

Youngone Holdings Co., Ltd.

Separate Financial Statements
December 31, 2025 and 2024

Youngone Holdings Co., Ltd
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December 31, 2025 and 2024

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Independent Auditor's Report
(English Translation of a Report Originally Issued in Korean)

To the Shareholders and Board of Directors of
Youngone Holdings Co., Ltd

Opinion

We have audited the separate financial statements of Youngone Holdings Co., Ltd. (the Company), which comprise the separate statements of financial position as at December 31, 2025 and 2024, and the separate income statements, separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of Youngone Holdings Co., Ltd. as at December 31, 2025 and 2024, and its separate financial performance and its separate cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

We also have audited, in accordance with Korean Standards on Auditing, the Company's Internal Control over Financial Reporting as at December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*, and our report dated March 19, 2026, expressed an unqualified opinion.

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

We have determined that there are no key audit matters to report in our audit report.

Other Matter

Auditing standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries.

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

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

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Korean Standards on Auditing 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 financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's 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 financial statements, including the disclosures, and whether the 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 to 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 auditor's report is Min-seok Kwak, Certified Public Accountant.

The logo for Samit PricewaterhouseCoopers, featuring the company name in a stylized, cursive script.

Seoul, Korea
March 19, 2026

This report is effective as of March 19, 2026, 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 there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Youngone Holdings Co., Ltd
Separate Statements of Financial Position
December 31, 2025 and 2024

<i>(in Korean won)</i>	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	4,5,6	₩ 4,590,001,409	₩ 26,675,482,017
Short-term financial instruments	4,5,6	110,000,000,000	101,400,000,000
Current financial assets at fair value through profit or loss	4,5	70,706,091,161	-
Other receivables	4,5,11	14,748,812,307	13,247,392,249
Current tax assets	20	-	332,105,962
Other current assets	12	1,155,347,325	1,106,979,302
		<u>201,200,252,202</u>	<u>142,761,959,530</u>
Non-current assets			
Financial assets at fair value through other comprehensive income	4,5,7	95,684,993,869	114,568,714,189
Non-current financial assets at fair value through profit or loss	4,5,8	1,577,087,475	1,920,222,631
Investments in associates	9	3,360,000,000	3,360,000,000
Investments in subsidiaries	10	420,403,947,868	420,281,462,874
Property, plant and equipment	13	882,154,798	761,488,649
Intangible assets	15	21,355,704,295	21,796,210,378
Right-of-use assets	14	479,602,184	537,519,459
Investment property	16	14,852,264,638	15,408,011,408
Other receivables	5,11	1,078,965,286	2,873,675,564
		<u>559,674,720,413</u>	<u>581,507,305,152</u>
Total assets		<u>₩ 760,874,972,615</u>	<u>₩ 724,269,264,682</u>
Liabilities			
Current liabilities			
Current tax liabilities	20	₩ 479,508,207	₩ -
Other payables	4,5,17	4,100,976,840	2,404,386,362
Other current liabilities	18	222,412,140	1,862,508,400
Current lease liabilities	4,14	146,490,536	122,542,996
		<u>4,949,387,723</u>	<u>4,389,437,758</u>
Non-current liabilities			
Other payables	4,5,17	2,325,400,000	2,298,900,000
Net defined benefit liabilities	19	4,022,480,950	6,680,647,373
Deferred tax liabilities	20	19,484,297,733	22,069,311,179
Non-current lease liabilities	4,14	341,107,801	447,136,828
		<u>26,173,286,484</u>	<u>31,495,995,380</u>
Total liabilities		<u>31,122,674,207</u>	<u>35,885,433,138</u>
Equity			
Issued capital	1,21	6,817,796,000	6,817,796,000
Share premium	21	65,424,752,901	113,893,779,001
Retained earnings	23	516,871,638,696	413,282,366,101
Other components of equity	22	140,638,110,811	154,389,890,442
Total equity		<u>729,752,298,408</u>	<u>688,383,831,544</u>
Total liabilities and equity		<u>₩ 760,874,972,615</u>	<u>₩ 724,269,264,682</u>

The above separate statements of financial position should be read in conjunction with the accompanying notes.

