

PT KRAKATAU POSCO

Interim Consolidated Financial Statements Report March 31st, 2026



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March 31 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

| | Mar 31, 2026 | Dec 31, 2025 | Dec 31, 2024 |
|---------------------------------|----------------------|----------------------|----------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2,126,287 | 20,571,611 | 17,757,048 |
| Time Deposit | 235,391 | 238,351 | 278,349 |
| Account Receivable | | | |
| Third parties | 75,649,983 | 62,408,727 | 56,832,331 |
| Related parties | 74,195,015 | 43,125,103 | 55,345,095 |
| Non Trade Receivable | | | |
| Third parties | 965,008 | 709,205 | 640,578 |
| Related parties | 258,654 | 316,938 | 2,646,674 |
| Accrued Income | - | - | 4,773 |
| Inventory | 467,338,279 | 430,834,094 | 380,273,102 |
| Advance payment | 6,324,485 | 2,745,489 | 2,291,446 |
| Tax advances | 32,616,150 | 17,657,639 | 7,076,480 |
| Total Current Assets | 659,709,251 | 578,607,156 | 523,145,876 |
| NON-CURRENT ASSETS | | | |
| Fixed assets, net | 1,823,183,288 | 1,867,546,488 | 2,059,356,490 |
| Right of use asset, net | 134,776,661 | 139,549,985 | 157,556,931 |
| Intangible assets | 5,423,865 | 5,670,209 | 6,509,584 |
| Other Non-Current Assets | 7,041,737 | 7,130,271 | 7,098,232 |
| Total Non-Current Assets | 1,970,425,551 | 2,019,896,952 | 2,230,521,237 |
| TOTAL ASSETS | 2,630,134,802 | 2,598,504,108 | 2,753,667,113 |

PT KRAKATAU POSCO
STATEMENTS OF FINANCIAL POSITION (BALANCE SHEET) - Continued
March 31 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

| | Mar 31, 2026 | Dec 31, 2025 | Dec 31, 2024 |
|--|----------------------|----------------------|----------------------|
| LIABILITIES AND SHAREHOLDER'S EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Account payable | | | |
| Third parties | 23,050,483 | 32,990,455 | 44,653,702 |
| Related parties | 366,275,303 | 466,850,708 | 542,309,977 |
| Nontrade payable | | | |
| Third parties | 5,174,079 | 1,134,063 | 2,269,674 |
| Related parties | 268,231 | 887,498 | 310,149 |
| Accrued payable | 73,254,836 | 65,142,462 | 57,678,963 |
| Guarantee Deposit | 128,246 | 129,854 | 134,820 |
| Advance receipt | 6,757,556 | 6,781,242 | 8,674,765 |
| Taxes payables | 6,095,935 | 819,608 | 3,686,124 |
| Short term bank loans | 331,596,648 | 185,008,852 | 188,171,041 |
| Current portion of liabilities | 16,787,000 | 16,964,188 | 16,052,381 |
| Unearned Revenue | - | - | 2,739,664 |
| Other current liabilities | 24,705 | 11,140 | 18,625 |
| Total Current Liabilities | 829,413,022 | 776,720,069 | 866,699,884 |
| NON-CURRENT LIABILITIES | | | |
| Long term principle borrowing | 200,000,000 | 200,000,000 | 200,000,000 |
| Long term capitalization cost borrowing | (543,655) | - | 652,386 |
| Long term liabilities asset lease | 174,988,129 | 179,239,532 | 196,318,416 |
| Long term bond payables | 700,000,000 | 700,000,000 | 700,000,000 |
| Long term discount bond payables and transactions cost | (3,905,502) | - | 4,290,271 |
| Estimate Liabilities for employee benefits | 1,713,234 | 1,709,606 | 1,548,468 |
| Total Non-Current Liabilities | 1,072,252,206 | 1,076,006,481 | 1,090,880,297 |
| TOTAL LIABILITIES | 1,901,665,228 | 1,852,726,549 | 1,957,580,181 |
| SHAREHOLDER'S EQUITY | | | |
| Share capital | | | |
| Authorized capital USD 2,237,096,800 | | | |
| Issued and fully paid : | | | |
| Class A 1,057,000 shares (USD 1,000/share) : | | | |
| From POSCO | 739,900,000 | 739,900,000 | 739,900,000 |
| From PT Krakatau Steel (Persero) Tbk. | 317,100,000 | 317,100,000 | 317,100,000 |
| Class B 422,800 shares (USD 516/share) : | | | |
| From PT Krakatau Steel (Persero) Tbk. | 218,164,800 | 218,164,800 | 218,164,800 |
| Other equity component | 342,179,321 | 341,973,238 | 352,606,429 |
| Accumulated deficit : | | | |
| Last Year | - | 871,483,688 | - |
| Current Year | - | 17,391,952 | - |
| Non-controlling interest | 1,093 | 1,048 | 1,067 |
| SHAREHOLDER'S EQUITY, NET | 728,469,574 | 745,777,561 | 796,086,930 |
| TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY | 2,630,134,802 | 2,598,504,111 | 2,753,667,113 |

