innovation								
America LLC		-	-	-	-	754	-	-
KDDI Korea Corporation		-	-	-	-	-	-	43
Subtotal		-	-	-	-	754	-	43
Total	₩	-	371	-	-	27,138	1,996	3,285

(5) Guarantees of payment and collateral provided by and to the related party

The Group provides payment guarantees and collateral for certain related parties and receives payment guarantees and collateral from certain related parties as of December 31, 2024 (See Notes 33 and 34).

(6) Key management compensation

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 the years ended December 31, 2024 and 2023 consists of following:

(In millions of won)

		2024	2023
Short-term employee benefits	₩	53,046	36,251
Severance and retirement benefits		6,560	5,763
Share-based payments		9,804	3,670
Total	₩	69,410	45,684

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

36. Consolidated statements of cash flows

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

(In millions of won)

	2024	2023
Profit for the year:	₩ 394,689	517,522
Adjustments:		
Interest expenses	329,077	320,892
Loss on foreign currency translation	271,639	67,647
(Reversal of) Bad debt expenses	(5,942)	22,888
Other bad debt expenses	25,488	79,920
Loss on valuation of inventory	43,388	23,873
Loss on valuation of derivative financial instruments	275,324	84,367
Loss on valuation of firm commitments	48,256	27,139
Loss(gain) on equity method investments	(20,484)	38,688
Impairment loss on investments in associates	6,223	-
Depreciation	350,299	322,526
Amortization	140,732	144,139
Loss on disposal of property, plant and equipment	8,286	1,510
Impairment loss on property, plant and equipment	417	15,025
Impairment loss on intangible assets	223,639	175,510
Impairment loss on investment property	1,165	37,837
Reversal of impairment losses on assets held for sale	-	(805)
Loss on valuation of short and long-term investment securities	2,941	44,877
Severance and retirement benefits	65,992	4,536
Provision for warranty expenses	152,684	138,453
Reversal of provision for construction warranties	(18,201)	(10,113)
Provision for others	41,559	52,894
Income tax expense	263,090	220,960
Interest income	(109,202)	(80,220)
Dividend income	(2,409)	(2,906)
Gain on foreign currency translation	(327,953)	(54,900)
Gain on valuation of derivatives financial instruments	(82,187)	(66,578)
Gain on valuation of firm commitments	(234,737)	(43,958)
Gain on disposal of property, plant and equipment	(8,113)	(2,232)
Gain on disposal of intangible asset	(5)	(872)
Gain on valuation of short and long-term investment securities	(93,806)	(11,526)
Gain on disposal of short and long-term investment securities	(70)	(836)
Others	(2,937)	(1,350)
Subtotal	₩ 1,344,153	1,547,385

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

36. Consolidated statements of cash flows, Continued

(In millions of won)

	2024	2023
Changes in operating assets and liabilities:		
Trade receivables	₩ 249,374	294,511
Due from customers for contract work	(163,589)	(218,070)
Other receivables	33,535	(156,955)
Derivative financial assets and liabilities	(30,415)	16,437
Firm commitments assets and liabilities	105,177	51,129
Inventories	58,949	(201,212)
Other current assets	129,673	100,027
Other non-current assets	(50,451)	(55,216)
Trade payables	(360,628)	15,908
Due to customers for contract work	(493,840)	522,052
Other payables	(102,664)	477,353
Provision for warranty expenses	(155,705)	(127,255)
Provision for construction losses	(19,959)	(16,482)
Provision for others	(57,969)	(59,148)
Other current liabilities	25,892	104,025
Other non-current liabilities	8,114	(4,103)
Severance payments paid	(95,127)	(102,820)
Plan assets	28,313	4,436
Subtotal	(891,320)	644,617
Cash generated from operations	₩ 847,522	2,709,524

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

(In millions of won)

	2024	2023
Transfer from construction-in-progress to other assets	₩ 206,445	199,767
Acquisition of right-of-use assets	100,221	88,245
Transfer to current portion of bonds, borrowings and others	558,706	1,661,944
Changes in other payables through acquisition of property, plant and equipment, and intangible assets	(27,767)	5,361
Transfer to assets and liabilities held for sale	29,230	12,298
Acquisition and transfer of investment properties	24,285	(10,643)
Write-off of trade and other receivables	233,219	29,518
Conversion of convertible bonds to common stock	-	24,600
Changes in other receivable due to disposal of investment in subsidiary	16,973	-

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

36. Consolidated statements of cash flows, Continued

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

(In millions of won)

