

DOOSAN ENERBILITY CO., LTD.

Separate 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 separate financial statements of Doosan Enerbility Co., Ltd. ("the Company"), which comprise the separate statements of financial position as of December 31, 2024 and 2023, the separate statements of loss and comprehensive loss, 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 separate financial statements present fairly, in all material respects, the separate financial position of the Company as of December 31, 2024 and 2023, and its separate financial performance and its separate 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 Company's Internal Control over Financial Reporting ("ICFR") 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 Company's ICFR.

Basis for Opinion

We conducted our audits in accordance with KSAs. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the separate 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the separate 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 the note 3 to the separate financial statements, the Company 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 for each reporting period.
- For major projects, inquiries and inspection of documents if there were significant differences between the progress rate in the respective monthly progress reports received from customers 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.
- Comparison between estimated total contract cost used in revenue recognition and that maintained by respective site department for major projects.

2) Impairment of investments in subsidiaries.

As described in the note 2 to the separate financial statements, the Company assesses whether there are any indicators of impairment for investments in subsidiaries and conducts an impairment test for such investments with impairment indicators. The Company compares the carrying amount of investments in subsidiaries with the recoverable amount which is measured as the value in use using discounted cash flow projection to determine whether the investments are impaired.

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

The following audit procedures were performed regarding impairment of investments in subsidiaries.

- Evaluation and testing of internal controls related to impairment test for investments in subsidiaries.
- 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 Company.
- Verifying the mathematical accuracy of the valuation model applied to the estimation of the value in use of the investments in subsidiaries.
- Understanding of the future cash flows and agreeing whether the estimated future cash flow agrees to business plan approved by the Company's management.
- Testing the appropriateness of major assumptions (discount rate, growth rate, etc.) applied in the valuation model by comparing to benchmark of peer industry and historical financial information of the investees.
- Evaluation of the sensitivity analysis results for the discount rate and permanent growth rate presented by the Company 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 separate financial statements may differ from those generally accepted and applied in other countries.

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

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

In preparing the separate financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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 Company'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 separate 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 separate 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 Samjory 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 separate 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.
Separate 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	₩ 645,087	733,014
Short-term financial instruments	4,5,10,32	49,400	72,595
Trade receivables, net	4,7,10,24,33	602,769	606,737
Other receivables, net	4,7,10,33	387,378	371,873
Due from customers for contract work, net	7,24,33	1,345,091	1,259,651
Prepayments, net	24	328,694	429,084
Prepaid expenses		48,016	51,670
Short-term loans, net	4,7,10,33	84,362	94,473
Derivative financial assets	4,9,10	36,612	17,952
Firm commitment assets	9	114,250	37,394
Inventories, net	8,24	335,840	290,948
Other current assets, net	4,7,10,14	69,366	52,784
Assets held for sale	11,12,33,35	1,506	33,587
Total current assets		4,048,371	4,051,762
Long-term financial instruments	4,5,10	22,560	25,608
Long-term investment in securities	4,6,10,32	279,358	150,475
Long-term other receivables, net	4,7,10	9,542	10,917
Investments in subsidiaries, associates and joint ventures	11,32,33,35	4,071,935	4,302,259
Long-term loans, net	4,7,10,33	320,837	268,159
Property, plant and equipment, net	12,14,32,35	3,152,671	3,151,465
Intangible assets, net	13	1,214,831	1,113,634
Investment properties, net	14,15,33,35	113,710	93,373
Derivative financial assets	4,9,10	15,268	16,370
Firm commitment assets	9	13,537	25,849
Deferred tax assets	29	448,269	427,399
Guarantee deposits, net	4,7,10,24	45,985	47,239
Total non-current assets		9,708,503	9,632,747
Total assets	₩	13,756,874	13,684,509

See accompanying notes to the separate financial statements.

DOOSAN ENERBILITY CO., LTD.

Separate Statements of Financial Position, Continued

As of December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Liabilities			
Trade payables	4,10,33 ₩	1,323,713	1,319,419
Short-term borrowings	4,10,16,31,32,34	1,809,642	967,834
Other payables	4,10	106,434	185,489
Advance received	24	6,025	24,462
Due to customers for contract work	24,33	1,605,684	1,916,939
Withholdings		81,405	85,119
Accrued expenses	4,10	171,170	199,479
Current tax liabilities		1,039	1,090
Current portion of long-term debt	4,10,16,31,32,34	222,000	1,403,847
Current lease liabilities	4,10,14,33,34	39,797	26,199
Derivative financial liabilities	9,10	204,240	52,590
Firm commitment liabilities	9	5,893	11,661
Provisions	18,24	72,200	122,644
Other current liabilities	4,10	38,348	1,120
Total current liabilities		5,687,590	6,317,892
Bonds	4,10,16,31,32,34	686,148	423,103
Long-term borrowings	4,10,16,31,32,34	819,840	287,189
Long-term other payables	4,10	9,451	10,016
Defined benefit liabilities, net	17	298,291	192,864
Deposits received	4,10	190,445	185,303
Non-current lease liabilities	4,10,14,33,34	116,086	129,213
Derivative financial liabilities	9,10	24,215	36,635
Firm commitment liabilities	9	2,457	13,448
Provisions	18	122,860	121,082
Other non-current liabilities	4,10	63,158	43,015
Total non-current liabilities		2,332,951	1,441,868
Total liabilities		8,020,541	7,759,760
Equity			
Capital stock	19	3,267,327	3,267,327
Capital surplus	16,19,20	1,525,844	1,675,106
Other components of equity	19,21	(2,135)	(1,961)
Accumulated other comprehensive income	6,9,10,12,17,22	1,042,900	1,007,940
Accumulated deficits	23	(97,603)	(23,663)
Total equity		5,736,333	5,924,749
Total liabilities and equity	₩	13,756,874	13,684,509

See accompanying notes to the separate financial statements.

DOOSAN ENERBILITY CO., LTD.

Separate Statements of Loss

For the years ended December 31, 2024 and 2023

<i>(In millions of won)</i>	Note		2024	2023
Sales	24,33	₩	6,320,304	6,651,862
Cost of sales	24,25,33		5,479,395	5,802,616
Gross profit			840,909	849,246
Selling and administrative expenses	10,25,26,33		447,482	394,388
Operating profit			393,427	454,858
Finance income and expenses			(149,054)	(137,207)
Finance income	10,27,33		913,216	458,325
Finance expenses	10,27,33		1,062,270	595,532
Other non-operating income and expenses			(417,459)	(552,349)
Other non-operating income	10,28,33		156,815	70,240
Other non-operating expenses	10,28,33		574,274	622,589
Loss before income tax			(173,086)	(234,698)
Income tax benefit	29		(2,781)	(130,519)
Loss for the year		₩	(170,305)	(104,179)
Loss per share				
Basic loss per share <i>(In won)</i>	30	₩	(266)	(163)
Diluted loss per share <i>(In won)</i>	30		(266)	(163)

See accompanying notes to the separate financial statements.

DOOSAN ENERBILITY CO., LTD.

Separate Statements of Comprehensive Loss

For the years ended December 31, 2024 and 2023

(In millions of won)

	Note	2024	2023
Loss for the year	₩	(170,305)	(104,179)
Other comprehensive income		(18,111)	(109,245)
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liabilities	17,29	(53,071)	(46,397)
Loss on valuation of fair value through other comprehensive income ("FVOCI") financial assets	6,29	-	(511)
Profit (loss) on revaluation of assets	12,29	1	(52,351)
Items that are or may be reclassified subsequently to profit or loss		34,959	(9,986)
Gain (loss) on valuation of cash flow hedge derivatives	9,10,29	34,959	(9,986)
Total comprehensive loss for the year	₩	<u>(188,416)</u>	<u>(213,424)</u>

See accompanying notes to the separate financial statements.

DOOSAN ENERBILITY CO., LTD.

Separate 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	Accumulated deficit	Total equity
Balance at January 1, 2023	₩	3,256,061	2,812,160	(1,749)	1,071,928	(1,024,769)	6,113,631
Total comprehensive income (loss):							
Loss for the year		-	-	-	-	(104,179)	(104,179)
Gain (loss) on valuation of cash flow hedge derivatives		-	-	-	(9,986)	-	(9,986)
Remeasurements of defined benefit liabilities		-	-	-	-	(46,397)	(46,397)
Loss on change in fair value of FVOCI financial assets		-	-	-	(511)	-	(511)
Profit (loss) on revaluation of assets		-	-	-	(53,491)	1,140	(52,351)
Subtotal		-	-	-	(63,988)	(149,436)	(213,424)
Transactions with owners of the Company:							
Conversion of the convertible bonds		11,266	13,276	-	-	-	24,542
Stock option		-	212	(212)	-	-	-
Disposition of deficit		-	(1,150,542)	-	-	1,150,542	-
Subtotal		11,266	(1,137,054)	(212)	-	1,150,542	24,542
Balance at December 31, 2023	₩	3,267,327	1,675,106	(1,961)	1,007,940	(23,663)	5,924,749
Balance at January 1, 2024	₩	3,267,327	1,675,106	(1,961)	1,007,940	(23,663)	5,924,749
Total comprehensive income (loss):							
Loss for the year		-	-	-	-	(170,305)	(170,305)
Gain (Loss) on valuation of cash flow hedge derivatives		-	-	-	34,959	-	34,959
Remeasurements of defined benefit liabilities		-	-	-	-	(53,071)	(53,071)
Profit on revaluation of assets		-	-	-	1	-	1
Subtotal		-	-	-	34,960	(223,376)	(188,416)
Transactions with owners of the Company:							
Stock option		-	174	(174)	-	-	-
Disposition of deficit		-	(149,436)	-	-	149,436	-
Subtotal		-	(149,262)	(174)	-	149,436	-
Balance at December 31, 2024	₩	3,267,327	1,525,844	(2,135)	1,042,900	(97,603)	5,736,333

See accompanying notes to the separate financial statements.

DOOSAN ENERBILITY CO., LTD.

Separate 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 (used in) operations:	34 ₩	(65,375)	843,461
Loss for the year		(170,305)	(104,179)
Adjustments		580,846	445,351
Changes in operating assets and liabilities		(475,916)	502,289
Interest received		13,010	8,594
Interest paid		(201,626)	(191,558)
Dividends received		151,604	210,145
Income tax paid		(11,333)	(4,664)
Net cash provided by (used in) operating activities		(113,720)	865,978
Cash flows from investing activities			
Cash inflows from investing activities:			
Proceeds from disposal of short-term financial instruments		41,130	144,343
Collection of short-term loans		10,322	58,027
Proceeds from disposal of long-term financial instruments		5,511	1
Proceeds from disposal of long-term investments in securities		1,411	1,690
Collection of long-term loans		65,267	1,842
Proceeds from disposal of investments in subsidiaries, associates and joint ventures		12,153	279,620
Proceeds from disposal of property, plant and equipment		3,833	3,958
Proceeds from disposal of intangible assets		-	1,786
Decrease in lease receivables		-	2,345
Decrease in derivative financial assets		29,354	-
Proceeds from disposal of assets held-for-sale		15,834	2,085
Subtotal		184,815	495,697
Cash outflows for investing activities:			
Acquisition of short-term financial instruments		(16,320)	(132,062)
Increase in short-term loans		(155,004)	(146,212)
Acquisition of long-term financial instruments		(315)	(6)
Acquisition of long-term investment in securities		(39,029)	(7,708)
Increase in long-term loans		(150,564)	(164,572)
Acquisition of investments in subsidiaries, associates and joint ventures		(24,160)	(79,396)
Acquisition of property, plant and equipment		(102,439)	(93,242)
Acquisition of intangible assets		(85,147)	(97,923)
Acquisition of investment properties		(3,075)	-
Decrease in derivative financial liabilities		-	(6,157)
Subtotal		(576,053)	(727,278)
Net cash used in investing activities		(391,238)	(231,581)

See accompanying notes to the separate financial statements.

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

<i>(In millions of won)</i>	Note	2024	2023
Cash flows from financing activities			
Cash inflows from financing activities			
Increase in short-term borrowings, net	₩	828,837	-
Proceeds from long-term borrowings		1,139,100	506,858
Issuance of bonds		248,976	429,527
Subtotal		<u>2,216,913</u>	<u>936,385</u>
Cash outflows for financing activities			
Decrease in short-term borrowings, net		-	(282,278)
Repayment of long-term borrowings		(434,032)	(180,514)
Repayment of current portion of long-term debt		(1,405,663)	(658,428)
Payment of lease liabilities		(32,669)	(27,369)
Expense of ordinary shares issuance		-	(60)
Subtotal		<u>(1,872,364)</u>	<u>(1,148,649)</u>
Net cash provided by (used in) financing activities		<u>344,549</u>	<u>(212,264)</u>
Effect of movements in exchange rates on cash held		72,482	3,530
Net increase (decrease) in cash and cash equivalents		(87,927)	425,663
Cash and cash equivalents at January 1		<u>733,014</u>	<u>307,351</u>
Cash and cash equivalents at December 31	₩	<u>645,087</u>	<u>733,014</u>

See accompanying notes to the separate financial statements.

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

1. Reporting entity

Doosan Enerbility Co., Ltd. ("the Company") was incorporated on September 20, 1962, with its headquarters in Changwon, Korea. The Company engages in the manufacturing of a range of power generation equipment including boilers, turbines and generators, in engineering, procurement and construction of thermal power plants and in general construction, seawater desalination and etc.

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. Material accounting policies and basis of preparation

(1) Basis of separate financial statements

These financial statements are separate financial statements prepared in accordance with K-IFRS No. 1027, 'Separate Financial Statements' presented by a parent, an investor in an associate or a venturer in a joint venture, in which the investments are accounted for on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees.

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

The accompanying separate 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 Flows' 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 Company believes that these amendments have no significant impact on the Company's separate 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 Company anticipates that the application of the enactment and amendments will not have a significant impact on the Company's separate financial statements.

2. Material accounting policies and basis of preparation, Continued

(2) Investments in subsidiaries, associates and joint ventures

The Company has elected to use book value as deemed cost for subsidiaries, joint ventures and associates at the date of transition to K-IFRS. After the date of transition, subsidiaries, joint ventures and associates are measured at cost. Dividend income from investments in subsidiaries, joint ventures and associates is recognized in profit in the period when the shareholders' right to receive payment has been established.

(3) Foreign currency translation

Foreign currency gain (loss) from settlements of foreign currency transactions or translation of monetary items denominated in foreign currencies are recognized in profit or loss whereas the gain (loss) from qualified cash flow hedge and net investment hedge for foreign operations is deferred as an equity item.

(4) 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.

(5) 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 Company becomes a party to the contractual provisions of the instruments.