PT KRAKATAU POSCO
STATEMENTS OF COMPREHENSIVE INCOME
Year Ended
March 31 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

| | Mar 31, 2026 | Dec 31, 2025 | Dec 31, 2024 |
|---|----------------------------|----------------------------|-----------------------------|
| Net Sales | 453,994,534 | 1,847,747,584 | 2,066,823,265 |
| Cost of sales | (435,470,175) | (1,731,271,030) | (1,994,216,983) |
| GROSS PROFIT (LOSS) | <u>18,524,359</u> | <u>116,476,554</u> | <u>72,606,282</u> |
| Selling expense | (2,341,711) | (10,837,367) | (23,514,601) |
| Administrative expense | (2,931,275) | (39,662,718) | (37,844,998) |
| Currency exchange loss, net | (554,536) | (2,283,512) | (7,641,114) |
| Other income (expense), net | <u>151,332</u> | <u>2,476,696</u> | <u>2,296,344</u> |
| OPERATING PROFIT (LOSS) | 12,848,169 | 66,169,653 | 5,901,913 |
| Finance cost | (25,765,227) | (106,449,028) | (133,850,469) |
| Finance income | <u>68,463</u> | <u>475,337</u> | <u>3,494,867</u> |
| NET FINANCE COST | (25,696,764) | (105,973,691) | (130,355,602) |
| PROFIT (LOSS) BEFORE INCOME TAX | (12,848,595) | (39,804,038) | (124,453,689) |
| Income tax (expense) benefit | (4,543,312) | - | - |
| PROFIT (LOSS) FOR THE YEAR | <u>(17,391,907)</u> | <u>(39,804,038)</u> | <u>(124,453,689)</u> |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will never be reclassified to profit or loss | | | |
| Remeasurements of defined benefit liability | 84,375 | (122,163) | 127,898 |
| Revaluation surplus of land | - | (10,380,561) | 10,606,088 |
| | <u>84,375</u> | <u>(10,502,724)</u> | <u>10,733,986</u> |
| Items that may be reclassified to profit or loss | | | |
| Exchange differences arising from translation of a subsidiary | (456) | (2,569) | (34) |
| TOTAL OTHER COMPREHENSIVE INCOME | <u>83,919</u> | <u>(10,505,293)</u> | <u>10,733,952</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PE | <u>(17,307,988)</u> | <u>(50,309,331)</u> | <u>(113,719,737)</u> |
| TOTAL PROFIT (LOSS) ATTRIBUTABLE TO: | | | |
| Owners of the Company | (17,391,952) | (39,804,057) | (124,453,655) |
| Non-controlling interest | 45 | 19 | (34) |
| | <u>(17,391,907)</u> | <u>(39,804,038)</u> | <u>(124,453,689)</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD ATTRIBUTABLE TO: | | | |
| Owners of the parent entity | (17,308,033) | (50,309,350) | (113,719,703) |
| Non-controlling interest | 45 | 19 | (34) |
| | <u>(17,307,988)</u> | <u>(50,309,331)</u> | <u>(113,719,737)</u> |
| Basic profit/(loss) per share attributable to the owners of the Company (full amount) | <u>(12)</u> | <u>(27)</u> | <u>(84)</u> |