Youngone Holdings Co., Ltd
Separate Income Statements
Years Ended December 31, 2025 and 2024

<i>(in Korean won)</i>	Notes	2025	2024
Operating revenue	32		
Dividend income		₩ 130,353,562,480	₩ 132,345,378,452
Others		23,225,062,809	19,115,404,947
		<u>153,578,625,289</u>	<u>151,460,783,399</u>
Operating expenses			
Selling and administrative expenses	25,27	<u>30,496,902,534</u>	<u>29,444,810,898</u>
Operating income		123,081,722,755	122,015,972,501
Other income	5,26	2,434,048,593	2,575,001,269
Other expenses	5,26	9,604,951,695	2,945,033,345
Finance income	5,28	5,225,650,880	3,546,860,811
Finance costs	5,28	805,970,193	400,970,594
Profit before income tax		<u>120,330,500,340</u>	<u>124,791,830,642</u>
Income tax expense	20	2,786,195,963	609,691,633
Profit		<u>₩ 117,544,304,377</u>	<u>₩ 124,182,139,009</u>
Earnings per share			
Basic earnings per share	29	₩ 10,129	₩ 10,701

The above separate income statements should be read in conjunction with the accompanying notes.

Youngone Holdings Co., Ltd
Separate Statements of Comprehensive Income
Years Ended December 31, 2025 and 2024

<i>(in Korean won)</i>	Notes	2025	2024
Profit		<u>₩ 117,544,304,377</u>	<u>₩ 124,182,139,009</u>
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit liabilities	19,22	1,833,483,359	(2,209,652,620)
Loss on valuation of financial assets at fair value through other comprehensive income	22	<u>(15,923,116,572)</u>	<u>(10,701,768,599)</u>
Other comprehensive income (loss), net of tax		<u>(14,089,633,213)</u>	<u>(12,911,421,219)</u>
Total comprehensive income		<u>₩ 103,454,671,164</u>	<u>₩ 111,270,717,790</u>

The above separate statements of comprehensive income should be read in conjunction with the accompanying notes.

Youngone Holdings Co., Ltd
Separate Statements of Changes in Equity
Years Ended December 31, 2025 and 2024

(in Korean won)

	Notes	Issued capital	Share premium	Retained earnings	Other components of equity	Total equity
Balance at January 1, 2024		₩ 6,817,796,000	₩ 113,893,779,001	₩ 344,455,590,552	₩ 167,301,311,661	₩ 632,468,477,214
Total comprehensive income						
Profit		-	-	124,182,139,009	-	124,182,139,009
Loss on valuation of financial assets at fair value through other comprehensive income		-	-	-	(10,701,768,599)	(10,701,768,599)
Remeasurements of net defined benefit liabilities		-	-	-	(2,209,652,620)	(2,209,652,620)
Transactions with owners						
Dividends paid	23,24	-	-	(55,355,363,460)	-	(55,355,363,460)
Balance at December 31, 2024		₩ 6,817,796,000	₩ 113,893,779,001	₩ 413,282,366,101	₩ 154,389,890,442	₩ 688,383,831,544
Balance at January 1, 2025		₩ 6,817,796,000	₩ 113,893,779,001	₩ 413,282,366,101	₩ 154,389,890,442	₩ 688,383,831,544
Total comprehensive income						
Profit		-	-	117,544,304,377	-	117,544,304,377
Loss on valuation of financial assets at fair value through other comprehensive income		-	-	-	(15,923,116,572)	(15,923,116,572)
Remeasurements of net defined benefit liabilities		-	-	-	1,833,483,359	1,833,483,359
Transactions with owners						
Dividends paid	23,24	-	-	(62,086,204,300)	-	(62,086,204,300)
Transfer to retained earnings		-	(48,469,026,100)	48,469,026,100	-	-
Cancellation of treasury shares		-	-	(337,853,582)	337,853,582	-
Balance at December 31, 2025		₩ 6,817,796,000	₩ 65,424,752,901	₩ 516,871,638,696	₩ 140,638,110,811	₩ 729,752,298,408

The above separate statements of changes in equity should be read in conjunction with the accompanying notes.