2. Material accounting policies and basis of preparation, Continued

2) Classification and subsequent measurement

The Company 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 Company's management;
- 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 Company's continuing recognition of the assets.

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company 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 Company 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 Company'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 separate statement of financial position only when the Company 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.

2. Material accounting policies and basis of preparation, Continued

(6) Impairment of financial assets

1) Recognition of impairment on financial assets

The Company 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 Company'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: ECL that resulted from all possible default events over the expected life of a financial instrument)

The Company 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 becoming 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.

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 Company 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 Company 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 Company does not expect that such write-off will be recovered but they may be subject to collection activity according to the Company past due collection process.

2. Material accounting policies and basis of preparation, Continued

(7) Trade receivables

Trade receivables are amounts owed by customer for products and services provided in the ordinary course of business. Trade 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.

(8) 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 Company 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.

2. Material accounting policies and basis of preparation, Continued**(9) 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 Company.

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	10~40 years
Structures	10~40 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.

(10) 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.

2. Material accounting policies and basis of preparation, Continued**(11) 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 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

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 Company 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 Company, are not amortized but tested for impairment once a year.

(12) Non-derivative financial liabilities

The Company 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 Company recognizes financial liabilities in the separate statement of financial position when the Company becomes a party to the contractual provisions of the financial liability.

2. Material accounting policies and basis of preparation, Continued

(13) Financial guarantee contracts

The Company 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.

(14) Employee benefits liability

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

(15) 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 separate statements of profit or loss from the recognition of provisions.

(16) Leases

1) Lessee

At the commencement or effective date of the contract that includes the lease element, the Company allocates the consideration of the contract to each lease element based on its relative stand-alone price. However, the Company applies a practical expedient that does not separate the lease component for a real estate lease and accounts for the 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 Company 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 assets is adjusted and the remeasurement amount is recognized in profit or loss if the carrying amount of the right-of-use assets is reduced to nil.

As practical expedient, the Company 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 Company shall recognize the lease charges relating to these leases as expenses in accordance with the straight-line method over the lease term.

2. Material accounting policies and basis of preparation, Continued

2) Lessor

As a lessor, the Company determines whether the lease is a finance lease or an operating lease at the inception of the lease. To classify each lease, the Company generally determines whether the lease transfers most of the risks and rewards of ownership of the underlying asset.

(17) Derivative financial instruments and hedge accounting

The Company 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 Company 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 Company assesses whether there is an economic relationship between the hedged item and the hedging instrument.

(18) Share-based payments

The Company 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 Company determines the fair value of share options using the Black-Scholes option pricing model.

(19) 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 separate 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 statement of financial position under trade receivables.

2. Material accounting policies and basis of preparation, Continued

(20) 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 Company 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.

(21) 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 Company 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 29.

2. Material accounting policies and basis of preparation, Continued

(22) Greenhouse gas emissions right

In connection with Enforcement of Allocation and Trading of Greenhouse Gas Emissions Allowances, the Company 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 Company 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 Company'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 Company derecognizes the emission obligations when the Company submits the emissions rights to the government.

2. Material accounting policies and basis of preparation, Continued

(23) Revenue from contracts with customers

1) Identify performance obligations

The Company is mainly engaged in the businesses of power generation facilities, industrial facilities, manufacturing of casting and forging products and comprehensive construction business. The Company 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 Company 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 Company manufactures and sells specialized power machinery which are built based on customer's orders designating the design elements. The Company 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 Company 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 Company 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 Company 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 Company provides
- the Company creates or enhances the value of the asset that customers control

However, to represent performance degree faithfully, the Company 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 Company is provided the goods from the third party
- not significantly involved in the design and production of the goods

4) Variable consideration

The Company estimates an amount of variable consideration by using the method the Company expects to better predict the amount of consideration to which it will be entitled. The Company 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 Company allocates the transaction price to each performance obligation on a relative stand-alone selling price basis. The Company 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 Company generally provide warranty contract with customers pursuant to the local laws and customs. Most of these warranties are assurance type of warranty. The Company recognizes provision based on reliable estimate under K-IFRS No. 1037, 'Provisions, Contingent Liabilities and Contingent Assets'.

However, if the Company 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 Company's assets and liabilities within the next financial year.

(1) Recognition of revenue

The Company 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 Company 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) Defined benefit liability

The Company 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) Provisions

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

(4) Deferred tax

Recognition and measurement of deferred tax assets and liabilities require judgment of the Company'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.

(5) Impairment of non-financial assets

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

4. Financial risk management

The Company 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 Company. 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 Company enters into derivative contracts to hedge against certain risks. The Company 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 Company's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Company's operating activities and net investments in foreign subsidiaries. The Company'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 Company's policy on foreign currencies, and currency trading for speculative purposes is prohibited.

The Company's objective for foreign currency management is to reduce income/loss volatility. The Company 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 Company'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	₩	992,901	150,325	414	126,776	152,853	1,423,269
Financial liabilities		716,136	197,279	8,131	12,269	54,786	988,601
Net assets (liabilities)	₩	276,765	(46,954)	(7,717)	114,507	98,067	434,668

(*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	₩	664,355	17,775	2,137	42,549	281,712	1,008,528
Financial liabilities		247,953	145,514	25,050	14,846	53,204	486,567
Net assets (liabilities)	₩	416,402	(127,739)	(22,913)	27,703	228,508	521,961

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

4. Financial risk management, Continued

A sensitivity analysis on the Company'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 ₩	43,467	(43,467)	52,196	(52,196)

The above-mentioned sensitivity analysis is based on monetary assets and liabilities denominated in foreign currencies other than the Company'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 Company 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 Company minimizes external borrowings using internal funds, reduces borrowings with high interest rates and 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 Company 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 ₩		317,887		296,300
Financial liabilities		619,000		743,189
Net liabilities ₩		(301,113)		(446,889)

A sensitivity analysis on the Company'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 (loss) before income tax ₩	(3,011)	3,011	(4,469)	4,469

3) Price risk

The Company is exposed to equity price risks arising from its listed equity investments among financial instruments. The Company 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 Company's portfolio are individually managed, and acquisition and disposal are approved by the Board of Directors.

4. Financial risk management, Continued**(2) Credit risk**

The Company 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 Company 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 Company periodically reassesses the credit quality of customers by auditing credit limits and adjusts the amount covered by collaterals when deemed necessary. The Company also monitors whether the collection of financial assets have been impaired to take relevant actions.

The carrying amount of financial assets represents the Company'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	₩	645,087	733,014
Short and long- term financial instruments		71,960	98,203
Trade receivables and other receivables		1,459,748	1,392,740
Deposits in financial institutions		45,985	47,239
Short and long- term investment in securities (excluding equity securities)		174,521	133,398
Derivative financial assets		51,880	34,323
Total	₩	<u>2,449,181</u>	<u>2,438,917</u>

In addition to the above, the maximum amounts to be paid for the principal debtor related to financial guarantee contract are described in Notes 31 (3), (4).

The Company'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	₩	414,311	4,996	29,785	30,019	483,753
Loans and other receivables		1,810,046	28,277	3,654	17,129	65,969
Accrued income		89,594	-	-	-	12,588
Total	₩	<u>2,313,951</u>	<u>33,273</u>	<u>33,439</u>	<u>47,148</u>	<u>562,310</u>
						<u>2,990,121</u>

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	₩	389,481	16,469	39,229	52,199	504,282	1,001,660
Loans and other receivables		1,661,975	21,448	3,541	5,220	74,010	1,766,194
Accrued income		59,599	-	-	-	12,588	72,187
Total	₩	2,111,055	37,917	42,770	57,419	590,880	2,840,041

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

(3) Liquidity risk

The Company 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 Company 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 Company's financial liabilities' maturity analysis

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

(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	₩ 5,248,819	5,464,396	3,575,165	1,552,885	273,474	62,872	
Interest on non-derivative financial liabilities	-	172,123	125,866	42,065	4,192	-	
Derivative financial liabilities	228,455	234,547	208,530	20,931	5,086	-	
Guarantee contract (*1)	-	2,889,044	2,889,044	-	-	-	
Total	₩ 5,477,274	8,760,110	6,798,605	1,615,881	282,752	62,872	

(*1) Maximum exposure associated with the guarantee contracts is the maximum amounts of the obligation (See Note 31).

4. Financial risk management, Continued

(In millions of won)

(In millions of won)		2023					
		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	₩	5,015,624	5,057,731	3,976,692	551,471	475,758	53,810
Interest on non-derivative financial liabilities		-	97,450	70,808	17,247	9,395	-
Derivative financial liabilities		89,225	73,933	49,793	26,803	(4,270)	1,607
Guarantee contract		-	3,041,069	3,041,069	-	-	-
Total	₩	5,104,849	8,270,183	7,138,362	595,521	480,883	55,417

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 Company 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 Company to its suppliers, and the Company paying the financial institutions in accordance with the terms of the arrangement after the suppliers have been paid. These arrangements provide the Company with an extended payment period beyond the payment date of the relevant invoice or allow the Company'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 the supplier :

[Banker's Usance]

- 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.

[B2B Plus Loan, Mutual Growth Loan]

- The payment due date is the same as 10 to 100 days after the tax invoice issuance date.
- Accounts payable acquired by the bank can no longer be offset against credits received from the supplier.

4. Financial risk management, Continued

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

<i>(In millions of won)</i>		2024
Supplier finance arrangement liabilities	₩	505,141
Supplier finance arrangement liabilities where the financial institution has made payments to the supplier		295,419

The above supplier finance arrangement includes Banker's Usance (₩ 256,073 million), and B2B Plus Loan and Mutual Growth Loan (₩ 249,068 million).

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 finance arrangement liability is considered to be a reasonable approximation of its fair value due to its short-term nature.

(4) Capital risk

The objective of the Company'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 Company 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)	₩	8,020,541	7,759,760
Total equity (B)		5,736,333	5,924,749
Debt-to-equity ratio (A/B)		139.82%	130.97%

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	₩	7,400	30,595	Establishment of pledge related to financial loan and Government R&D projects (*1), and others
		42,000	42,000	Shared growth fund
Long-term financial instruments		22,560	25,608	Establishment of pledge related to financial loan, deposits for maintenance of checking accounts and leasehold deposit of Bundang Doosan Tower
Total	₩	71,960	98,203	

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

6. Long-term investments in securities

(1) Long-term 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	₩ 1,917	451
Financial assets as measured at FVTPL	277,441	150,024
Total	₩ 279,358	150,475

(2) Details of the Company's long-term 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	₩ 1,917	451
Financial assets as measured at FVTPL	102,847	16,553
Equity securities	73	73
SOC	665	1,221
Investment in guarantee cooperative	8,787	8,701
	82,285	82,354
	7,462	7,116
	16,005	15,521
	6,500	6,500
	38,520	-
	448	433
Beneficiary certificates	811	977
	13,038	10,575
Subtotal	277,441	150,024
Total	₩ 279,358	150,475

(*1) It has been pledged as collateral for developers' project financing loan as of December 31, 2024 (See Note 32).

(*2) It has been pledged as collateral for the Company's debt as of December 31, 2024 (See Note 32).

(*3) Newly acquired in 2024, and it has been provided as collateral for project financing loan (See Note 32).

6. Long-term 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	₩	451	-	-	-	1,917
Financial assets as measured at FVTPL		150,024	39,029	(1,411)	89,799	277,441
Total	₩	150,475	39,029	(1,411)	89,799	279,358

(*1) Includes amounts due to the conversion of loans to equity.

(In millions of won)		2023				
		January 1	Acquisition	Disposal	Gain or loss on valuation	December 31
Financial assets as measured at FVOCI	₩	3,885	-	-	(649)	451
Financial assets as measured at FVTPL		180,183	7,708	(1,596)	(36,271)	150,024
Total	₩	184,068	7,708	(1,596)	(36,920)	150,475

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 asset:							
Trade receivables	₩	962,864	(360,095)	602,769	1,001,660	(394,923)	606,737
Other receivables		575,469	(188,091)	387,378	569,006	(197,133)	371,873
Accrued income		102,182	(47,322)	54,860	72,187	(31,605)	40,582
Short-term loans		137,365	(53,003)	84,362	255,407	(160,934)	94,473
Subtotal		1,777,880	(648,511)	1,129,369	1,898,260	(784,595)	1,113,665
Non-current asset:							
Long-term other receivables		56,760	(47,218)	9,542	58,136	(47,220)	10,916
Long-term loans		1,155,481	(834,644)	320,837	883,645	(615,486)	268,159
Subtotal		1,212,241	(881,862)	330,379	941,781	(662,706)	279,075
Total	₩	2,990,121	(1,530,373)	1,459,748	2,840,041	(1,447,301)	1,392,740

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

(In millions of won)

		2024				
		January 1	Provision for allowance	Write-off	Others	December 31
Trade and other receivables:						
Trade receivables	₩	394,923	5,882	(75,989)	35,279	360,095
Short and long-term other receivables		244,353	7,623	(25,273)	8,606	235,309
Accrued income		31,605	13,737	-	1,980	47,322
Short and long-term loans		776,420	215,433	(124,196)	19,990	887,647
Subtotal		1,447,301	242,675	(225,458)	65,855	1,530,373
Others:						
Due from customers for contract work		101,680	10,745	-	-	112,425
Deposits		2,800	-	-	-	2,800
Subtotal		104,480	10,745	-	-	115,225
Total	₩	1,551,781	253,420	(225,458)	65,855	1,645,598

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

7. Trade and other receivables, Continued

		2023			
		January 1	Provision for allowance	Others	December 31
<i>(In millions of won)</i>					
Trade and other receivables:					
Trade receivables	₩	379,252	11,684	3,987	394,923
Short and long-term other receivables		135,809	107,729	815	244,353
Accrued income		21,302	10,153	150	31,605
Short and long-term loans (*1)		689,528	27,230	59,662	776,420
Subtotal		1,225,891	156,796	64,614	1,447,301
Others:					
Due from customers for contract work		99,033	2,647	-	101,680
Deposits		2,800	-	-	2,800
Subtotal		101,833	2,647	-	104,480
Total	₩	1,327,724	159,443	64,614	1,551,781

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

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	₩ 33,782	(1,552)	32,230	28,352	(5,041)	23,311
Work-in-process	222,727	(27,699)	195,028	202,557	(22,950)	179,607
Raw materials	55,448	(3,076)	52,372	43,130	(2,976)	40,154
Supplies	23,416	(2,234)	21,182	23,630	(2,533)	21,097
Materials-in-transit	35,028	-	35,028	26,779	-	26,779
Total	₩ 370,401	(34,561)	335,840	324,448	(33,500)	290,948

Loss(Gain) on inventory valuation recognized within the cost of sales amounted to ₩1,062 million and ₩(4,235) million for the years ended December 31, 2024 and 2023, respectively.