PT KRAKATAU POSCO
STATEMENTS OF CASH FLOWS
Year Ended

March 31 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

| | Mar 31, 2026 | Dec 31, 2025 | Dec 31, 2024 |
|---|----------------------|---------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit (Loss) for the period/year | (17,391,907) | (39,804,038) | (124,453,689) |
| Adjustment for: | | | |
| Depreciation of fixed asset | 51,062,061 | 202,250,422 | 201,205,534 |
| Depreciation of right of use asset | 4,773,324 | 18,078,516 | 22,501,741 |
| (Reversal of) provision for inventory write-down | 528,709 | 217,494 | (488,075) |
| Loss on disposal of fixed assets | 401 | 141,274 | 75,268 |
| Amortization | 504,238 | 975,773 | 1,026,948 |
| Interest income | (68,463) | (475,337) | (3,494,867) |
| Finance expense | 25,765,227 | 106,449,028 | 133,850,469 |
| Exchange differences arising from the translation of a su | (456) | (2,608) | (34) |
| Impairment loss of trade receivables | 60,984 | 9,163 | 130 |
| Impairment loss of other receivables | (400) | 699 | (4,323) |
| Employee benefit expense | 118,429 | 212,205 | 210,411 |
| Changes in: | | | |
| Trade receivables | (44,372,150) | 6,634,432 | 64,748,730 |
| Other receivables | (197,120) | 2,260,410 | 4,198,756 |
| Inventories | (36,392,745) | (50,560,992) | (234,201) |
| Prepaid taxes | 2,960 | 44,772 | (7,020,415) |
| Advance payments | (14,958,511) | (10,581,158) | 20,425,165 |
| Other current assets | (3,578,997) | (454,042) | 206,201 |
| Other non-current assets | 88,536 | (32,040) | 1,170,756 |
| Trade payables | (110,515,376) | (87,122,517) | 48,994,230 |
| Other payables | 3,420,749 | (558,262) | (3,978,581) |
| Accrual | 8,280,362 | 6,523,425 | 18,986,663 |
| Advance from customers | (23,686) | (1,893,523) | (1,087,190) |
| Taxes payable | 5,277,362 | (2,858,326) | (58,118) |
| Payment of employee benefits | (34,054) | (334,368) | (179,076) |
| Interest received | 68,463 | 475,337 | 3,494,867 |
| Interest paid | (25,765,227) | (104,342,455) | (131,365,515) |
| Net cash used in operating activities | (153,347,287) | 45,253,280 | 248,731,785 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of fixed assets | (6,493,255) | (7,431,886) | (6,072,446) |
| Payments for assets under construction | (522,331) | (14,536,950) | (20,333,417) |
| Acquisition of intangible assets | (257,894) | (136,397) | (1,255,306) |
| Net cash used in investing activities | (7,273,480) | (22,105,233) | (27,661,169) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds of short term loans | 354,743,204 | 915,820,331 | 1,200,643,156 |
| Proceeds of long term loans | - | - | 198,695,229 |
| Proceeds of long term bond payables | - | - | 694,399,000 |
| Lease obligations | (4,428,590) | (17,519,238) | (17,610,452) |
| Repayments of long-term loans | - | - | (1,326,310,725) |
| Repayments of short-term loans | (208,155,408) | (918,982,519) | (995,199,425) |
| Net cash from financing activities | 142,159,205 | (20,681,427) | (245,383,216) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIV | (18,461,562) | 2,466,620 | (24,312,600) |
| EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE IN | 16,238 | 347,943 | 269,069 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 20,571,611 | 17,757,048 | 41,800,578 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | 2,126,287 | 20,571,611 | 17,757,048 |