	Balance at January 1, 2024	Cash flows from financing activities, net	Non-cash changes					Balance at December 31, 2024
			Current portion of long-term debt	Business combination	Changes in foreign currency translation	Changes in consolidation scope	Others	
Short-term borrowings	₩ 1,186,577	1,062,869	23,290	13,848	(145,327)	-	-	2,141,257
Current portion of long-term debt	1,576,371	(1,548,963)	426,514	-	10,308	-	(66,010)	398,220
Current portion of financial lease liabilities	78,987	(69,324)	88,328	317	4,179	(251)	617	102,853
Current sale and leaseback liabilities	17,269	(21,834)	20,574	-	2,322	-	-	18,331
Bonds	493,917	473,922	(122,802)	-	59,442	-	2,279	906,758
Long-term borrowings	1,457,749	873,276	(293,620)	-	175,428	-	221,701	2,434,534
Long-term asset-backed borrowings	52,762	-	(33,382)	-	-	-	12	19,392
Non-current lease financial liabilities	309,080	(24,743)	(88,328)	234	23,841	(1,280)	83,228	302,032
Non-current sale and leaseback liabilities	49,030	14,378	(20,574)	-	5,400	-	-	48,234
Total	₩ 5,221,742	759,581	-	14,399	135,593	(1,531)	241,827	6,371,611

(In millions of won)

	Balance at January 1, 2023	Cash flows from financing activities, net	Non-cash changes			Balance at December 31, 2023
			Current portion of long-term debt	Changes in foreign currency translation	Others	
Short-term borrowings	₩ 1,433,572	(242,391)	26,808	(31,412)	-	1,186,577
Current portion of long-term debt	771,006	(735,928)	1,559,181	5,062	(22,950)	1,576,371
Current portion of financial lease liabilities	76,193	(60,386)	61,907	2,524	(1,251)	78,987
Current sale and leaseback liabilities	27,499	(24,891)	14,048	613	-	17,269
Bonds	356,348	509,198	(380,697)	7,080	1,988	493,917
Long-term borrowings	2,350,868	255,254	(1,188,630)	33,177	7,080	1,457,749
Long-term asset-backed borrowings	-	69,643	(16,662)	-	(219)	52,762
Non-current financial lease liabilities	317,701	(23,768)	(61,907)	2,117	74,937	309,080
Non-current sales and lease back liabilities	49,848	8,245	(14,048)	4,985	-	49,030
Total	₩ 5,383,035	(245,024)	-	24,146	59,585	5,221,742

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

37. Assets and liabilities held for sale

The Group's assets held for sale as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>		2024	2023
Property, plant and equipment (*1)	₩	256	30,637
Investment property (*2)		1,291	13,588
Subtotal		1,547	44,225
Accumulated impairment loss		(41)	(41)
Total	₩	1,506	44,184

(*1) DPSI, a subsidiary, signed a contract to sell its operating land and buildings on November 22, 2023, classifying the assets as assets held-for-sale during the prior period. As of December 31, 2024, the sale of the assets held-for-sale was completed.

(*2) As the Company signed a contract to sell its land and certain buildings located in Icheon-si, Gyeonggi-do, it was classified as assets held-for-sale during the prior period. As of December 31, 2024, the sale of the assets held-for-sale was completed.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

38. Business Combinations

(1) Overview

1) HyAxiom Motors Co., Ltd.

Doosan Fuel Cell Co., Ltd. acquired control of HyAxiom Motors Co., Ltd. by acquiring 100% of the shares from Doosan Corp's subsidiary, HyAxiom, Inc., on January 2, 2024.

2) Doosan Mottrol Co., Ltd.

Doosan Bobcat Inc. acquired 100% of the shares of Doosan Mottrol Co., Ltd. and its subsidiaries on October 4, 2024, from Socius Well to Sea Investment No. 2 Corporate Financial Stability Co., Ltd. pursuant to a resolution of the Board of Directors on June 12, 2024. Doosan Mottrol Co., Ltd. and its subsidiaries produce hydraulic components used in industrial machinery, and their main products are travel motors, swing motors, main pumps, and main control valves, and the Group expects synergies through product portfolio diversification as a result of the business combination.

(2) Acquisition Accounting

The amounts of assets acquired and liabilities assumed, recognized at the acquisition date were measured at fair value, and the fair values of the transfer price and identifiable net assets acquired were as follows.

(In millions of won)

	<u>HyAxiom Motors Co., Ltd.</u>	<u>Doosan Mottrol Co., Ltd.</u>
I. Transfer Price:		
Cash and cash equivalents	₩ 500	242,135
II. Amounts recognized as identifiable assets and liabilities		
Assets:	1,313	286,566
Cash and cash equivalents	1,291	36,927
Trade and other receivables	14	62,287
Inventories	-	34,493
Property, plant and equipment	-	107,199
Intangible assets (*1)	-	29,254
Right-of-use assets	-	6,329
Other assets	8	10,077
Liabilities:	2,218	63,016
Trade and other payables	218	31,988
Borrowings	2,000	13,397
Lease liabilities	-	551
Deferred tax liabilities	-	9,712
Other liabilities	-	7,368
III. Fair Value of Total Identifiable Net Assets	(905)	223,550
IV. Goodwill (I-III)	1,405	18,585

(*1) The identifiable technology value of Doosan Mottrol Co., Ltd. of ₩28,517 million is included in intangible assets.