Youngone Holdings Co., Ltd
Separate Statements of Cash Flows
Years Ended December 31, 2025 and 2024

<i>(in Korean won)</i>	Note	2025	2024
Cash flows from operating activities			
Net cash flows used in operations	30	₩ (8,584,002,447)	₩ (10,767,280,457)
Interest paid		(28,038,193)	(42,622,594)
Interest received		4,351,040,326	2,486,854,955
Dividends received		130,353,562,480	132,345,378,452
Income tax paid		<u>(2,127,496,838)</u>	<u>(750,948,616)</u>
Cash flows from operating activities		<u>123,965,065,328</u>	<u>123,271,381,740</u>
Cash flows used in investing activities			
Increase in short-term financial instruments, net		(8,600,000,000)	(65,717,150,000)
Payments for current financial assets at fair value through profit or loss		(100,855,301,121)	-
Proceeds from sale of current financial assets at fair value through profit or loss		31,893,279,330	-
Payments for property, plant and equipment		(226,136,818)	(22,675,000)
Payments for intangible assets		(2,713,722,414)	(12,713,640,739)
Payments for investment property		-	(12,090,739)
Payments for non-current financial assets at fair value through profit or loss		(306,858,847)	(1,270,228,628)
Payment for investments in associates		-	(3,360,000,000)
Payment for investments in subsidiaries		(122,484,994)	-
Increase in long-term loans		(3,383,060,000)	(1,466,235,000)
Collection of long-term loans		499,800,000	-
Decrease in rent deposits		<u>(325,000,000)</u>	<u>52,607,400</u>
Cash flows used in investing activities		<u>(84,139,484,864)</u>	<u>(84,509,412,706)</u>
Cash flows used in financing activities			
Dividends paid		(62,086,204,300)	(55,355,363,460)
Decrease in financial lease liabilities		(135,461,807)	(114,577,306)
Increase in other deposits		<u>26,500,000</u>	<u>71,000,000</u>
Cash flows used in financing activities		<u>(62,195,166,107)</u>	<u>(55,398,940,766)</u>
Changes in cash due to foreign currency translation		<u>284,105,035</u>	<u>467,312,417</u>
Decrease in cash and cash equivalents		<u>(22,085,480,608)</u>	<u>(16,169,659,315)</u>
Cash and cash equivalents at the beginning of the year		<u>26,675,482,017</u>	<u>42,845,141,332</u>
Cash and cash equivalents at the end of the year		<u>₩ 4,590,001,409</u>	<u>₩ 26,675,482,017</u>

The above separate statements of cash flows should be read in conjunction with the accompanying notes.

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

1. The Company

Youngone Holdings Co., Ltd. (the Company) was established on June 5, 1974 and the Company is headquartered in Jung-gu, Seoul. On November 7, 1988, the Company was listed on the Korea Exchange.

The Company was mainly engaged in domestic and overseas import and export business, its agency business, and clothing manufacturing and sales business until June 30, 2009, before the spin-off of its operating segment. On July 1, 2009, which was the spin-off registration date, the Company carried out a spin-off of the operating segment to the newly established company, Youngone Corporation. After the spin-off, the Company changed its name to Youngone Holdings Co., Ltd., and the Company converted into a holding company that mainly engaged in the investment business and office renting business through investing shares in subsidiaries.

The Company's issued capital as at December 31, 2025, is ₩ 6,817,796 thousand and the Company's shareholders and their respective percentage of ownership as at December 31, 2025, are as follows:

	Number of shares <i>(in shares)</i>	Ownership (%)	Remark
YMSA	3,966,971	29.39	Majority shareholder
Sung, Ki Hak	2,286,445	16.94	
Youngone Holdings Co., Ltd.	<u>1,894,339</u>	<u>14.03</u>	Treasury shares
Others	<u>5,351,482</u>	<u>39.64</u>	
	<u>13,499,237</u>	<u>100.00</u>	

2. Material Accounting Policies

The principal accounting policies applied in the preparation of these separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

2.1 Basis of Preparation

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS). The accompanying separate financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

Certain information attached to the Korean language financial statements, but not required for a fair presentation of the Company's financial position, financial performance or cash flows, is not presented in the accompanying separate financial statements.

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

The separate financial statements of the Company have been prepared in accordance with Korean IFRS. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments), certain classes of property, plant and equipment and investment property – measured at fair value
- assets held for sale – measured at fair value less costs to sell
- contingent consideration – measured at fair value, and
- defined benefit pension plans – plan assets measured at fair value.