9. Derivatives

(1) Overview of the derivatives of the Company 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
	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 ("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 rate, but did not apply hedging accounting

The Company 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).

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	1,992,581	USD	1,549,645	₩ (254,971)	(248,997)	(8,933)	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)
IRS				(15)	-	(15)	-
	Subtotal			(176,575)	(191,876)	33,607	119,437
Tax effect				-	-	(7,578)	-
	Total		₩	(176,575)	(191,876)	26,029	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 ₩26,029 million, net of tax, was recognized in accumulated other comprehensive income or loss.

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

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	2,612,313	USD	2,087,880 ₩	(37,925)	(15,279)	4,197	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	25,263,800	KRW	258,735	(17,492)	(5,879)	(10,711)	485
Others		KRW	69,264	1,389	1,716	1,248	(9)
IRS				57	-	57	-
CRS				3,525	3,525	-	-
	Subtotal			(54,902)	(17,630)	(11,529)	38,134
Tax effect				-	-	2,600	-
	Total		₩	(54,902)	(17,630)	(8,929)	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 ₩(8,929) million, net of tax, was recognized in accumulated other comprehensive income or loss.

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

10. Categories of 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	₩	645,087	-	-	-	645,087 645,087
Short and long-term financial instruments		71,960	-	-	-	71,960 71,960
Long-term investment in securities		-	1,917	277,441	-	279,358 279,358
Derivative financial assets		-	-	1,479	50,401	51,880 51,880
Trade and other receivables		1,459,748	-	-	-	1,459,748 1,459,748
Deposits		45,985	-	-	-	45,985 45,985
Total	₩	<u>2,222,780</u>	<u>1,917</u>	<u>278,920</u>	<u>50,401</u>	<u>2,554,018</u> <u>2,554,018</u>

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

(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	₩	733,014	-	-	-	733,014 733,014
Short and long-term financial instruments		98,203	-	-	-	98,203 98,203
Long-term investment in securities		-	451	150,024	-	150,475 150,475
Derivative financial assets		-	-	4,673	29,650	34,323 34,323
Trade and other receivables		1,392,740	-	-	-	1,392,740 1,392,740
Deposits		47,239	-	-	-	47,239 47,239
Total	₩	<u>2,271,196</u>	<u>451</u>	<u>154,697</u>	<u>29,650</u>	<u>2,455,994</u> <u>2,455,994</u>

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

10. Categories of 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	₩	1,439,598	-	-	1,439,598 1,439,598
Borrowings and bonds		3,537,630	-	-	3,537,630 3,537,630
Derivative financial liabilities		-	10,727	217,728	228,455 228,455
Financial guarantee liabilities		-	-	38,089	38,089 38,089
Lease liabilities		155,883	-	-	155,883 155,883
Others		247,750	-	-	247,750 247,750
Total	₩	5,380,861	10,727	255,817	5,647,405 5,647,405

(*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	₩	1,514,924	-	-	1,514,924 1,514,924
Borrowings and bonds		3,081,973	-	-	3,081,973 3,081,973
Derivative financial liabilities		-	7,018	82,207	89,225 89,225
Financial guarantee liabilities		-	-	164	164 164
Lease liabilities		155,412	-	-	155,412 155,412
Others		263,151	-	-	263,151 263,151
Total	₩	5,015,460	7,018	82,371	5,104,849 5,104,849

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

(3) Fair value hierarchy of financial instruments

As of December 31, 2024 and 2023, the Company 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 separate 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.

10. Categories of 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	₩	-	-	1,917	1,917
Measured at FVTPL		102,861	1,479	174,580	278,920
Others		-	50,401	-	50,401
Total	₩	102,861	51,880	176,497	331,238
Financial liabilities measured at fair value:					
Measured at FVTPL	₩	-	10,727	-	10,727
Others		-	217,728	38,089	255,817
Total	₩	-	228,455	38,089	266,544

(In millions of won)

		2023			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Measured at FVOCI	₩	-	-	451	451
Measured at FVTPL		16,566	4,673	133,458	154,697
Others		-	29,650	-	29,650
Total	₩	16,566	34,323	133,909	184,798
Financial liabilities measured at fair value:					
Measured at FVTPL	₩	-	7,018	-	7,018
Others		-	82,207	164	82,371
Total	₩	-	89,225	164	89,389

The above tables exclude financial assets and financial liabilities which are not measured at fair value as differences between the carrying amounts and fair values are not significant.

10. Categories of 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 Venture	Estimated sales price valuation method	-	Return rate on investment
AI 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
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	Others (*1)	Profit for the year	Other comprehensive income	December 31
Financial assets as measured at FVOCI	₩ 451	-	-	1,466	-	-	1,917
Financial assets as measured at FVTPL	133,458	39,029	(1,411)	-	3,504	-	174,580
Total	₩ 133,909	39,029	(1,411)	1,466	3,504	-	176,497

(*1) It includes amounts due to the conversion of loans to equity.

(In millions of won)

2023							
	January 1	Acquisition	Disposal	Others	Loss for the year	Other comprehensive loss	December 31
Financial assets as measured at FVOCI	₩ 3,885	-	-	(2,785)	-	(649)	451
Financial assets as measured at FVTPL	129,434	7,708	(1,690)	-	(1,994)	-	133,458
Total	₩ 133,319	7,708	(1,690)	(2,785)	(1,994)	(649)	133,909

10. Categories of Financial instruments, Continued

(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)

(In millions of won)		2024					
		Profit 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:							
Measured at							
amortized cost	₩	46,078	-	-	(242,675)	(4,367)	746
Measured at FVTPL		-	2,163	89,799	-	-	-
Measured at OCI		-	-	-	-	-	-
Financial liabilities:							
Measured at							
amortized cost	₩	(168,213)	-	-	-	-	-

(*1) The amounts of gains and losses of foreign exchange and derivatives are excluded.

(In millions of won)

		2023					
		Profit or loss					
		Interest income (expense)	Dividend income	Gain or loss on valuation (*1)	Impairment loss on financial instruments	Gain or loss on disposal	Other comprehensive income (loss)
							Gain or loss on valuation (*2)
Financial assets:							
Measured at							
amortized cost	₩	46,395	-	-	(156,767)	(27)	634
Measured at FVTPL		-	2,537	(36,271)	-	94	-
Measured at OCI		-	-	-	-	-	(649)
Financial liabilities:							
Measured at							
amortized cost	₩	(165,130)	-	-	-	-	-

(*1) The amounts of gains and losses of foreign exchange and derivatives are excluded.

(*2) Amounts in other comprehensive income or loss 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.

10. Categories of Financial instruments, Continued

2) Details of gain and loss 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 (loss) (*1)
Derivatives measured at FVTPL	₩	(819)	22,645	-
Derivatives for fair value hedge		(186,481)	-	-
Derivatives for cash flow hedge		(4,577)	1,030	45,136
Total	₩	(191,877)	23,675	45,136

(*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 (loss) (*1)
Derivatives measured at FVTPL	₩	197	9,105	-
Derivatives for fair value hedge		(16,819)	-	-
Derivatives for cash flow hedge		(1,008)	450	(12,904)
Total	₩	(17,630)	9,555	(12,904)

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

Above gain or loss of financial instruments for the years ended December 31, 2024 and 2023 include selling and administrative expenses, finance income or expenses, other non-operating income or 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
Derivative financial assets	₩	111,812	(59,932)	51,880
Derivative financial liabilities		(288,372)	59,932	(228,440)

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Notes to the Separate Financial Statements, Continued
For the years ended December 31, 2024 and 2023
11. Investments in subsidiaries, associates and joint ventures

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

(In millions of won)

	Location of incorporation	Percentage of ownership (%)	2024	2023
Subsidiaries:				
Doosan Fuel Cell Co., Ltd. (*1, 2)	Korea	30.33	₩ 468,819	697,451
Doosan Cuvex Co., Ltd.	Korea	100.00	358,263	358,263
Doosan Power Systems S.A. ("DPS S.A.") (*8)	Luxembourg	100.00	291,137	291,137
Doosan Water UK Ltd.	UK	100.00	-	-
Doosan Ukudu Power, LLC	USA	100.00	1	1
Doosan Enerbility Vietnam Co., Ltd.	Vietnam	100.00	203,038	203,038
Doosan Enerbility Japan Corp.	Japan	100.00	1,993	1,993
Doosan Enerbility America Holdings Inc.	USA	100.00	146,008	146,008
Doosan HF Controls Corp. (*10)	USA	-	-	5,642
Doosan Power Systems India Private Ltd.	India	99.90	-	-
Doosan Heavy Industries Muscat SPC (*11)	Oman	100.00	-	-
Doosan Power Systems Arabia Company Limited	Saudi Arabia	51.00	3,968	3,968
Doosan GridTech Inc.	USA	100.00	-	-
Azul Torre Construction Corporation (*3)	Philippines	40.00	-	-
Osung Power O&M Co., Ltd.	Korea	100.00	360	360
PT. Doosan Heavy Industries Indonesia	Indonesia	83.64	-	761
Doosan Heavy Industries Malaysia Sdn. Bhd	Malaysia	100.00	-	-
Doosan Bobcat Inc. (*1,2)	Korea	46.75	2,197,990	2,197,990
D20 Capital, LLC	USA	100.00	63,596	63,596
Doosan Geosolution Co., Ltd. (*9)	Korea	100.00	48,800	28,300
Doosan Recycle Solution Co., Ltd.	Korea	100.00	49,100	49,100
Subtotal			3,833,073	4,047,608
Associates:				
Doosan Engineering & Construction Co., Ltd. (*1)	Korea	46.35	96,408	108,957
Samcheok Blue Power Co., Ltd. (*4,5)	Korea	9.00	43,568	43,568
Daejung Offshore Wind Power Co., Ltd.	Korea	26.65	3,196	3,196
Hychangwon Co., Ltd. (*4)	Korea	25.74	-	7,000
Tuwaiq Casting & Forging Company (*5)	Saudi Arabia	15.00	43,926	43,926
BUNDANG DOOSAN TOWER REIT Co., Ltd. (*5)	Korea	18.60	45,973	45,973
Doosan New Technology Investment Fund 1 st (*6)	Korea	19.80	3,760	-
Subtotal			236,831	252,620
Joint ventures:				
The Zenith Holdings Ltd. (*7)	Korea	31.75	2,031	2,031
Total			₩ 4,071,935	4,302,259

11. Investments in subsidiaries, associates and joint ventures, Continued

- (*1) As of December 31, 2024, it is provided as collateral for the debts of the Company (See Note 32).
- (*2) Although the Company's ownership interest in the investee is less than 50%, the Company assessed that it exercises 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.
- (*3) Although the Company's ownership interest in the investee is less than 50%, it is classified as a subsidiary since the Company is considered to have the voting rights in the board of directors, and others.
- (*4) Investments in the investee have been pledged as collateral for the investee's project financing loan (See Note 32).
- (*5) Although the Company'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 and others.
- (*6) Newly acquired in 2024. Although the Company's ownership interest in the investee is less than 20%, it is classified as an associate due to the Company's significant influence based on the indirect ownership held by the Company's subsidiary.
- (*7) It is classified as a joint venture in accordance with agreement requiring consents from every party holding the joint control over the entity when decision making in related activities.
- (*8) Investments in the investee have been pledged as collateral for export bond insurance limit contract signed with KOREA TRADE INSURANCE CORPORATION (See Note 32).
- (*9) Additionally acquired in 2024.
- (*10) Disposed in 2024.
- (*11) The name of the company is changed from Doosan Heavy Industries Muscat LLC to Doosan Heavy Industries Muscat SPC and additionally acquired in 2024.

11. Investments in subsidiaries, associates and joint ventures, Continued

(2) Impairment on investment in subsidiaries, associates and joint ventures

1) Doosan Fuel Cell Co., Ltd.

The Company recognized an impairment loss (other non-operating expenses) of ₩228,632 million based on the impairment test for the year ended December 31, 2024 as the carrying amount exceeds the recoverable amount.

The recoverable amount of Doosan Fuel Cell Co., Ltd. was measured based on fair value less costs of disposal calculated by the independent valuation expert. Fair value less costs of disposal was calculated by deducting the cost of disposal after adding a control premium to the share price.

The fair value measurements were categorized as Level 3 based on the control premium measured using the comparable transaction method. The control premium is assumed to converge to the average of the most recent 5 years control premiums of companies with similar businesses.

2) PT. Doosan Heavy Industries Indonesia

The Company recognized an impairment loss (other non-operating expenses) of ₩761 million based on the impairment test for the year ended December 31, 2024 as the carrying amount exceeds the recoverable amount.

The recoverable amount of PT. Doosan Heavy Industries Indonesia was measured based on value-in-use. The value in use was calculated as the present value of expected future cash flows from the impairment test date, discounted at a rate of 12.4%.

3) Hychangwon Co., Ltd.

The Company recognized an impairment loss (other non-operating expenses) of ₩7,000 million based on the impairment test for the year ended December 31, 2024 as the carrying amount exceeds the recoverable amount of Hychangwon Co., Ltd..

The recoverable amount of Hychangwon Co., Ltd. was measured based on fair value less costs of disposal, with fair value estimated based on its net asset value.

The fair value measurement was categorized as Level 3 based on the inputs used in the valuation technique and is based on the assumption that future economic benefits will be derived from the net assets held.

4) Doosan Engineering & Construction Co., Ltd.

The Company recognized an impairment loss (other non-operating expenses) of ₩12,549 million based on the impairment test for the year ended December 31, 2024 as the carrying amount exceeds the recoverable amount.

The recoverable amount of Doosan Engineering & Construction Co., Ltd. was measured based on fair value less costs of disposal calculated by the independent valuation expert, with fair value estimated based on its net asset value.

The fair value measurements are categorized as Level 3 based on the inputs used in the valuation technique and are based on the assumption that future economic benefits will be derived from the net assets held.

12. Property, plant and equipment

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

		2024					
		Land	Buildings and structures	Machinery	Others	Construction in progress	Right-of-use assets
As of January 1, 2024	₩	2,579,558	196,490	179,331	24,078	63,735	108,273
Acquisition/ capital expenditure		-	486	819	946	101,469	34,347
Transfer (*1)		(22,111)	10,809	35,879	7,158	(65,931)	(2,175)
Disposals (*2)		-	(985)	(1,672)	(157)	-	(1,367)
Depreciation		-	(21,998)	(34,562)	(9,657)	-	(30,074)
Others		-	-	-	-	(18)	-
As of December 31, 2024	₩	2,557,447	184,802	179,795	22,368	99,255	109,004
- Acquisition cost	₩	1,143,721	785,337	1,190,137	193,585	135,602	186,117
- Accumulated depreciation and impairment loss		-	(600,535)	(1,010,342)	(171,217)	(36,347)	(77,113)
- Revaluation surplus		1,413,726	-	-	-	-	-

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

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

As of December 31, 2024, certain property, plant and equipment and others have been pledged as collateral for borrowings (See Note 32).

