

PT KRAKATAU POSCO

Interim Consolidated Financial Statements Report March 31st, 2026



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

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
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	62,408,728	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	<u>659,709,251</u>	<u>578,607,157</u>	<u>523,145,876</u>
NON-CURRENT ASSETS			
Fixed assets, net	1,823,183,288	1,867,546,489	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	7,130,270	7,098,232
Total Non-Current Assets	<u>1,970,425,551</u>	<u>2,019,896,953</u>	<u>2,230,521,237</u>
TOTAL ASSETS	<u>2,630,134,802</u>	<u>2,598,504,110</u>	<u>2,753,667,113</u>

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	11,160	18,625
Total Current Liabilities	829,413,022	776,720,089	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	(1,087,309)
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	(5,899,278)
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	1,852,726,570	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	342,179,282	342,095,362	352,606,429
Accumulated deficit :			
Last Year	- 871,483,650	- 831,679,631	- 707,231,711
Current Year	- 17,391,952	- 39,804,039	- 124,453,655
Non-controlling interest	1,093	1,048	1,067
SHAREHOLDER'S EQUITY, NET	728,469,573	745,777,540	796,086,930
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	2,630,134,801	2,598,504,110	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)	18,524,359	116,476,554	72,606,282
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)	(2,283,513)	(7,641,114)
Other income (expense), net	151,332	2,476,696	2,296,344
OPERATING PROFIT (LOSS)	12,848,169	66,169,652	5,901,913
Finance cost	(25,765,227)	(106,449,028)	(133,850,469)
Finance income	68,463	475,337	3,494,867
NET FINANCE COST	(25,696,764)	(105,973,691)	(130,355,602)
PROFIT (LOSS) BEFORE INCOME TAX	(12,848,595)	(39,804,039)	(124,453,689)
Income tax (expense) benefit	(4,543,312)	-	-
PROFIT (LOSS) FOR THE YEAR	(17,391,907)	(39,804,039)	(124,453,689)
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
	84,375	(10,502,724)	10,733,986
Items that may be reclassified to profit or loss			
Exchange differences arising from translation of a subsidiary	(456)	(2,608)	(34)
TOTAL OTHER COMPREHENSIVE INCOME	83,919	(10,505,332)	10,733,952
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(17,307,988)	(50,309,371)	(113,719,737)
TOTAL PROFIT (LOSS) ATTRIBUTABLE TO:			
Owners of the Company	(17,391,952)	(39,804,020)	(124,453,655)
Non-controlling interest	45	(19)	(34)
	(17,391,907)	(39,804,039)	(124,453,689)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of the parent entity	(17,308,033)	(50,309,352)	(113,719,703)
Non-controlling interest	45	(19)	(34)
	(17,307,988)	(50,309,371)	(113,719,737)
Basic profit/(loss) per share attributable to the owners of the Company (full amount)	(12)	(27)	(84)

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)

	<u>Mar 31, 2026</u>	<u>Dec 31, 2025</u>	<u>Dec 31, 2024</u>
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	203,268,297	201,205,534
Depreciation of right of use asset	4,773,324	20,056,584	22,501,741
(Reversal of) provision for inventory write-down	528,709	217,494	(488,075)
Loss on disposal of fixed assets	401	199,377	75,268
Amortization	504,238	975,639	1,026,948
Interest income	(68,463)	(475,337)	(3,494,867)
Finance expense	25,765,227	105,705,230	133,850,469
Exchange differences arising from the translation of a subsidiary	(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)	6,634,431	64,748,730
Other receivables	(197,120)	2,260,410	4,198,756
Inventories	(36,392,745)	(50,778,486)	(234,201)
Prepaid taxes	(14,958,511)	(10,581,158)	(7,020,415)
Advance payments	2,960	39,998	20,425,165
Other current assets	(3,578,997)	(454,043)	206,201
Other non-current assets	88,536	(32,038)	1,170,756
Trade payables	(110,515,376)	(87,122,516)	48,994,230
Other payables	3,420,749	(578,885)	(3,978,581)
Accrual	8,280,362	7,463,499	18,986,663
Advance from customers	(23,686)	(4,633,187)	(1,087,190)
Taxes payable	5,277,362	(2,858,324)	(58,118)
Payment of employee benefits	(34,054)	(12,094)	(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)	45,843,193	248,731,785
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets	(6,493,255)	(6,017,430)	(6,072,446)
Payments for assets under construction	(522,331)	(14,724,789)	(20,333,417)
Acquisition of intangible assets	(257,894)	(136,422)	(1,255,306)
Net cash used in investing activities	(7,273,480)	(20,878,641)	(27,661,169)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of short term loans	354,743,204	915,873,539	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)	(17,519,237)	(17,610,452)
Repayments of long-term loans	-	-	(1,326,310,725)
Repayments of short-term loans	(208,155,408)	(919,035,728)	(995,199,425)
Net cash from financing activities	142,159,205	(20,681,426)	(245,383,216)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(18,461,562)	4,283,126	(24,312,600)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE IN CASH AND CASH E	16,238	(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	2,126,287	20,571,611	17,757,048