The preparation of financial statements requires the use of critical accounting estimates. Management also needs to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the separate financial statements are disclosed in Note 3.

2.2 Changes in Accounting Policies and Disclosures

2.2.1 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2025.

(a) Amendments to Korean IFRS 1021 The Effects of Changes in Foreign Exchange Rates and 1101 First-time Adoption of International Financial Reporting Standards – Lack of Exchangeability

When an entity estimates a spot exchange rate because exchangeability between two currencies is lacking, the entity shall disclose related information. The amendments do not have a significant impact on the separate financial statements.

(b) Amendments to Korean IFRS 1117 Insurance Contracts

If the estimation techniques used for input variables in measuring insurance contracts differ from the principles required by insurance regulations, the entity shall disclose those differences and their effects when the differences and their effects on the separate financial statements are considered relevant and material to users of financial statements.

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

2.2.2 New standards and interpretations not yet adopted by the Company

The following new accounting standards and interpretations have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Company.

(a) Amendments to Korean IFRS 1109 Financial Instruments, Korean IFRS 1107 Financial Instruments: Disclosures

Korean IFRS 1109 *Financial Instruments* and Korean IFRS 1107 *Financial Instruments: Disclosures* have been amended to respond to recent questions arising in practice, and to include new requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Company is in review for the impact of these amendments on the separate financial statements. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

(b) Annual Improvements to Korean IFRS - Volume 11

Annual Improvements to Korean IFRS - *Volume 11* should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Company does not expect the amendments to have a significant impact on the separate financial statements.

- Korean IFRS 1101 *First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter*
- Korean IFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition and implementation guidance*
- Korean IFRS 1109 *Financial Instruments: Derecognition of lease liabilities and definition of transaction price*
- Korean IFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Korean IFRS 1007 *Statement of Cash Flows: Cost method*

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

(c) Amendments to Korean IFRS 1109 Financial Instruments and Korean IFRS 1107 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

Contracts referencing nature-dependent electricity are defined contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (for example, the weather). The amendments clarify that 'contracts to buy or sell such electricity' are assessed for eligibility under the own-use exemption. In addition, the amendments modify hedge accounting requirements by allowing an entity to designate as the hedged item a variable nominal amount of forecast electricity transactions that reflect the nature-dependent variability of electricity and introduce additional disclosure requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments do not have a significant impact on the separate financial statements.

(d) Standards to Korean IFRS 1118 Presentation and Disclosure in Financial Statements

Korean IFRS 1118 *Presentation and Disclosure in Financial Statements* replaces Korean IFRS 1001 *Presentation of Financial Statements*. The new presentation requirements introduced in Korean IFRS 1118 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency. The standard should be applied for annual periods beginning on or after January 1, 2027, and earlier application is permitted. In accordance with the retrospective application requirements, comparative information for the year ended December 31, 2026, shall be restated under Korean IFRS 1118.

The Company has not yet adopted Korean IFRS 1118 and is in the process of determining the impact on the Company of applying Korean IFRS 1118. The Company has prepared a transition plan and is on track to report their first Korean IFRS 1118-compliant interim financial statements for the period ending March 31, 2027 and annual financial statements for the period ending December 31, 2027.

Management is in review for the impact of applying the new standard on separate financial statements. Adoption of the standard is not expected to have an impact on the Company's net profit or loss; however, it will require revenues and expenses in the separate income statements to be classified into new categories, which is expected to have an impact on the calculation and presentation of operating profit (loss).

2.3 Investment in Subsidiaries, Associates, and Joint Ventures

The financial statements of the Company are the separate financial statements prepared in accordance with Korean IFRS 1027 *Separate Financial Statements*. Investments in subsidiaries, joint ventures and associates are recognized at cost under the direct equity method. Management applied the carrying amounts under the previous K-GAAP at the time of transition to Korean IFRS as deemed cost of investments. The Company recognizes dividend income from investment in subsidiaries, associates, and joint ventures in profit or loss when its right to receive the profit or loss is established.

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

2.4 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the separate financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The separate financial statements are presented in Korean won, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities held at fair value through other comprehensive income are recognized in other comprehensive income.