		2023					
		Land	Buildings and structures	Machinery	Others	Construction in progress	Right-of-use assets
As of January 1, 2023	₩	2,574,442	200,528	194,299	20,461	42,653	119,764
Acquisition/ capital expenditure		-	655	3,005	1,492	89,226	15,824
Transfer (*1)		(1,039)	21,143	18,534	10,939	(67,904)	(342)
Disposals (*2)		(1,753)	(611)	(1,509)	(5)	-	(3,555)
Depreciation		-	(25,225)	(34,998)	(8,809)	-	(23,418)
Impairment		-	-	-	-	(240)	-
Net increase due to revaluation		7,908	-	-	-	-	-
As of December 31, 2023	₩	2,579,558	196,490	179,331	24,078	63,735	108,273
- Acquisition cost	₩	1,165,832	776,777	1,190,932	195,053	100,082	165,477
- Accumulated depreciation and impairment loss		-	(580,287)	(1,011,601)	(170,975)	(36,347)	(57,204)
- Revaluation surplus		1,413,726	-	-	-	-	-

(*1) Certain land and buildings have been reclassified to assets held-for-sale (See Note 35).

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

12. Property, plant and equipment, Continued**(2) 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	₩	1,281	1,136
Interest rate of borrowing costs		4.92%	4.82%

(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	₩	80,358	78,935
Selling and administrative expenses		15,933	13,515
Total	₩	<u>96,291</u>	<u>92,450</u>

(4) Revaluation of land

The Company 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 ₩1,143,721 million and ₩1,165,832 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.

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			
	Industrial property rights	Development costs	Other intangible assets	Total
As of January 1, 2024	₩ 7,458	1,059,726	46,450	1,113,634
Increase	4,807	113,314	13,010	131,131
Internal development	-	113,314	-	113,314
Individual acquisition	4,807	-	385	5,192
Transfer from other assets	-	-	12,625	12,625
Decrease	(1,885)	(26,442)	(1,607)	(29,934)
Amortization	(1,885)	(23,362)	(10,373)	(35,620)
Impairment loss	-	(445)	8,766	8,321
Transfer to other assets	-	(1,850)	-	(1,850)
Transfer to other expenses	-	(785)	-	(785)
As of December 31, 2024	₩ 10,380	1,146,598	57,853	1,214,831

(In millions of won)

	2023			
	Industrial property rights	Development costs	Other intangible assets	Total
As of January 1, 2023	₩ 7,241	960,603	34,817	1,002,661
Increase	1,749	128,562	21,543	151,854
Internal development	-	128,562	-	128,562
Individual acquisition	1,749	-	1,044	2,793
Transfer from other assets	-	-	20,499	20,499
Decrease	(1,532)	(29,439)	(9,910)	(40,881)
Amortization	(1,532)	(25,071)	(8,996)	(35,599)
Impairment loss	-	(157)	-	(157)
Disposal	-	-	(914)	(914)
Transfer to other assets	-	(3,578)	-	(3,578)
Transfer to other expenses	-	(633)	-	(633)
As of December 31, 2023	₩ 7,458	1,059,726	46,450	1,113,634

The carrying amounts of intangible assets with indefinite useful lives including membership and others as of December 31, 2024 and 2023 amounted to ₩24,482 million and ₩15,715 million, respectively.

(2) Research and development costs

Research and development costs expensed as incurred for the years ended December 31, 2024 and 2023 amounted to ₩32,131 million and ₩26,745 million, respectively.

13. Intangible assets, Continued**(3) Recognition criteria of development cost**

The new R&D project is approved by the new business technology committee semi-annually, considering the commercial feasibility and others and it is decided whether to continue or stop the R&D through reviewing the appropriateness of investment. After completion of technical development, the Company performs a final review of the appropriateness of development costs through commercial operation. The Company classifies the projects into research or technology development projects based on the capitalization criteria (technical feasibility, intention, future economic benefits). Expenditure on research project is recognized as an expense when it is incurred and expenditure on technology development project is recognized as an intangible asset.

(4) Details of development costs as of December 31, 2024 and 2023 are as follows:*(In millions of won)*

		2024		2023	
	Description	Book value	Remaining amortization period (*1)	Book value	Remaining amortization period (*1)
Development costs	Large-sized Gas Turbine	₩ 771,256	-	727,992	-
	Gas Turbine 7F Retrofit	66,559	-	59,252	-
	Mid-sized Gas Turbine Development Phase 1	460	4.58 years	560	5.58 years
	Mid-sized Gas Turbine Development Phase 2	37,777	-	37,777	-
	8MW Offshore Wind Power	52,809	-	49,951	-

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

13. Intangible assets, Continued

(5) 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	Accumulated			
Description							
Development costs (*1)							
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 Commercialization							
Development_Own		300	300	300	-	-	Value in use
Total	₩	578	445	445	133	-	

(*1) A full impairment was recognized for the commercialization of the hydrogen storage vessel and GT Next Generation Seal due to a change in the competitive environment of the development projects.

(In millions of won)		2023				
Description	Acquisition cost	Impairment loss		Accumulated amortization	Book value	Method used to assess recoverability
		Loss	Accumu- lated			
Development costs						
Development of rota automated inspection system	₩	874	157	536	338	- Value in use

13. Intangible assets, Continued**(6) Reversal of impairment loss of intangible assets**

For the years ended December 31, 2024 and 2023, the Company recognized reversal of impairment loss of intangible assets as follows:

(In millions of won)

Description	2024		2023	
	Reversal of impairment loss	Method used to assess recoverability	Reversal of impairment loss	Method used to assess recoverability
Other intangible assets				
Golf membership		Fair value less costs of disposal		Fair value less costs of disposal
	₩ 8,766		-	

(7) Statement of income items included (reversal of) impairment loss

For the years ended December 31, 2024 and 2023, statement of profit (loss) items the Company recognized (reversal of) impairment loss are as follows:

(In millions of won)

	2024	2023
Other non-operating expenses	₩ 445	157
Other non-operating income	(8,766)	-
Total	₩ (8,321)	157

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

(In millions of won)

	2024	2023
Capitalized borrowing costs	₩ 33,359	33,030
Interest rate of borrowing costs	4.92%	4.82%

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

(In millions of won)

	2024	2023
Cost of sales	₩ 27,720	29,025
Selling and administrative expenses	7,900	6,574
Total	₩ 35,620	35,599

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:

<i>(In tons (tCO₂-eq))</i>	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:

<i>(In tons (tCO₂-eq))</i>	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.

	2023				
(In tons (tCO2-eq))	2022	2023	2024	2025	Total
As of January 1, 2023 (*1)	302,876	260,736	258,294	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	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:

<i>(In tons (tCO₂-eq), in millions of won)</i>	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.

14. Lease

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

(In millions of won)

	2024			
	Land	Buildings	Other tangible assets	Total
As of January 1, 2024	₩ 276	104,505	3,492	108,273
Acquisition	316	20,554	13,477	34,347
Depreciation	(297)	(21,036)	(8,741)	(30,074)
Contract cancellation	-	(228)	(1,139)	(1,367)
Transfer (*1)	-	(2,175)	-	(2,175)
As of December 31, 2024	₩ 295	101,620	7,089	109,004
- Acquisition cost	₩ 765	167,592	17,760	186,117
- Accumulated depreciation	(470)	(65,972)	(10,671)	(77,113)

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

(In millions of won)

	2023			
	Land	Buildings	Other tangible assets	Total
As of January 1, 2023	₩ 375	116,203	3,186	119,764
Acquisition	25	10,782	5,017	15,824
Depreciation	(138)	(19,494)	(3,786)	(23,418)
Contract cancellation	(129)	(2,542)	(884)	(3,555)
Transfer	143	(444)	(41)	(342)
As of December 31, 2023	₩ 276	104,505	3,492	108,273
- Acquisition cost	₩ 531	154,279	10,667	165,477
- Accumulated depreciation	(255)	(49,774)	(7,175)	(57,204)

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

(In millions of won)

	2024	2023
As of January 1	₩ 155,412	172,304
Payment of lease	(46,972)	(38,090)
Acquisition	34,347	12,585
Interest expense	14,303	10,721
Contract cancellation	(2,199)	(1,627)
Others	992	(481)
As of December 31	₩ 155,883	155,412

14. Lease, Continued

(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	₩	18,872	13,388
Selling and administrative expenses		11,202	10,030
Total	₩	30,074	23,418

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

<i>(In millions of won)</i>		Contractual nominal cash flow				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Lease liabilities	₩	196,317	42,635	35,440	89,474	28,768

(5) Expenses incurred in short-term leases and low-value asset lease that are not included in the 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	₩	15,993	7,656
Selling and administrative expenses		160	246
Total	₩	16,153	7,902

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

15. Investment Property

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

		2024			
<i>(In millions of won)</i>		Land	Construction in progress	Buildings	Total
As of January 1, 2024	₩	52,398	-	40,975	93,373
Acquisition		1,910	1,165	-	3,075
Transfer		22,111	-	2,175	24,286
Depreciation		-	-	(5,859)	(5,859)
Impairment loss		-	(1,165)	-	(1,165)
As of December 31, 2024	₩	<u>76,419</u>	<u>-</u>	<u>37,291</u>	<u>113,710</u>
- Acquisition cost	₩	85,384	54,955	58,876	199,215
- Accumulated depreciation and impairment loss		(8,965)	(54,955)	(21,585)	(85,505)

		2023			
<i>(In millions of won)</i>		Land	Construction in progress	Buildings	Total
As of January 1, 2023	₩	73,950	37,837	47,911	159,698
Transfer (*1)		(21,552)	-	(1,414)	(22,966)
Depreciation		-	-	(5,522)	(5,522)
Impairment loss		-	(37,837)	-	(37,837)
As of December 31, 2023	₩	<u>52,398</u>	<u>-</u>	<u>40,975</u>	<u>93,373</u>
- Acquisition cost	₩	61,364	53,790	56,701	171,855
- Accumulated depreciation and impairment loss		(8,966)	(53,790)	(15,726)	(78,482)

(*1) Amounts are reclassified from investment properties to assets held-for-sale in 2023 (See Note 35).

(2) Rental income from investment properties for the years ended December 31, 2024 and 2023 are ₩15,043 million and ₩19,192 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:

<i>(In millions of won)</i>		2024	2023
As of January 1	₩	38,525	43,999
Transfer		2,175	-
Depreciation		(5,794)	(5,474)
As of December 31	₩	<u>34,906</u>	<u>38,525</u>

15. Investment Property, 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	₩	95,257	68,155
Buildings		2,466	2,533
Total	₩	97,723	70,688

The fair value of the investment property was assessed by an independent evaluation agency, and the Company 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.

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	Lender	Annual interest rate (%) as of December 31, 2024		2024	2023
Denominated in KRW	Korean Development Bank ("KDB") and others (*1)	1.10 ~ 5.69	₩	1,552,104	753,250
Denominated in foreign currencies	Hana Bank and others	0.00 ~ 6.66		257,538	214,584
	Total		₩	1,809,642	967,834

(*1) The Company's PP&E and others have been pledged as collateral for borrowings (See Notes 31 and 32).

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

(In millions of won)

Type of borrowings	Lender	Maturity	Annual interest rate (%) as of December 31, 2024		2024	2023
Denominated in KRW	Korea EXIM Bank and others (*1)	2025.03.23 ~ 2027.07.01	4.27 ~ 5.90	₩	1,000,000	1,260,664
Denominated in foreign currencies	SAB	-	-		-	157,189
	Subtotal				1,000,000	1,417,853
	Less: Current portion of long-term borrowings				(180,000)	(1,129,105)
	Less: Present value discounts				(160)	(1,559)
	Total			₩	819,840	287,189

(*1) The Company's PP&E and others have been pledged as collateral for borrowings (See Notes 31 and 32).

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

16. Bonds and borrowings, Continued

(2) Bonds

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

<i>(In millions of won)</i>					
Type	Series	Maturity	Annual interest rate (%) as of December 31, 2024	2024	2023
Public offering bond	73	-	-	₩ -	80,000
	74	-	-	-	80,000
	78-1	2026.02.27	3.95	43,000	-
	78-2	2027.02.26	5.24	57,000	-
	79-1	2026.09.11	4.10	63,000	-
	79-2	2027.09.10	4.57	87,000	-
Public offering bond in foreign currencies (*1)	-	2026.07.17	5.50	441,000	386,820
Privately placed bond	72	-	-	-	100,000
	75	-	-	-	15,000
	76	2025.02.24	6.50	18,000	18,000
	77	2025.03.28	6.50	24,000	24,000
	Subtotal			733,000	703,820
	Less: Current portion of long-term bonds			(42,000)	(274,743)
	Less: Discount on bonds			(4,852)	(5,974)
	Total			₩ 686,148	423,103

(*1) The ordinary shares of Doosan Bobcat Inc. have been pledged as collateral for public offering bond in foreign currencies
(See Notes 31 and 32).

17. Defined benefit liabilities

The Company 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 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	₩	532,421	426,695
Fair value of plan assets (*1)		(234,130)	(233,831)
Defined benefit liabilities	₩	<u>298,291</u>	<u>192,864</u>

(*1) Includes employer contributions of ₩524 million and ₩545 million to the National Pension Service as of December 31, 2024 and 2023, respectively.

(2) Expenses recognized in separate 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	₩	33,723	27,985
Past service cost		2,601	-
Net interest cost		8,203	6,307
Total	₩	<u>44,527</u>	<u>34,292</u>

(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	₩	28,364	23,620
Selling and administrative expenses		16,163	10,672
Total	₩	<u>44,527</u>	<u>34,292</u>

17. Defined benefit 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	₩ 426,695	347,206
Current service costs	33,723	27,985
Past service cost	2,601	-
Interest expense	17,422	18,349
Benefits paid	(20,713)	(28,650)
Transfer from associates	1,296	287
Transfer to associates	(146)	(400)
Remeasurement loss (gain) in OCI:		
Actuarial changes arising from changes in demographic assumptions	71	8,021
Actuarial changes arising from changes in financial assumptions	42,241	13,821
Empirical adjustment	29,231	40,076
As of December 31	₩ 532,421	426,695

(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	₩ 233,831	234,089
Expected return on plan assets	9,220	12,042
Benefits paid	(9,303)	(11,645)
Transfer from associates	521	237
Transfer to associates	(51)	(187)
Remeasurement loss in OCI	(88)	(705)
As of December 31	₩ 234,130	233,831

In relation to the defined benefit plans, the reasonable estimates of future employer contributions during the year 2025 amount to ₩302,332 million. In addition, the actual return on plan assets for the years ended December 31, 2024 and 2023 amounts to ₩9,132 million and ₩11,337 million, respectively.

