PT KRAKATAU POSCO

Interim Consolidated Financial Statements Report
September 30th, 2026

Cilegon Office :
Jl. Afrika No 2 Cilegon 42443 – Indonesia
Phone +62 254 369700 Fax. +62 254 369899
www.krakatauposco.co.id

Jakarta Office :
Pacific Century Place 15th Floor - SCBD Lot 10
Jl. Jend. Sudirman Kav 52-53, Jakarta 12190 - Indonesia
Phone +62 21 3950 6500 Fax.+62 21 3950 6566

PT KRAKATAU POSCO
STATEMENTS OF FINANCIAL POSITION (BALANCE SHEET)
September 30 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

	September 30, 2026	Dec 31, 2025	Dec 31, 2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	15,343,767	20,571,611	17,757,048
Time Deposit	121,123	238,351	278,349
Account Receivable			
Third parties	89,066,683	58,750,722	56,832,331
Related parties	40,504,105	46,783,109	55,345,095
Non Trade Receivable			
Third parties	204,848	719,945	640,578
Related parties	203,537	306,198	2,646,674
Accrued Income	-	-	4,773
Inventory	398,898,966	430,834,094	380,273,102
Advance payment	3,212,981	2,745,489	2,291,446
Tax advances	65,729,169	17,657,639	7,076,480
Total Current Assets	**613,285,179**	**578,607,157**	**523,145,876**
NON-CURRENT ASSETS			
Fixed assets, net	1,757,122,553	1,867,546,489	2,059,356,490
Right of use asset, net	126,871,530	139,549,985	157,556,931
Intangible assets	5,046,484	5,670,209	6,509,584
Other Non-Current Assets	6,648,528	7,130,270	7,098,232
Total Non-Current Assets	**1,895,689,095**	**2,019,896,953**	**2,230,521,237**
TOTAL ASSETS	**2,508,974,275**	**2,598,504,110**	**2,753,667,113**

PT KRAKATAU POSCO
STATEMENTS OF FINANCIAL POSITION (BALANCE SHEET) - Continued
September 30 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

	September 30, 2026	Dec 31, 2025	Dec 31, 2024
LIABILITIES AND SHAREHOLDER'S EQUITY			
CURRENT LIABILITIES			
Account payable			
Third parties	21,413,145	32,990,455	44,653,702
Related parties	391,437,253	466,850,708	542,309,977
Nontrade payable			
Third parties	4,028,750	1,134,063	2,269,674
Related parties	355,703	887,498	310,149
Accrued payable	76,134,483	65,142,462	57,678,963
Guarantee Deposit	120,725	129,854	134,820
Advance receipt	6,797,901	6,781,242	8,674,765
Taxes payables	12,098,712	819,608	3,686,124
Short term bank loans	159,003,075	185,008,852	188,171,041
Current portion of liabilities	316,340,649	16,964,188	16,052,381
Unearned Revenue	-	-	2,739,664
Other current liabilities	14,954	11,160	18,625
Total Current Liabilities	**987,745,350**	**776,720,089**	**866,699,884**
NON-CURRENT LIABILITIES			
Long term principle borrowing	250,000,000	200,000,000	200,000,000
Long term capitalization cost borrowing	(1,550,619)	(652,386)	(1,087,309)
Long term liabilities asset lease	167,333,376	179,239,532	196,318,416
Long term bond payables	400,000,000	700,000,000	700,000,000
Long term discount bond payables and transactions cost	(2,949,429)	(4,290,271)	(5,899,278)
Estimate Liabilities for employee benefits	1,496,391	1,709,606	1,548,468
Total Non-Current Liabilities	**814,329,719**	**1,076,006,481**	**1,090,880,297**
TOTAL LIABILITIES	**1,802,075,068**	**1,852,726,570**	**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	342,246,563	342,095,362	352,606,429
Accumulated deficit :			
Last Year	(871,483,650)	(831,679,631)	(707,231,711)
Current Year	(39,029,787)	(39,804,039)	(124,453,655)
Non-controlling interest	1,280	1,048	1,067
SHAREHOLDER'S EQUITY, NET	**706,899,206**	**745,777,540**	**796,086,930**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**2,508,974,275**	**2,598,504,110**	**2,753,667,113**

PT KRAKATAU POSCO
STATEMENTS OF COMPREHENSIVE INCOME
Year Ended
September 30 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