2.5 Financial Assets

(a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss
- those to be measured at fair value through other comprehensive income, and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Company reclassifies debt investments when, and only when its business model for managing those assets changes.

Youngone Holdings Co., Ltd.

Notes to the Separate Financial Statements

December 31, 2025 and 2024

For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. Changes in the fair value of investments in unspecified equity instruments are recognized in profit or loss.

(b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or the issuance of the financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

A. Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into one of the following three measurement categories:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in 'finance income' using the effective interest rate method.
- **Fair value through other comprehensive income:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment loss (reversal of impairment loss), interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'finance income' using the effective interest rate method. Foreign exchange gains and losses are presented in 'other income or expenses' and impairment losses are presented in 'other expenses'.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the separate income statement within 'other income

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or expenses' in the year in which it arises.

B. Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividend income from such investments continue to be recognized in profit or loss when the right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in 'other income and expenses' in the separate income statement as applicable. Impairment loss (reversal of impairment loss) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(c) Impairment

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables. (Note 4.1.2 provides more detail of how the Company determines there has been a significant increase in credit risk.)

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized or derecognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognize the transferred asset in its entirety and recognizes a financial liability for the consideration received.

(e) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the separate statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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2.6 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of all property, plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

	Useful lives
Structures	30 years
Facilities	30 years
Vehicles	5 years
Equipment	4 years

The assets' depreciation method, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. If necessary, it will be accounted for as a change in estimates.

2.7 Intangible Assets

Intangible assets are initially recognized at its historical cost, and carried at cost less accumulated amortization and accumulated impairment losses.

The Company amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

	Useful lives
Software	5 years
Industrial property	5 years

2.8 Investment Property

Investment property is property held to earn rentals or for capital appreciation or both. An investment property is measured initially at its cost. An investment property is measured after initial measurement at depreciated cost (less any accumulated impairment losses). After recognition as an asset, investment property is carried at cost less accumulated depreciation and impairment losses. The Company depreciates investment properties, except for land, using the straight-line method over their useful lives of 40 years.

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2.9 Leases

(a) Lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the separate statement of financial position based on their nature. The Company did not need to adjust the accounting for assets held as a lessor in accordance with the application of the new lease standard.

(b) Lessee

The Company leases offices. Lease contracts are typically made for fixed periods of 2 to 5 years, but may have extension options as described in (c) below.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is lessee, the Company applies the practical expedient which has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Company determines the lease term as the non-cancellable period of a lease, together with both (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. When the lessee and the lessor each has the right to terminate the lease without permission from the other party, the Company should consider a termination penalty in determining the period for which the contract is enforceable.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company (the lessee) under residual value guarantees

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- The exercise price of a purchase option if the Company (the lessee) is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company (the lessee) exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Company:

- The lease period is reflected in the interest rate of the public bond considering the Company's credit rating.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term leases are leases with a lease term of 12 months or less without a purchase option.

(c) Extension and termination options

Extension and termination options are included in property leases across the Company. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the

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respective lessor.

2.10 Impairment of Non-financial Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Depreciated assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Financial Liabilities

(a) Classification and measurement

The Company's financial liabilities at fair value through profit or loss are financial instruments held for trading. A financial liability is held for trading if it is incurred principally for the purpose of repurchasing in the near term. Derivatives that are not designated as hedging instruments and are separated from financial instruments, including embedded derivatives, are also classified as held for trading.

The Company classifies non-derivative financial liabilities, except for financial liabilities at fair value through profit or loss, financial guarantee contracts and financial liabilities that arise when a transfer of financial assets does not qualify for derecognition, as financial liabilities carried at amortized cost and present as 'borrowings' and 'other payables' in the separate statement of financial position.

(b) Derecognition

Financial liabilities are removed from the separate statement of financial position when it is extinguished; for example, when the obligation specified in the contract is discharged or cancelled or expired or when the terms of an existing financial liability are substantially modified. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

2.12 Financial Guarantee Contracts

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value, subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under Korean IFRS 1109 *Financial Instruments* and
- the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with Korean IFRS 1115 *Revenue from Contracts with*

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Customers

The fair value of a financial guarantee contract is determined based on the market price of similar financial instruments, comparing the interest rates of borrowings with and without financial guarantees, or based on the amount to be paid for financial guarantees.