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

	2024	2023
Discount rate	3.80%	4.20%
Future salary increase rate	Technical employee 4.00% Office employee 4.00% Executive 2.30%	Technical employee 3.00% Office employee 3.00% Executive 2.00%

17. Defined benefit liabilities, Continued

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

<i>(In millions of won)</i>		2024	2023
Insurance contracts	₩	139,092	135,895
Bank deposits		36,842	43,802
Trust funds and others		58,196	54,134
Total	₩	<u>234,130</u>	<u>233,831</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>		1%p increase	1%p decrease
Discount rate	₩	(37,655)	41,993
Future salary increase rate		30,571	(28,588)

(9) The weighted average maturity of defined benefit obligations is approximately 7.74 years as of December 31, 2024.

18. Provisions

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

(In millions of won)

		2024					
		January 1	Arising during the year	Unused amounts reversed	Utilized	December 31	Non-current
Provisions for warranties	₩	125,364	29,175	(7,968)	(25,266)	121,305	115,014
Provisions for construction losses		42,624	2,112	(26,449)	-	18,287	-
Others		75,738	27,123	(31,108)	(16,285)	55,468	7,846
Total	₩	<u>243,726</u>	<u>58,410</u>	<u>(65,525)</u>	<u>(41,551)</u>	<u>195,060</u>	<u>122,860</u>

(In millions of won)

		2023						
		January 1	Arising during the year	Unused amounts reversed	Utilized	Others (*1)	December 31	Non-current
Provisions for warranties	₩	123,905	35,488	(7,664)	(26,365)	-	125,364	113,959
Provisions for construction losses		58,378	8,723	(24,477)	-	-	42,624	-
Others (*2)		111,426	55,122	(16,277)	(19,678)	(54,855)	75,738	7,123
Total	₩	<u>293,709</u>	<u>99,333</u>	<u>(48,418)</u>	<u>(46,043)</u>	<u>(54,855)</u>	<u>243,726</u>	<u>121,082</u>

(*1) Other provision related to the membership fees return guarantee was transferred to allowance for doubtful accounts for the year ended December 31, 2023.

(*2) 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 for the year ended December 31, 2023 (See Note 31).

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

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

19. 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.

DOOSAN ENERBILITY CO., LTD.**Notes to the Separate Financial Statements, Continued****For the years ended December 31, 2024 and 2023****20. Capital surplus**

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

<i>(In millions of won)</i>		2024	2023
Paid-in capital in excess of par value (*1)	₩	1,076,562	1,225,998
Other capital surplus		449,282	449,108
Total	₩	1,525,844	1,675,106

(*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 (See Note 23).

21. Other components of equity

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

<i>(In millions of won)</i>		2024	2023
Stock options	₩	-	174
Treasury share		(2,135)	(2,135)
Total	₩	(2,135)	(1,961)

22. 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	₩	(9,765)	(9,765)
Gain (loss) on valuation of derivative financial instruments		26,029	(8,929)
Gain on revaluation of assets		1,026,636	1,026,635
Total	₩	<u>1,042,900</u>	<u>1,007,941</u>

(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	₩	(12,698)	2,933	(9,765)
Gain on valuation of derivative financial instruments		33,607	(7,578)	26,029
Gain on revaluation of assets		1,412,781	(386,145)	1,026,636
Total	₩	<u>1,433,690</u>	<u>(390,790)</u>	<u>1,042,900</u>

<i>(In millions of won)</i>		2023		
		Balance before tax	Tax effect	Balance after tax
Loss on valuation of FVOCI	₩	(12,698)	2,933	(9,765)
Loss on valuation of derivative financial instruments		(11,529)	2,600	(8,929)
Gain on revaluation of assets		1,412,780	(386,145)	1,026,635
Total	₩	<u>1,388,553</u>	<u>(380,612)</u>	<u>1,007,941</u>

23. Accumulated deficits

(1) Accumulated deficits 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		42,807	42,807
Undisposed accumulated deficit		(223,376)	(149,436)
Total	₩	(97,603)	(23,663)

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

<i>(In millions of won)</i>		2024	2023
Undisposed accumulated deficit	₩	(223,376)	(149,436)
Undisposed accumulated deficit at the beginning of the year		-	-
Loss for the year		(170,305)	(104,179)
Remeasurements of defined benefit liability		(53,071)	(46,397)
Gain on revaluation of lands		-	1,140
Disposition of accumulated deficits		223,376	149,436
Paid-in capital in excess of par value		223,376	149,436
Undisposed accumulated deficit at the end of the year	₩	-	-

The proposed date of disposition of accumulated deficits for 2024 will be March 31, 2025 and the approved date of disposition of accumulated deficits for 2023 was March 26, 2024.

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

24. Revenue

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

<i>(In millions of won)</i>		2024	2023
Revenue from contracts with customers			
Sales of goods	₩	257,704	328,544
Construction contracts		6,086,954	6,165,780
Subtotal		6,344,658	6,494,324
Others			
Hedging losses		(187,841)	(115,704)
Dividend income		147,799	253,581
Others		15,688	19,661
Subtotal		(24,354)	157,538
Total	₩	6,320,304	6,651,862

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

<i>(In millions of won)</i>		2024	2023
Primary geographical market			
Domestic	₩	3,043,424	2,964,415
Americas		105,477	160,926
Asia		1,420,917	1,787,362
Middle East		1,728,055	1,528,288
Europe		45,881	51,233
Others		904	2,100
Total	₩	6,344,658	6,494,324
Timing of revenue recognition			
At a point in time	₩	257,704	328,544
Over time		6,086,954	6,165,780
Total	₩	6,344,658	6,494,324

24. 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'	₩	617,185	619,490
Contract assets		1,345,091	1,259,650
Contract liabilities		1,607,716	1,924,019

The contract assets primarily relate to the Company'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. Of the contract liabilities as of December 31, 2023, the amount of recognized as revenue is ₩1,733,603 million.

(4) Changes in transaction price for construction contract allocated to the performance obligations satisfied over time

Transaction prices allocated to the remaining performance obligations as of December 31, 2024 include contracts whose initial expected duration of performance obligations are less than one year old but not include contracts in which recognize the right to payment as revenue that corresponds directly with the value to the customer of the Company's performance completed to date.

Changes in transaction price for construction contracts 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
Korea Hydro & Nuclear Power Co., Ltd. and others	Shinhanul #3,4 nuclear reactor facilities and others	₩ 14,213,300	7,459,016	6,086,954	15,585,362

(In millions of won)

		2023			
	Project name	January 1	Increase (Decrease)	Revenue recognized	December 31
VAPCO and others	Vung Ang II Power Project and others	₩ 12,459,890	7,919,190	6,165,780	14,213,300

24. Revenue, Continued

- (5) As of December 31, 2024 and 2023, the Company shall recognize as an asset for the incremental costs of obtaining a contract with a customer that is, agent fee if the Company 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	₩	29,571	44,361
The amount of amortization recognized as cost of sales		17,566	19,616

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) As of December 31, 2024 and 2023, the Company 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 Company can specifically identify. The Company believes that these costs generate or enhance resources of the Company 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	₩	75,628	77,338
The amount of amortization recognized as cost of sales		11,099	70,463

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>			Changes in total	Changes in total	Effect on	Effect on profit	Changes in due
	Provision for		contract	contract cost	profit	for the future	from (to)
	construction loss		revenue		for the year		customer for
							contract work
Shinhanul #3,4 nuclear reactor facilities and others	₩	18,287	1,344,453	703,567	389,418	251,468	389,418

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.

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

24. 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 Company 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
UAE BNPP #1,2 NSSS	Jun-30-10	Nov-18-22	99.11	₩ -	-	-	-
Shinhanul #3,4 nuclear reactor facilities	Mar-29-23	Oct-31-33	18.24	-	-	-	-
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)	-	-
Vung Ang II Power Project	Oct-26-21	Oct-26-25	89.85	-	-	-	-
Shinhanul #1,2 NSSS	Jul-31-09	Apr-30-24	98.53	-	-	25,977	(99)
Samcheok #1,2 EPC	Jul-24-18	Apr-30-24	99.87	141,182	(536)	-	-
Vinh Tan 4 TPP	Feb-26-14	Oct-31-21	99.78	23,734	(90)	28,269	(5,654)
El-Dabaa NPP	Nov-09-22	Apr-08-29	16.63	-	-	-	-
Jawa #9,10	Mar-20-19	Feb-15-25	96.14	128,842	(490)	107	(107)
Yanbu ph.3 MSF	Dec-04-12	Jan-29-23	100.00	-	-	1,475	(107)
Tuwaiq casting and forging project	Feb-10-22	Apr-15-25	93.32	-	-	10,497	-
Turkistan CCGT	Mar-14-23	Aug-23-26	44.72	240,446	(914)	-	-
Nghi Son 2	Dec-24-14	Jul-10-22	99.38	-	-	-	-
Shinhanul #3,4 main equipment construction	Dec-11-23	Oct-31-33	2.76	-	-	-	-
Song Hau1	Apr-10-15	May-17-22	99.86	13,220	(50)	13,538	(984)
Yanbu 4 IWP	Jan-22-21	Nov-01-23	94.51	85	-	2,962	(215)
Shuaibah 3 IWP	Aug-19-22	May-20-25	91.61	-	-	-	-
Saeul #3,4 main equipment construction	Jun-12-15	Oct-31-26	98.31	139,131	(529)	-	-
UAE BNPP #3,4 T/G	Sep-27-11	Dec-31-24	97.07	11,452	(44)	-	-
UAE BNPP #1,2 T/G	Jun-30-10	Nov-18-22	100.00	162	(1)	-	-
Suncheon Wangji 2	Apr-24-19	Jun-30-25	96.42	-	-	71,012	-
Vinh Tan 4 Extension	Mar-10-16	Aug-31-21	99.83	-	-	6,692	(1,338)
Dangjin 1st phase #1~4 storage tank	Jul-23-21	May-31-27	71.31	68,116	(259)	-	-
Shoaiba RO Ph.4	Mar-29-17	May-23-23	96.20	39,498	(150)	-	-
Van Phong 1	Aug-26-19	Jan-24-24	99.74	-	-	-	-
Saeul #1,2 main equipment construction	Mar-09-07	Dec-31-21	99.87	-	-	-	-
Gangneung Anin #1,2 Boiler	Mar-31-15	Mar-15-23	98.84	-	-	-	-
Shinhanul #3,4 turbine generators	Mar-29-23	Oct-31-33	35.96	-	-	-	-
Jafurah Cogen Plant	Sep-22-22	Oct-15-25	85.04	-	-	1,120	(4)

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For the years ended December 31, 2024 and 2023

24. Revenue, Continued

(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
Goseong Hai #1,2 Boiler	Dec-27-16	Aug-30-22	99.96	-	-	-	-
Nepal Upper Trishuli 1 HPP	Dec-31-21	Dec-30-26	37.48	-	-	5,568	(21)
Saeul #3,4 T/G	Aug-28-14	Oct-31-25	96.20	3,704	(14)	3,926	(15)
Shinhanul #1,2 T/G	Jun-23-09	Apr-30-24	100.00	-	-	5,066	(19)
Doha RO Stage-I	May-30-16	Dec-31-21	96.33	10,980	(42)	43,174	(6,678)
Guam Ukudu CCBP	Dec-18-20	Sep-30-25	91.13	6,040	(23)	-	-
Muara Tawar Add-On	Mar-29-17	Apr-27-23	99.12	33,357	(127)	12	-
Al Khalij Boiler Package (*2)	Nov-01-08	Dec-31-18	98.83	39,473	(7,895)	-	-
Vogtle #3,4 AP1000	May-08-08	Dec-31-22	99.93	13,414	(2,683)	-	-
Yangsang Deokgye 3 rd housing new construction	Sep-05-20	Jul-31-24	99.54	5,999	(23)	-	-
Tripoli West (*2)	Dec-23-10	Apr-30-15	57.25	-	-	-	-
Gimpo cogeneration powerblock EPC	Jun-17-20	Jul-30-23	99.93	-	-	-	-
Boryung 4 Eco-friendly equipment	Jun-23-20	Mar-15-23	99.16	-	-	-	-
Kudgi STPP	Oct-15-14	Dec-31-23	99.95	-	-	1,036	(1,036)
IEC Orot Rabin FGD	Jun-30-10	May-18-23	98.63	-	-	382	(211)
Goseong Natural Gas Power Plant Construction	Dec-18-23	Apr-30-27	7.29	2,407	(9)	-	-
PP12	Aug-29-24	May-31-28	11.10	-	-	56,766	(216)
Haman Composite PowerBlock_EPC	Jul-19-24	Dec-30-27	3.41	-	-	-	-

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

(*2) Construction was temporarily suspended due to civil war in Libya and others.