	September 30, 2026	Dec 31, 2025	Dec 31, 2024
Net Sales	1,439,009,861	1,847,747,584	2,066,823,265
Cost of sales	(1,359,276,915)	(1,731,271,030)	(1,994,216,983)
GROSS PROFIT (LOSS)	79,732,946	116,476,554	72,606,282
Selling expense	(6,189,651)	(10,837,367)	(23,514,601)
Administrative expense	(17,243,326)	(39,662,718)	(37,844,998)
Currency exchange loss, net	(6,346,893)	(2,283,513)	(7,641,114)
Other income (expense), net	138,128	2,476,696	2,296,344
OPERATING PROFIT (LOSS)	50,091,204	66,169,652	5,901,913
Finance cost	(78,379,537)	(106,449,028)	(133,850,469)
Finance income	227,020	475,337	3,494,867
NET FINANCE COST	(78,152,517)	(105,973,691)	(130,355,602)
PROFIT (LOSS) BEFORE INCOME TAX	**(28,061,313)**	**(39,804,039)**	**(124,453,689)**
Income tax (expense) benefit	(10,968,242)	-	-
PROFIT (LOSS) FOR THE YEAR	**(39,029,555)**	**(39,804,039)**	**(124,453,689)**
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit liability	153,798	(122,163)	127,898
Revaluation surplus of land	-	(10,380,561)	10,606,088
	153,798	(10,502,724)	10,733,986
Items that may be reclassified to profit or loss			
Exchange differences arising from translation of a subsidiary	(2,596)	(2,608)	(34)
TOTAL OTHER COMPREHENSIVE INCOME	151,202	(10,505,332)	10,733,952
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	**(38,878,353)**	**(50,309,371)**	**(113,719,737)**
TOTAL PROFIT (LOSS) ATTRIBUTABLE TO:			
Owners of the Company	(39,029,787)	(39,804,020)	(124,453,655)
Non-controlling interest	232	(19)	(34)
	(39,029,555)	**(39,804,039)**	**(124,453,689)**
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of the parent entity	(38,878,585)	(50,309,352)	(113,719,703)
Non-controlling interest	232	(19)	(34)
	(38,878,353)	**(50,309,371)**	**(113,719,737)**
Basic profit/(loss) per share attributable to the owners of the Company (full amount)	(26)	(27)	(84)

PT KRAKATAU POSCO
STATEMENTS OF CASH FLOWS
Year Ended
September 30 2026, December 31, 2025 & December 31, 2024
(Expressed in full of US Dollar, unless otherwise stated)

	September 30, 2026	Dec 31, 2025	Dec 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss) for the period/year	(39,029,555)	(39,804,038)	(124,453,689)
Adjusment for:			
Depreciation of fixed asset	126,312,821	203,268,297	201,205,534
Depreciation of right of use asset	14,171,938	20,056,584	22,501,741
Allowance for/(recovery of) impairment losses of inventories	(1,120,520)	217,494	(488,075)
Loss on disposal of fixed assets	511,366	199,377	75,268
Amortization	743,069	975,639	1,026,948
Finance income	(227,020)	(475,337)	(3,494,867)
Finance expense	78,379,537	105,705,230	133,850,469
Exchange differences arising from the translation of a subsidiar	(2,598)	(2,608)	(34)
Allowance for impairment losses of trade receivables	(5,722)	9,163	130
Allowance for/(recovery of) impairment losses of other receivab	(2,756)	699	(4,323)
Employee benefit expense	27,786	212,205	210,411
Income tax expenses	10,968,242	-	-
Changes in:			
Trade receivables	(24,025,514)	6,634,431	64,748,730
Other receivables	623,269	2,260,410	4,198,756
Inventories	33,055,648	(50,778,486)	(234,201)
Prepaid taxes	(48,071,530)	(10,581,158)	(7,020,415)
Advance payments	(467,492)	39,998	20,425,165
Other current assets	127,227	(454,043)	206,201
Other non-current assets	481,743	(32,038)	1,170,756
Trade payables	(86,990,765)	(87,122,516)	48,994,230
Other payables	2,362,893	(578,885)	(3,978,581)
Accrual	10,992,021	7,463,499	18,986,663
Advance from customers	16,660	(4,633,187)	(1,087,190)
Taxes payable	304,979	(2,858,324)	(58,118)
Payment of employee benefits	284,799	(12,094)	(179,076)
Receipt of finance income	227,020	475,337	3,494,867
Payment of finance expense	(78,379,537)	(104,342,455)	(131,365,515)
Net cash used in operating activities	**1,268,010**	**45,843,193**	**248,731,785**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets	(5,325,808)	(6,017,430)	(6,072,446)
Payments for assets under construction	(12,266,615)	(14,724,789)	(20,333,417)
Acquisition of intangible assets	(119,344)	(136,422)	(1,255,306)
Net cash used in investing activities	**(17,711,767)**	**(20,878,641)**	**(27,661,169)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of short term loans	891,165,251	915,873,539	1,200,643,156
Proceeds of long term loans	250,000,000	-	198,695,229
Proceeds of long term bond payables	-	-	694,399,000
Lease obligations	(14,244,185)	(17,519,237)	(17,610,452)
Repayments of long-term loans	(200,000,000)	-	(1,326,310,725)
Repayments of short-term loans	(917,171,028)	(919,035,728)	(995,199,425)
Net cash from financing activities	**9,750,038**	**(20,681,426)**	**(245,383,216)**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENT	**(6,693,718)**	**4,283,126**	**(24,312,600)**
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE IN CASH	**1,465,874**	**(1,468,563)**	**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	**15,343,767**	**20,571,611**	**17,757,048**