DOOSAN ENERBILITY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements, Continued
For the years ended December 31, 2024 and 2023

38. Business Combinations, Continued

The Group has expensed the total acquisition-related direct costs of ₩ 2,292 million incurred in connection with the business combination of Doosan Mottrol Co., Ltd. at the time of occurrence. Meanwhile, the Group has prepared the consolidated financial statements assuming that the business combination occurred on October 1, 2024. Since the consolidation, sales and net loss of Doosan Mottrol Co., Ltd. and its subsidiaries amounted to ₩44,831 million and ₩1,274 million, respectively.

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

(In millions of won)

	Amount before adjustments	Adjustments	Amount after adjustments
Sales	₩ 16,233,055	149,760	16,382,815
Net profit	394,689	(7,933)	386,756

39. Subsequent Events

Doosan Bobcat Inc., the subsidiary of the Company, resolved to retire its treasury shares as follows based on the Board of Directors' resolution on February 21, 2025, in order to enhance shareholder value.

(In shares, millions of won)

	Date	Number of shares	Amount
Ordinary shares	2025. 2. 27	4,393,101 ₩	200,168

40. Approval of consolidated financial statements

The consolidated financial statements for 2024 were authorized for issue by the Board of Directors on February 14, 2025, and will get final approval during the shareholders' meeting on March 31, 2025.

Independent Auditors' Report on Internal Control over Financial Reporting for Consolidation Purposes

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
Doosan Enerbility Co., Ltd.:

Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We have audited Doosan Enerbility Co., Ltd. and its subsidiaries' ("the Group") internal control over financial reporting ("ICFR") for consolidation purposes as of December 31, 2024 based on the criteria established in the Conceptual Framework for Designing and Operating ICFR ("ICFR Design and Operation Framework") issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea (the "ICFR Committee").

In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting for consolidation purposes as of December 31, 2024, based on ICFR Design and Operation Concept Framework.

We also have audited, in accordance with Korean Standards on Auditing ("KSAs"), the consolidated financial statements of the Group, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising material accounting policy information and other explanatory information, and our report dated March 19, 2025 expressed an unmodified opinion on those consolidated financial statements.

Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We conducted our audit in accordance with KSAs. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control over financial reporting in Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Internal Control over Financial Reporting for Consolidation Purposes

The Group's management is responsible for designing, operating and maintaining effective internal control over financial reporting for consolidation purposes and for its assessment of the effectiveness of internal control over financial reporting for consolidation purposes, included in the accompanying Report on the Operational Status of Internal Control over Financial Reporting.

Those charged with governance are responsible for overseeing the Group's internal control over financial reporting for consolidation purposes.



Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes

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

Our audit of internal control over financial reporting for consolidation purposes included obtaining an understanding of internal control over financial reporting for consolidation purposes, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Definition and Limitations of Internal Control over Financial Reporting for Consolidation Purposes

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

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

The engagement partner on the audit resulting in this independent auditors' report is Jeong Gu Kang.

KPMG Samjong Accounting Corp.

Seoul, Korea
March 19, 2025

This report is effective as of March 19, 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 internal control over financial reporting. 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.

**Report on the Operational Status of Internal Control over Financial Reporting ("ICFR") for
Consolidation Purposes**

English Translation of a Report Originally Issued in Korean

To the Shareholders, Board of Directors and Audit Committee of Doosan Enerbility Co., Ltd.

We, as the CEO and Internal Accounting Control Officer ("IACO") of Doosan Enerbility Co., Ltd. and its subsidiaries ("the Group"), assessed the status of the design and operation of the Group's ICFR for consolidation purposes for the year ended December 31, 2024.

The Group's management including CEO and IACO are responsible for designing and operating ICFR for consolidation purposes. We, as the CEO and IACO, assessed whether the ICFR for consolidation purposes has been appropriately designed and is effectively operating to prevent and detect any error or fraud which may cause any misstatement of the financial statements, for the purpose of preparing and disclosing reliable financial statement.

We, as the CEO and IACO, adopted the 'ICFR Design and Operation Concept Framework' established by the Operating Committee of Internal Control over Financial Reporting for the design and operation of the ICFR for consolidation purposes. Also applied the 'ICFR Assessment and Reporting Standards' established by the Operating Committee of Internal Control over Financial Reporting for the assessment of design and operation of the ICFR for consolidation purposes.

Based on assessment of the ICFR for consolidation purposes, the Group's ICFR for consolidation purposes has been appropriately designed and is operating effectively as of December 31, 2024, in all material respect, in accordance with the ICFR Design and Operation Concept Framework.

We, as the Company's CEO and IACO, confirmed that the contents of the report are not misstated or displayed, and there is no missing information to be stated or displayed.

Also, We, as the Company's CEO and IACO, confirmed that the report did not contain or display any content that cause major misunderstanding, and sufficiently reviewed the report.

14 February 2025

Chief Executive Officer SANGHYUN PARK

Internal Accounting Control Officer SANGJU JEONG