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

(In millions of won)

	2024	2023
Company group A	₩ 2,071,766	1,862,759
Client B	541,168	820,304

25. 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	₩	(44,892)	35,363
Purchases of raw materials and goods		2,042,097	2,378,372
Salaries		823,439	708,047
Depreciation and amortization		137,770	133,571
Others		2,968,463	2,941,651
Total	₩	<u>5,926,877</u>	<u>6,197,004</u>

26. 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	₩	145,512	138,714
Post-Employment benefits		16,163	10,672
Termination benefits		546	821
Employee welfare benefits		25,714	22,013
Travel		7,100	5,905
Training		10,363	9,233
Taxes and dues		3,424	3,100
Commissions		84,141	75,712
Bad debt expenses		16,627	14,331
Depreciation		21,727	18,989
Amortization		7,900	6,574
Insurance		6,329	5,466
Research		31,750	26,425
Expansion expenses of overseas market		12,461	8,172
Advertising		28,991	26,760
Warranty		6,816	6,179
Others		21,918	15,322
Total	₩	<u>447,482</u>	<u>394,388</u>

27. 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	₩	46,078	46,395
Dividend income		3,805	2,537
Gain on foreign currency transaction		176,295	188,260
Gain on foreign currency translation		231,142	34,039
Gain on settlement of derivative financial instruments		138,226	76,320
Gain on valuation of derivative financial instruments		82,187	66,182
Gain on valuation of firm commitments		234,737	43,958
Gain on financial guarantee		746	634
Total	₩	<u>913,216</u>	<u>458,325</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	₩	168,213	165,130
Loss on foreign currency transaction		197,250	197,039
Loss on foreign currency translation		239,585	26,641
Loss on settlement of derivative financial instruments		114,551	66,766
Loss on valuation of derivative financial instruments		274,063	83,812
Loss on valuation of firm commitments		48,256	27,139
Commission expenses		20,352	29,005
Total	₩	<u>1,062,270</u>	<u>595,532</u>

28. 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
Commission income	₩	2,682	4,388
Gain on disposal of property, plant and equipment		2,513	1,332
Gain on valuation of long-term investment in securities		91,340	3,143
Reversal of impairment loss of intangible assets		8,766	-
Reversal of impairment loss of assets held-for-sale		-	805
Gain on disposal of investment in subsidiaries		17,176	36,620
Gain on disposal of long-term investment in securities		-	94
Miscellaneous gain and others		34,338	23,857
Total	₩	<u>156,815</u>	<u>70,239</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
Commission fee	₩	14,427	16,980
Loss on disposal of trade receivables		4,367	27
Loss on disposal of property, plant and equipment		1,496	1,252
Donations		839	461
Impairment loss of property, plant and equipment		-	240
Impairment loss of intangible assets		445	157
Impairment loss of investment properties		1,165	37,837
Loss on valuation of long-term investment in securities		1,541	39,414
Impairment loss of investment in subsidiaries, associates and joint ventures		249,096	325,807
Loss on disposal on assets held for sale		848	2,295
Other bad debt expenses		236,793	145,083
Loss on valuation of greenhouse gas emission permits		166	939
Miscellaneous loss and others		63,091	52,097
Total	₩	<u>574,274</u>	<u>622,589</u>

29. Income tax benefit

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

<i>(In millions of won)</i>		2024	2023
Current income tax expense(benefit)	₩	9,891	(7,876)
Tax effect of temporary difference		(20,870)	(81,668)
Total income tax benefit		(10,979)	(89,544)
Current income tax related to items recognized in equity during the year		-	(403)
Deferred tax related to items recognized in equity during the year		8,133	(40,507)
Others		65	(65)
Income tax benefit	₩	(2,781)	(130,519)

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

<i>(In millions of won)</i>		2024	2023
Loss (Gain) on revaluation of assets	₩	1	(60,257)
Loss (Gain) on valuation of FVOCI		-	138
Loss (Gain) on valuation of derivative financial instruments		(10,178)	2,919
Remeasurements of defined benefit liabilities		18,560	16,225
Others		(250)	65
Total	₩	8,133	(40,910)

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

<i>(In millions of won)</i>		2024	
		January 1	December 31
Provision for retirement and severance benefits	₩	98,440	122,869
Allowance for doubtful accounts		367,610	352,995
Property, plant and equipment		11,970	20,787
Development costs		16,715	14,756
Derivative financial instruments (including firm commitments)		3,874	16,235
Foreign currency denominated assets (liabilities)		(4,746)	(20,256)
Gain on revaluation of assets		(558,157)	(558,157)
Others		491,693	499,040
Total	₩	427,399	448,269

29. Income tax benefit, Continued*(In millions of won)*

	2023		
	January 1	Change	December 31
Provision for retirement and severance benefits ₩	80,420	18,020	98,440
Allowance for doubtful accounts	308,645	58,965	367,610
Property, plant and equipment	13,488	(1,518)	11,970
Development costs	18,398	(1,683)	16,715
Derivative financial instruments (including firm commitments)	(12,576)	16,450	3,874
Foreign currency denominated assets (liabilities)	11,537	(16,283)	(4,746)
Gain on revaluation of assets	(498,304)	(59,853)	(558,157)
Others	424,123	67,570	491,693
Total ₩	345,731	81,668	427,399

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

(In millions of won)

	2024	2023
Deductible temporary differences ₩	2,554,066	2,816,564
Deferred tax credit carried forward	36,295	29,681

The probability of deferred tax assets being realized depends on the Company'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 Company periodically reviews such matters.

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

(In millions of won)

	2024	2023
Investments in subsidiaries and others ₩	2,264,182	2,549,391

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

(In millions of won)

	2024	2023
Loss before income tax ₩	(173,086)	(234,698)
Income tax benefit using the statutory tax rate	(39,983)	(54,215)
Adjustments:		
Permanent differences	(14,222)	(52,303)
Unrecognized deferred tax related to temporary differences	45,866	61,959
Tax credit	-	(5,298)
Amount due to change in tax rate	2,013	5,350
Others	3,545	(86,012)
Income tax benefit ₩	(2,781)	(130,519)
Effective tax rate (Income tax expense/ Profit (loss) before income tax)		
(*1)	-	-

(*1) Effective tax rate for the years ended December 31, 2024 and 2023 were not calculated due to loss before income tax.

29. Income tax benefit, Continued

(7) Global Minimum Top-up Tax

The Company 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 Company's subsidiaries and permanent establishments are located under the Pillar Two Model Rules. Except for Saudi Arabia and Egypt, all countries in which the Company's subsidiaries and permanent establishments are located have a GloBE effective tax rate in excess of 15%. The additional taxes incurred in Saudi Arabia and Egypt resulted in the Pillar Two Model Rules income tax expense of ₩1,039 million for the year ended December 31, 2024. The Company has applied the temporary and mandatory relief from deferred tax accounting for the impacts of the top-up tax.

30. Loss per share**(1) Basic loss per share**

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

<i>(In won, except for share)</i>	2024	2023
Loss for the year	₩ (170,304,967,040)	(104,179,311,411)
Weighted-average number of ordinary shares at the end of the period	640,465,168 shares	639,928,125 shares
Basic loss per share	₩ (266)	(163)

2) 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 the period	640,465,168	639,928,125

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

(2) Diluted loss per share

Details of potential ordinary shares that are potentially dilutive but were not included in the calculation of 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

31. Commitments and contingencies

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

(In millions of won)		2024					
		Commitment Amount		Used(Executed) Amount		Remaining Amount of Commitment	
		Loan	Other			Loan	Other
		Commitments	Commitments	Accounts	Amounts	Commitments	Commitments
No.	Commitment Description						
1	Pledged check	₩ -	-	-	-	-	-
2	Credit lines for borrowings, bank overdrafts and other financial needs	3,811,558	-	-	2,982,734	828,824	-
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	Collateral provision and early redemption clause for borrowing commitment 1	100,000	-	-	-	-	-
13	Collateral provision and early redemption clause for borrowing commitment 2	110,000	-	-	-	-	-
14	Collateral provision and early redemption clause for borrowing commitment 3	50,000	-	-	-	-	-
15	Technical contract	-	-	Royalty payment	6,409	-	-

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Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

(In millions of won)

		2024					
		Commitment Amount		Used(Executed) Amount		Remaining Amount of Commitment	
		Loan	Other			Loan	Other
No.	Commitment Description	Commitments	Commitments	Accounts	Amounts	Commitments	Commitments
16	Joint liability for lease obligations	₩	-	-	-	-	-
17	Obligation for additional capital contribution to business expense	-	77,740	Long-term Investment Assets	38,520	-	39,220
18	Commitment to preserve investor distributions when shares are sold	-	-	-	-	-	-
19	Investment commitments	-	20,000	Investment in associates	3,760	-	16,240

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 Company has credit lines for borrowings, bank overdrafts and other financial needs from financial institutions up to ₩3,811,558 million and used ₩2,982,734million, leaving unused credit lines amounting to ₩828,824 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.

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 agreement contains early redemption clause 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-

31. Commitments and contingencies, Continued

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 Company's separate 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.. If the agreed collateral limit for the aforementioned borrowings is not met, additional shares or deposits equivalent to the difference amounts should be provided as collateral. 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 Company's separate 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 Company's long-term borrowings of ₩20,000 million borrowed from Woori Investment Bank include covenants that constitute grounds for forfeiture of the due profits in the event that the rating of the unsecured senior corporate bonds assigned 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-.

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

As of December 31, 2024, the Company'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 Company'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.

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

As of December 31, 2024, the Company'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 Company and that the Company's corporate bond credit rating remains BBB- or higher.

31. Commitments and contingencies, Continued

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 Company from the Bank of China are subject to the condition that the Company'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) Collateral provision and early redemption clause 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.

13) Collateral provision and early redemption clause 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.

14) Collateral provision and early redemption clause 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.

15) Technical contract

As of December 31, 2024, the Company has entered into 22 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 ₩6,409 million and ₩4,934 million, respectively.

31. Commitments and contingencies, Continued

16) Joint liability for lease obligations

The Company 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 Company took over the related status and rights and obligations. In accordance with above contracts, the Company 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 Company has agreed to jointly operate a subleasing business for the leased property with Doosan Corp., and Doosan Bobcat Inc.. 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 Company 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 Company's participating rate is 83.6%.

17) Obligation for additional capital contribution to business expense

As of December 31, 2024, the Company, as an investor of Samcheok Blue Power Co., Ltd., 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.

18) Commitment to preserve investor distributions when shares are sold

The Company 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).

19) Investment commitments

The Company has committed to invest a total of ₩20,000 million in Doosan New Technology Investment Fund 1st (Doosan Investment Co., Ltd.), and as of December 31, 2024, the remaining investment commitment amounted to ₩16,240 million.

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

31. Commitments and contingencies, Continued

(2) Pending litigations and others

As of December 31, 2024, the Company is involved in pending lawsuits as a defendant with total claims against the Company amounting to approximately ₩97,425 million and the outcome is currently unpredictable.

<i>(In millions of won)</i>		Claim amount
Arbitration	₩	17,092
Litigation		80,333
Total		97,425

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. 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 Company is providing a conditional debt assumption agreement of ₩270,400 million (Prior year: ₩459,262 million) for project financing loans, in case of violation of completion guarantees. Other business is solely operated by the Company, 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 for 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 Company does not have PF contingencies related to maintenance business.

(In millions of won)

(in millions of won)			Balance of Loans							
Type	Guarantee Limit	Guarantee Amount	Maturity							December 31, 2023
			December 31, 2024	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

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Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

2) PF payment guarantee (Real estate PF)

As of December 31, 2024 and 2023, the Company 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	Efficiency partment	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

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Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

3) Completion guarantees (Real estate PF)

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

(In number, 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	334,668	242,191	4	₩ 1,083,768	1,083,768	353,278

(*1) Includes contract 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 that the 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 Company 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 Company is providing guarantees for intermediate payment loan of the buyers amounting to ₩62,321 million (Prior year: ₩104,543 million). Other businesses are solely operated by the Company, and the Company does not have intermediate payment loan guarantee related to maintenance business.

(In number, 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.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

(4) Non-PF guarantee contracts

1) Summary

As of December 31, 2024, the Company is providing guarantees including contract performance and defect guarantees amounting to ₩2,433,234 million (Prior year: ₩2,182,306 million) by subscribing to insurance companies or issuing guarantee certificates, etc. as follows.

(In millions of won)	Guarantee	Type	Guarantee	Guarantee	Beneficiary	Related
			Limit	Amount		Party (Y/N)
Provided Guarantee	Doosan Water UK Ltd. and others	Construction Guarantee and others	₩ 2,567,554	2,433,234	Enpure Limited and others	Y
Received Guarantee	Doosan Enerbility Co., Ltd.	Construction Guarantee and others	15,605,919	11,474,404	Hana Bank and others	N
		Total	₩ 18,173,473	13,907,638		

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

2) Guarantees of payment provided to the related party

As of December 31, 2024, details of payment guarantees provided by the Company 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 Amount	Guarantee Limit	Guarantee Amount	
Subsidiaries	Doosan Water UK Ltd.	Construction Guarantee	GBP	6,900	6,900	₩ 12,721	12,721	Enpure Limited
	DPS S.A.	Others (*1)	GBP	21,000	21,000	38,717	38,717	Corum XL
	DPS S.A. and DPS UK Pension Company Ltd.	Others (*2)	GBP	85,000	85,000	156,712	156,712	DPS Pension Trustee Company Ltd.
	Doosan GridTech Inc.	Construction Guarantee	USD	70,388	70,388	103,470	103,470	Horn RaPid's PJT
		Construction Guarantee	AUD	150,190	150,190	137,226	137,226	Wandoan BESS Project Co Pty Ltd and others
	Doosan Enerbility America LLC	Debt Guarantee	USD	4,000	2,000	5,880	2,940	Woori Bank
	PT. Doosan Heavy Industries Indonesia	Construction Guarantee	IDR	1,021,149,481	1,021,149,481	93,027	93,027	Construction Guarantee and others
	Doosan Enerbility Japan Corp.	Debt Guarantee	JPY	220,000	220,000	2,060	2,060	KDB
	Doosan Heavy Industries Muscat LLC	Construction Guarantee	USD	142,370	142,370	209,284	209,284	AL ASILAH DESALINATION COMPANY S.A.O.C and others
	Doosan Enerbility Vietnam Co., Ltd.	Debt Guarantee	USD	99,800	56,838	146,706	83,552	SC Bank and others
		Construction Guarantee	VND	513,155,415	513,155,415	32,982	32,982	Construction Guarantee and others
		Debt Guarantee	VND	920,000,000	349,118,812	53,084	20,144	Techcom Bank and others
	Doosan Lentjes GmbH	Construction Guarantee	EUR	302,625	302,625	462,633	462,633	Construction Guarantee and others
		Debt Guarantee	EUR	15,000	14,995	22,931	22,923	SC Bank
	Doosan Power Systems Arabia Company Limited	Debt Guarantee	SAR	40,000	6,802	15,657	2,663	SCB KSA
		Construction Guarantee	SAR	6,000	6,000	2,349	2,349	CI Guarantee
	Doosan Power Systems India Private Ltd.	Construction Guarantee	EUR	9,478	9,478	14,491	14,491	Axis Bank and others
		Construction Guarantee	INR	42,155,919	42,155,919	724,660	724,660	Construction Guarantee and others
		Debt Guarantee	INR	2,033,333	1,830,000	34,953	31,458	Hana Bank
		Construction Guarantee	JPY	219,640	219,640	2,057	2,057	Seoul Guarantee Insurance Company and others
		Construction Guarantee	USD	64,789	64,789	95,239	95,239	Construction Guarantee and others
	Doosan Ukudu Power, LLC	Construction Guarantee	USD	49,956	49,956	73,435	73,435	Construction Guarantee
	Subtotal					₩ 2,440,274	2,324,743	

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

31. Commitments and contingencies, Continued

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

Related Party	Guarantee	Type	Currency	Foreign Currency		Local Currency		Beneficiary
				Guarantee Limit	Guarantee Amount	Guarantee Limit	Guarantee Amount	
Associates	Doosan Engineering & Construction Co., Ltd.	Construction Guarantee	EUR	7,404	7,404	₩ 11,319	11,319	Korea EXIM Bank
	Tuwaiq Casting & Forging Company	Debt Guarantee	SAR	296,250	248,250	115,961	97,172	Saudi Industrial Development Fund and others
	Subtotal					127,280	108,491	
	Total					₩ 2,567,554	2,433,234	

(*1) DPS S.A. is obligated to lease the office building in use until September 2033, and the Company provides payment guarantees in relation to the lease.

(*2) The Company provides payment guarantee for DPS UK Pension Company Ltd. regarding monthly pension payment obligations and total pension payments to guarantee creditors in case of bankruptcy.

3) Guarantees of payment provided to the third parties

As of December 31, 2024, there were no guarantees provided by the Company for the third parties.

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

31. Commitments and contingencies, Continued

4) Guarantees of payment provided by third parties

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

(In millions of won)

Beneficiary	Type	Guarantee Limit	Guarantee Amount	Related Party (Y/N)
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 (*1)	Construction Guarantee	1,384,702	1,331,800	N
Construction Guarantee (*1)	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 Gurantee Insurance (*1)	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
Others	Construction Guarantee	1,709,035	1,111,119	N
		₩ 15,605,919	11,474,404	

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

32. 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 Company's borrowings and others are as follows:

(In millions of won)

Collateralized asset	Collateralized amount	Amount of borrowings and others	Pledgee
Property, plant and equipment and others (*1) ₩	1,217,884	1,154,166	KDB, Korea EXIM Bank, SC Bank
Ordinary shares of Doosan Bobcat Inc. and others (*1)	1,975,963	1,136,000	KDB and others
Ordinary shares of Doosan Engineering & Construction Co., Ltd. (*2)	218,484	153,298	Woori Bank
Equity shares of Construction Guarantee and others (*3)	114,879	63,104	Construction Guarantee and others
Total	₩ 3,527,210	2,506,568	

(*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, and 21,500,000 shares of Doosan Fuel Cell Co., Ltd., a subsidiary of the Company, land and others have been provided as collateral (See Note 31).

(*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, have been 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.

32. 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)

Collateralized asset	Pledged Collateral		Pledgee	Beneficiary
	Amount			
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. and others (*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.
Total	₩ 985,651			

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

(*2) As of December 31, 2024, the Company 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 Company 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 ₩82,088 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 Company 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 Company has provided ₩5,253 million of deposits to Korea Securities Finance Corp. as collateral regarding supplement member loan for stock acquisition of Employee Stock Ownership Association.

(*6) As of December 31, 2024, the Company 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.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

33. Related party transactions

(1) The related parties of the Company and nature of their relationship with the Company as of December 31, 2024 and 2023 are as follows:

1) As of December 31, 2024, the Company's ultimate parent company is Doosan Corp. (equity ownership: 30.40%).

2) As of December 31, 2024 and 2023, the details of the Company's subsidiaries are as follows:

Related party	Equity ownership (%) (*1)	
	2024	2023
Doosan Enerbility Vietnam Co., Ltd.	100.00	100.00
Doosan HF Controls Corp.	-	100.00
Doosan HF Controls Asia Co., Ltd.	-	100.00
PT. Doosan Heavy Industries Indonesia	83.64	83.64
Doosan Heavy Industries Malaysia Sdn. Bhd	100.00	100.00
Doosan Enerbility Japan Corp.	100.00	100.00
Doosan Water UK Ltd.	100.00	100.00
Doosan Power Systems India Private Ltd.	100.00	100.00
Doosan Heavy Industries Muscat SPC	100.00	70.00
Doosan Power Systems Arabia Company Limited	51.00	51.00
Azul Torre Construction Corporation	40.00	40.00
Doosan Enerbility America Holdings Inc.	100.00	100.00
Doosan Enerbility America LLC	100.00	100.00
Doosan ATS America, LLC	100.00	100.00
Doosan Power Service America, LLC (*3)	-	100.00
Doosan Turbomachinery Services Holding, Inc.	100.00	100.00
Doosan Turbomachinery Services Inc.	100.00	100.00
Doosan GridTech Inc.	100.00	100.00
Doosan GridTech LLC	100.00	100.00
Doosan GridTech CA LLC	100.00	100.00
Doosan GridTech EPC LLC	100.00	100.00
Doosan GridTech C&I LLC	100.00	100.00
Continuity Energy LLC	100.00	100.00
Doosan Skoda Power s.r.o	100.00	100.00
Skoda Power Private Ltd.	100.00	100.00
DPS UK Pension Company Ltd.	100.00	100.00
Doosan Power Systems Pension Trustee Co., Ltd.	100.00	100.00
Doosan Lentjes GmbH	100.00	100.00
DPS S.A.	100.00	100.00
Doosan Lentjes Czech s.r.o	100.00	100.00
Doosan Ukudu Power, LLC	100.00	100.00
Osung Power O&M Co., Ltd.	100.00	100.00
Doosan Recycle Solution Co., Ltd.	100.00	100.00
Doosan Geosolution Co., Ltd.	100.00	100.00
Solar D Roof Co., Ltd. (*2)	100.00	-
Doosan Cuvex Co., Ltd.	100.00	100.00
Doosan Bobcat Inc. and the subsidiaries	46.75	46.11
Doosan Fuel Cell Co., Ltd. and the subsidiaries	30.33	30.33
D20 Capital, LLC and the subsidiaries	100.00	100.00

(*1) The ownership represents addition of the investment owned by the Company and its subsidiaries.

(*2) Newly established in 2024.

(*3) Liquidated in 2024.

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

33. Related party transactions, Continued

3) The associates and joint ventures and other related parties of the Company and nature of their relationship with the Company as of December 31, 2024 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., Doosan New Technology Investment Fund 1 st (*1)
Other related parties:	
Subsidiaries of the parent company (*2)	Oricom Inc., Hancor Co., Ltd., Doosan Bears Inc., Doosan Business Research Institute, Doosan Robotics Co., Ltd., Doosan Mobility Innovation Co., Ltd., 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, DPAY 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 Americas, 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., Semi Five Co., Ltd. and others
Others	Chung-Ang University, Chung-Ang University Hospital, Doosan Credit Union, Doosan Yonkang Foundation, Prestolite Asia Ltd., Daesan Green Energy Co., Ltd., Ainstein AI, Inc, Folletto Robotics Co.,Ltd., Won Sang Co., Ltd., The Weve Holdings Ltd., Protera SAS, 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 ESG Marine Wind Power Private Equity Fund 2 nd (*1), Mirae-asset Hydrogen Infra Private Investment Trust Fund 2 nd (*1) and others

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

(*2) In 2024, HyAxiom Motors Co., Ltd. was reclassified from subsidiaries of the parent company to the Company's subsidiary.

(*3) In 2024, the entity is reclassified from the Company's associate to other related parties and 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.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

33. Related party transactions, Continued

(2) Significant transactions between the Company and 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)

Related party	2024				
	Sales and others		Purchases and others		
	Sales (*1)	Other revenue (*2)	Purchase	Acquisition of PP&E and intangible assets	Other expense
Parent:					
Doosan Corp.	₩ -	256	42,633	-	42,334
Subsidiaries:					
Doosan Cuvex Co., Ltd.	23	20	12,149	-	486
Doosan Fuel Cell Co., Ltd.	-	3	67,440	-	3
Osung Power O&M Co., Ltd.	602	4	5,795	-	-
Doosan Power Systems Arabia Company Limited	4,189	267	7,256	-	-
Doosan Power Systems India Private Ltd.	11,145	7,057	2,553	-	-
Doosan Enerbility Vietnam Co., Ltd.	69,185	1,743	290,798	-	-
Doosan ATS America, LLC	-	-	3,150	-	-
Doosan Turbomachinery Services Inc.	6,743	-	1,657	-	-
Doosan Skoda Power s.r.o	29	796	25,439	-	-
DPS S.A.	-	3,727	-	-	-
Doosan Bobcat Inc.	73,882	-	-	-	-
Doosan Lentjes GmbH	-	5,392	1,917	-	-
Others	2,024	7,425	3,654	-	2,434
Subtotal	167,822	26,434	421,808	-	2,923
Associates and joint ventures:					
Doosan Engineering & Construction Co., Ltd.	-	121	123	2,940	2,417
Samcheok Blue Power Co., Ltd.	151,028	1,418	-	-	-
Hychangwon Co., Ltd.	2,143	-	-	-	-
Tuwaiq Casting & Forging Company	441,429	-	-	-	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	1,641	-	-	21,548
Subtotal	594,600	3,180	123	2,940	23,965
Others:					
Oricom Inc.	-	-	166	-	15,300
Doosan Bears Inc.	-	-	556	-	6,505
Doosan Business Research Institute	329	8	-	-	10,717
Others	-	158	-	-	1,317
Subtotal	329	166	722	-	33,839
Total	₩ 762,751	30,036	465,286	2,940	103,061

(*1) Includes ₩147,799 million of dividend income from Doosan Bobcat Inc., a subsidiary of the Company, and others.

(*2) Includes ₩3,182 million of dividend income from Samcheok Blue Power Co., Ltd., an associate of the Company, and others.

DOOSAN ENERBILITY CO., LTD.
Notes to the Separate Financial Statements, Continued
For the years ended December 31, 2024 and 2023
33. Related party transactions, Continued
(In millions of won)

Related party	2023			
	Sales and others		Purchases and others	
	Sales (*1)	Other revenue	Purchase	Other expense
Parent:				
Doosan Corp.	₩ -	305	33,341	39,946
Subsidiaries:				
Doosan Cuvex Co., Ltd.	45,996	20	11,358	494
Osung Power O&M Co., Ltd.	702	4	5,570	-
Doosan Power Systems Arabia Company Limited	-	516	13,110	-
Doosan Power Systems India Private Ltd.	10,000	6,852	4,457	-
Doosan Enerbility Vietnam Co., Ltd.	131,585	311	395,579	-
Doosan ATS America, LLC	-	-	3,035	-
Doosan Turbomachinery Services	2,100	-	3,577	-
Doosan Skoda Power s.r.o	63	-	11,005	-
DPS S.A.	-	6,287	-	-
Doosan Bobcat Inc.	75,323	-	-	-
Doosan HF Controls Corp.	-	-	3,809	-
Doosan Lentjes GmbH	-	850	3,638	-
Others	1,084	2,844	5,809	362
Subtotal	266,853	17,684	460,947	856
Associates and joint ventures:				
Samcheok Blue Power Co., Ltd.	264,301	-	-	-
Hychangwon Co., Ltd.	11,865	-	-	-
Tuwaiq Casting & Forging Company	440,863	-	-	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	1,724	-	17,512
Others	-	120	132	1,447
Subtotal	717,029	1,844	132	18,959
Others:				
Oricom Inc.	-	1	584	10,393
Doosan Bears Inc.	-	-	530	10,007
Doosan Business Research Institute	313	25	-	9,251
Others	-	167	912	277
Subtotal	313	193	2,026	29,928
Total	₩ 984,195	20,026	496,446	89,689

(*1) Includes ₩253,581 million of dividend income from Doosan Bobcat Inc., a subsidiary of the Company, and others.

DOOSAN ENERBILITY CO., LTD.
Notes to the Separate Financial Statements, Continued
For the years ended December 31, 2024 and 2023
33. Related party transactions, Continued
(3) Significant balances related to the transactions between the Company and 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)

Related party	2024					
	Receivables			Payables		
	Trade receivables	Loans receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Parent:						
Doosan Corp.	₩ -	-	1,055	23,807	2,797	-
Subsidiaries:						
Doosan Ukudu Power, LLC	-	5,880	78	-	-	-
Doosan Cuvex Co., Ltd.	-	-	5,333	689	-	-
Doosan Enerbility Vietnam Co., Ltd.	2,960	-	1,820	276,552	26,410	-
Doosan Enerbility America LLC	-	-	16,375	3,396	99	-
Doosan Turbomachinery Services Inc.	-	-	5,655	129	509	-
Doosan Heavy Industries Muscat SPC (*1)	21,314	-	5,887	-	3,136	-
Doosan Power Systems India Private Ltd. (*2)	268,108	143,309	137,875	321	99	-
Doosan Water UK Ltd. (*3)	4,759	65,082	8,351	19	-	-
Azul Torre Construction Corporation (*4)	-	4,055	5,778	-	-	-
PT. Doosan Heavy Industries Indonesiab (*6)	-	80,850	3,233	-	-	-
Doosan Lentjes GmbH (*7)	-	107,775	12,026	3,539	-	-
DPS S.A.	-	70,981	53,682	7,759	-	-
Doosan Skoda Power s.r.o	-	-	1,899	6,960	-	-
Doosan GridTech Inc. (*5)	-	119,070	53,801	-	-	-
Others	-	-	4,694	3,241	737	-
Subtotal	297,141	597,002	316,487	302,605	30,990	-
Associates and joint ventures:						
Samcheok Blue Power Co., Ltd. (*8)	-	-	141,188	-	-	-
Doosan Engineering & Construction Co., Ltd.	-	-	12,418	122	15,315	-
Hychangwon Co., Ltd.	5,500	-	200	-	805	-
Tuwaiq Casting & Forging Company (*9)	11,876	-	-	-	36,458	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	-	23,406	-	-	130,150
Subtotal	17,376	-	177,212	122	52,578	130,150
Others:						
Oricom Inc.	-	-	-	5,406	-	-
Others	-	-	245	840	315	-
Subtotal	-	-	245	6,246	315	-
Total	₩ 314,517	597,002	494,999	332,780	86,680	130,150

33. Related party transactions, Continued

- (*1) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~22,524 million for receivables of Doosan Heavy Industries Muscat SPC. The allowance was increased by ~~₩~~1,777 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*2) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~549,292 million for receivables of Doosan Power Systems India Private Ltd.. The allowance was increased by ~~₩~~73,604 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*3) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~78,192 million for receivables of Doosan Water UK Ltd.. The allowance was increased by ~~₩~~31,265 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*4) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~9,833 million for receivables of Azul Torre Construction Corporation. The allowance was increased by ~~₩~~1,058 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*5) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~137,044 million for receivables of Doosan GridTech Inc.. The allowance was increased by ~~₩~~81,616 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*6) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~27,421 million for receivables of PT. Doosan Heavy Industries Indonesia. The allowance was increased by ~~₩~~27,421 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*7) As of December 31, 2024, the Company has set an allowance for doubtful accounts of ~~₩~~62,794 million for receivables of Doosan Lentjes GmbH. The allowance was increased by ~~₩~~62,794 million in 2024 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*8) As of December 31, 2024, the Company 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.
- (*9) 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. As a result, the Company does not have balance for the allowance as of December 31, 2024.

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

33. Related party transactions, Continued

(In millions of won)

Related party	2023					
	Receivables			Payables		
	Trade receivables	Loans receivables	Other receivables	Trade payables	Other payables	Lease liabilities
Parent:						
Doosan Corp.	₩ -	-	691	17,640	1,933	-
Subsidiaries:						
Doosan Cuvex Co., Ltd.	-	-	5,333	633	26	-
Doosan Enerbility Vietnam Co., Ltd.	-	-	4,888	217,039	24,248	-
Doosan Enerbility America LLC	9	-	25,424	5,795	212	-
Doosan Heavy Industries Muscat SPC (*1)	18,696	-	4,992	-	4,850	-
Doosan Power Systems India Private Ltd. (*2)	226,961	129,220	119,507	1,352	136	-
Doosan Water UK Ltd. (*3)	4,175	37,761	4,990	17	-	-
Azul Torre Construction Corporation (*4)	-	3,701	5,073	-	-	-
Doosan Lentjes GmbH	-	37,091	7,686	6,907	-	-
DPS S.A.	-	63,209	46,853	6,916	-	-
Doosan Skoda Power s.r.o	-	-	10,401	5,211	29	-
Doosan GridTech Inc. (*5)	-	6,447	48,981	-	-	-
Doosan Power Systems Arabia Company Limited	-	10,315	1,576	5,975	-	-
Others	8	-	4,556	2,962	1,058	-
Subtotal	249,849	287,744	290,260	252,807	30,559	-
Associates and joint ventures:						
Samcheok Blue Power Co., Ltd. (*6)	-	-	125,648	-	-	-
Doosan Engineering & Construction Co., Ltd.	-	-	22,242	122	20,927	-
Hychangwon Co., Ltd.	5,500	-	47	-	1,992	-
Tuwaiq Casting & Forging Company (*7)	32,116	-	119	-	248,551	-
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	-	23,406	-	-	139,881
Subtotal	37,616	-	171,462	122	271,470	139,881
Others:						
Oricom Inc.	-	-	2	3,155	-	-
Others	-	-	31	951	13	-
Subtotal	-	-	33	4,106	13	-
Total	₩ 287,465	287,744	462,446	274,675	303,975	139,881

33. Related party transactions, Continued

- (*1) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~20,747 million for receivables of Doosan Heavy Industries Muscat SPC. The allowance was increased by ~~₩~~152 million in 2023 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*2) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~475,688 million for receivables of Doosan Power Systems India Private Ltd.. The allowance was increased by ~~₩~~29,422 million in 2023 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*3) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~46,926 million for receivables of Doosan Water UK Ltd.. The allowance was increased by ~~₩~~4,773 million in 2023 and recognized as bad debt expenses and others in the statement of comprehensive income. The company has recognized additional provision of ~~₩~~18,060 million regarding the payment guarantee provided to the Doosan Water UK Ltd..
- (*4) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~8,774 million for receivables of Azul Torre Construction Corporation. The allowance was increased by ~~₩~~164 million in 2023 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*5) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~55,428 million for receivables of Doosan GridTech Inc.. The allowance was increased by ~~₩~~55,428 million in 2023 and recognized as bad debt expenses and others in the statement of comprehensive income.
- (*6) As of December 31, 2023, the Company 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 bad debt expenses and others in the statement of comprehensive income.
- (*7) As of December 31, 2023, the Company has set an allowance for doubtful accounts of ~~₩~~3 million for receivables of Tuwaiq 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.

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

33. Related party transactions, Continued

(4) Financial transactions between the Company 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)

Related party	2024								
	Loans		Borrowings			Dividend		Investments	
	Lending	Collection	Borrowed	Repaid	Lease liability paid	Income	Payout	Received	Provided
Subsidiaries:									
Doosan Bobcat Inc.	₩ -	-	-	-	-	73,882	-	-	-
Osung Power O&M Co., Ltd.	-	-	-	-	-	600	-	-	-
Doosan Ukudu Power, LLC	5,283	-	-	-	-	-	-	-	-
Doosan Water UK Ltd.	20,999	-	-	-	-	-	-	-	-
Doosan Lentjes GmbH	68,887	-	-	-	-	-	-	-	-
PT. Doosan Heavy Industries Indonesia	74,320	-	-	-	-	-	-	-	-
Doosan Power Systems Arabia Company Limited	-	10,315	-	-	-	4,132	-	-	-
Doosan Enerbility Vietnam Co., Ltd.	-	-	-	-	-	69,185	-	-	-
Doosan GridTech Inc.	105,461	-	-	-	-	-	-	-	-
Doosan Geosolution Co., Ltd.	-	-	-	-	-	-	-	-	20,500
Subtotal	274,950	10,315	-	-	-	147,799	-	-	20,500
Associates:									
Samcheok Blue Power Co., Ltd.	-	-	-	-	-	1,418	-	-	38,520
Doosan New Technology Investment Fund 1 st	-	-	-	-	-	-	-	-	3,760
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	-	-	-	28,868	1,641	-	-	-
Subtotal	-	-	-	-	28,868	3,059	-	-	42,280
Others:									
KDDI Korea Corporation (*1)	-	-	-	-	-	123	-	-	-
Total	₩ 274,950	10,315	-	-	28,868	150,981	-	-	62,780

(*1) The related party was eliminated during the year and the current year transaction amount is the amount before the related party was eliminated.

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

33. Related party transactions, Continued

(In millions of won)

Related party	2023								
	Loans		Borrowings			Dividend		Investments	
	Lending	Collection	Borrowed	Repaid	Lease liability paid	Income	Payout	Received	Provided
Subsidiaries:									
DPS S.A. (*1)	₩ 16,499	252,062	-	-	-	-	-	-	252,062
Doosan Recycle Solution Co., Ltd.	-	-	-	-	-	-	-	-	49,100
Doosan Geosolution Co., Ltd.	-	-	-	-	-	-	-	-	28,300
Doosan Bobcat Inc.	-	-	-	-	-	75,323	-	-	-
Doosan Cuvex Co., Ltd.	-	-	-	-	-	45,973	-	-	-
Osung Power O&M Co., Ltd.	-	-	-	-	-	700	-	-	-
Doosan Enerbility Vietnam Co., Ltd.	-	-	-	-	-	131,585	-	-	-
PT. Doosan Heavy Industries Indonesia	24,929	24,929	-	-	-	-	-	-	-
Doosan Lentjes GmbH	36,667	-	-	-	-	-	-	-	-
Subtotal	78,095	276,991	-	-	-	253,581	-	-	329,462
Associates:									
Multi-asset ESG Marine Wind Power Private Equity Fund 1st	-	-	-	-	-	-	-	-	1,996
BUNDANG DOOSAN TOWER REIT Co., Ltd.	-	-	-	-	23,210	1,724	-	-	-
Subtotal	-	-	-	-	23,210	1,724	-	-	1,996
Others:									
KDDI Korea Corporation	-	-	-	-	-	43	-	-	-
Total	₩ 78,095	276,991	-	-	23,210	255,348	-	-	331,458

(*1) In 2023, part of the loans to DPS S.A. were converted into equity.

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

The Company provides or receives payment guarantees and collateral with regard to the related party as of December 31, 2024 (See Notes 31 and 32).

33. Related party transactions, Continued**(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 Company. Compensation for key management personnel for the years ended December 31, 2024 and 2023 consists of following:

<i>(In millions of won)</i>		2024	2023
Short-term employee benefits	₩	41,756	23,716
Severance and retirement benefits		5,084	4,193
Share-based payments (*1)		6,135	2,276
Total	₩	52,975	30,185

(*1) Expenses under the cash-settled performance-linked stock compensation system granted to management during the years ended December 31, 2024.

DOOSAN ENERBILITY CO., LTD.

Notes to the Separate Financial Statements, Continued

For the years ended December 31, 2024 and 2023

34. Separate statements of cash flows

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

<i>(In millions of won)</i>	2024	2023
Loss for the year:	₩ (170,305)	(104,179)
Adjustments:		
Interest expenses	168,213	165,130
Loss on foreign currency translation	239,585	26,641
Bad debt expenses	16,627	14,331
Other bad debt expenses	236,793	145,083
Loss on valuation of derivative financial instruments	274,063	83,812
Loss on valuation of firm commitments	48,256	27,139
Provision for construction warranties	2,112	8,723
Provision for warranty expenses	29,175	35,488
Depreciation	102,150	97,972
Amortization	35,620	35,599
Income tax benefit	(2,781)	(130,519)
Cost of stock options	6,135	2,276
Severance and retirement benefits	44,527	34,292
Gain (loss) on valuation of inventory	1,062	(4,235)
Loss on disposal of property, plant and equipment	1,496	1,252
Impairment loss of intangible assets	445	157
Impairment loss of investment properties	1,165	37,837
Impairment loss of property, plant and equipment	-	240
Loss on disposal of assets held for sale	848	2,295
Impairment loss of investments in subsidiaries	249,096	325,807
Loss on valuation of long-term investment securities	1,541	39,414
Interest income	(46,078)	(46,395)
Dividend income	(151,604)	(256,118)
Gain on foreign currency translation	(231,142)	(34,039)
Gain on valuation of derivatives financial instruments	(82,187)	(66,182)
Gain on transaction of derivatives financial instruments	(25,830)	(10,842)
Gain on valuation of firm commitments	(234,737)	(43,958)
Gain on disposal of property, plant and equipment	(2,513)	(1,332)
Gain on disposal of intangible assets	-	(872)
Reversal of impairment loss of intangible assets	(8,766)	-
Gain on valuation of long-term investment securities	(91,340)	(3,143)
Gain on disposal of long-term investment securities	-	(94)
Gain on disposal of investments in subsidiaries	(17,176)	(36,620)
Reversal of provision for construction warranties	(26,449)	(24,477)
Reversal of provision for warranty expenses	(7,968)	(7,664)
Others	50,508	28,353
Subtotal	580,846	445,351
Changes in operating assets and liabilities:		
Trade receivables	9,737	(112,780)
Due from customers for contract work	(150,297)	(175,240)
Other receivables	(18,130)	(178,277)
Prepayments	85,600	94,003
Inventories	(45,955)	39,279
Derivative financial assets and liabilities	(28,592)	9,629
Firm commitments assets and liabilities	105,177	51,309
Trade payables	(5,564)	105,477
Other payables	(57,329)	138,715
Advance receipts	(3,037)	(487)
Due to customers for contract work	(311,255)	455,538
Accrued expenses	(33,405)	80,105
Severance payments paid	(20,713)	(28,650)
Plan assets	9,303	11,645
Others	(11,456)	12,023
Subtotal	(475,916)	502,289
Cash generated from operations	₩ (65,375)	843,461

34. Separate statements of cash flows, Continued

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

(In millions of won)

	2024	2023
Transfer to current portion of bonds, borrowings and others	₩ 268,262	1,463,642
Transfer from construction-in-progress to other assets	65,931	67,904
Transfer from land to investment property	22,111	-
Transfer to assets held for sale	-	34,778
Acquisition of right-of-use assets	34,347	15,824
Acquisition of an associate through dividend in-kind	-	45,973
Conversion of convertible bonds to common stock	-	24,600
Acquisition of subsidiaries through debt-for-equity conversion	-	252,062
Changes in other receivable due to disposal of investment in subsidiary	16,973	-
Write-off of trade and other receivables	225,458	-

34. Separate statements of cash flows, Continued

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

(In millions of won)

	2024						
	Balance as of January 1	Cash flows from financing activities, net	Non-cash changes				Balance as of December 31
			Current portion of long-term debt	Changes in foreign currency translation	Interest expenses amortization	Others (*1)	
Short-term borrowings	₩ 967,834	828,837	-	12,971	-	-	1,809,642
Current portion of long-term debt	1,403,847	(1,405,663)	222,000	-	1,816	-	222,000
Current financial lease liabilities	26,199	(32,669)	46,262	-	-	5	39,797
Bonds	423,103	248,976	(42,000)	54,180	1,889	-	686,148
Long-term borrowings	287,189	705,068	(180,000)	6,843	740	-	819,840
Non-current financial lease liabilities	129,213	-	(46,262)	1,011	-	32,124	116,086
Total	₩ 3,237,385	344,549	-	75,005	4,445	32,129	3,693,513

(*1) Non-cash changes such as account transfer are included.

(In millions of won)

	2023						
	Balance as of January 1	Cash flows from financing activities, net	Non-cash changes				Balance as of December 31
			Current portion of long-term debt	Changes in foreign currency translation	Interest expenses amortization	Others (*1)	
Short-term borrowings	₩ 1,249,782	(282,278)	-	330	-	-	967,834
Current portion of long-term debt	641,668	(658,428)	1,439,765	1,992	3,450	(24,600)	1,403,847
Current financial lease liabilities	29,844	(27,369)	23,877	-	-	(153)	26,199
Bonds	259,131	429,527	(274,357)	7,081	1,721	-	423,103
Long-term borrowings	1,113,280	326,344	(1,165,408)	11,538	1,435	-	287,189
Non-current financial lease liabilities	142,460	-	(23,877)	24	-	10,606	129,213
Total	₩ 3,436,165	(212,204)	-	20,965	6,606	(14,147)	3,237,385

(*1) Non-cash changes such as account transfer are included.

35. Assets held for sale

Details of assets held for sale as of December 31, 2024 and 2023 are as follows:

<i>(In millions of won)</i>	2024	2023
Investments in an associate (*1)	₩ -	10,406
Property, plant and equipment	256	256
Investment property (*2)	1,291	22,966
Subtotal	1,547	33,628
Accumulated impairment loss	(41)	(41)
Total	₩ 1,506	33,587

(*1) The Company decided to sell all the shares of Mirae-asset ESG Marine Wind Power Private Equity Fund 1st during the prior period and the shares were reclassified to assets held for sale. 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, a portion of these assets were sold.

Assets held-for-sale are measured at the lower of their previous carrying amount and fair value less costs of disposal and the impairment loss, the difference between the carrying amount and the fair value, is recognized as other non-operating expense.

36. Approval of financial statements

The separate 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

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

We have audited Doosan Enerbility Co., Ltd.'s ("the Company") internal control over financial reporting ("ICFR") 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 Company maintained, in all material respects, effective internal control over financial reporting 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 separate financial statements of the Company, which comprise the separate statements of financial position as of December 31, 2024 and 2023, the separate statements of loss and comprehensive loss, 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 separate financial statements.

Basis for Opinion

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 section of our report. We are independent of the Company 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

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

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

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

Our responsibility is to express an opinion on the Company's internal control over financial reporting 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 was maintained in all material respects.

Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, 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**

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

Because of its inherent limitations, internal control over financial reporting 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")

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. ("the Company"), assessed the status of the design and operation of the Company's ICFR for the year ended December 31, 2023.

The Company's management including CEO and IACO are responsible for designing and operating ICFR. We, as the CEO and IACO, assessed whether the ICFR 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. 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.

Based on assessment of the ICFR, the Company's ICFR 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