The related liability is recognized as 'other payables' in the separate statement of financial position.

2.13 Provisions

Provisions for service warranties, make good obligation, and legal claims are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and the increase in the provision due to the passage of time is recognized as interest expense.

2.14 Current and Deferred Tax

The tax expense for the period consists of current and deferred tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is measured at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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The Company recognizes a deferred tax liability all taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In addition, The Company recognizes a deferred tax asset for all deductible temporary differences arising from such investments to the extent that it is probable the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

2.15 Employment Benefits

(a) Post-employment benefits

The Company operates both defined contribution and defined benefit plans.

For defined contribution plans, the Company pays contribution to publicly or privately administered pension insurance plans on mandatory, contractual or voluntary basis. The Company has no further payment obligation once the contribution has been paid. The contribution is recognized as employee benefit expense when they are due.

A defined benefit plan is a pension plan that is not a defined contribution plan. Generally, post-employment benefits are payable after the completion of employment, and the benefit amount depends on the employee's age, periods of service or salary levels. The liability recognized in the separate statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs.

2.16 Revenue Recognition

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met for each of the Company's activities as described below.

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(a) Management consulting fees

Management consulting fees are recognized on an accrual basis depending on the substance of the contract.

(b) Interest income

Interest income is recognized using the effective interest method according to the time passed. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognized using the original effective interest rate.

(c) Dividend income

Dividend income is recognized when the right to receive payment is established.

(d) Rental income

Rental income from investment properties is recognized as revenue over the period during which the rental services are provided.

2.17 Segment Reporting

Information of each operating segment is reported in a manner consistent with the internal business segment reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions. The Company disclosed information relating to its operating segments in its consolidated financial statements in accordance with Korean IFRS 1108, and did not disclose them separately in these financial statements.

2.18 Approval of Issuance of the Financial Statements

The separate financial statements 2025 were approved for issue by the Board of Directors on March 10, 2026, and are subject to change with the approval of shareholders at their Annual General Meeting.

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3. Critical Accounting Estimates and Assumptions

The preparation of financial statements requires the Company to make estimates and assumptions concerning the future. Management also needs to exercise judgement in applying the Company's accounting policies. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. As the resulting accounting estimates will, by definition, seldom equal the related actual results, it can contain a significant risk of causing a material adjustment.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Additional information of significant judgement and assumptions of certain items are included in relevant notes.

3.1 Impairment of investments in subsidiaries

The Company conducts impairment reviews on the investment in subsidiaries at the end of each reporting period. Impairment tests are conducted at the end of each year, considering the financial significance of the investments or if there are impairment indicators. During the impairment test, the carrying amount of the cash generating unit or group of cash generating units is compared with the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Impairment losses are immediately recognized as an expense, and are reversed to the extent that the recoverable amount increases subsequently.

3.2 Income taxes

The Company's taxable income generated from these operations is subject to income taxes based on tax laws and interpretations of tax authorities. There are many transactions and calculations for which the ultimate tax determination is uncertain (Note 20).

If certain portion of the taxable income is not used for investments or increase in wages and others in accordance with the *Tax System For Recirculation of Corporate Income*, the Company is liable to pay additional income tax calculated based on the tax laws. Accordingly, the measurement of current and deferred income tax is affected by the tax effects from the new tax system. As the Company's income tax is dependent on the investments, increase in wages and dividends, there is an uncertainty in measuring the final tax effects.

3.3 Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

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3.4 Impairment of financial assets

The provision for impairment for financial assets is based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

3.5 Net defined benefit liability

The present value of net defined benefit liability depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate (Note 19).

3.6 Leases

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of real estate, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

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4. Financial Risk Management

4.1 Financial Risk Factors

The Company is exposed to credit risk, liquidity risk, and market risk (including foreign currency risk, price risk, and interest rate risk) due to various activities. In order to manage these factors, the Company operates risk management policies that closely monitor and respond to each risk factor.

4.1.1 Market risk

(a) Foreign exchange risk

The Company's financial instruments denominated in major foreign currencies except for functional currency as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

	2025		2024	
Cash and cash equivalents				
USD	₩	1,320,446	₩	25,055,160
EUR		3,540		120,540
HKD		4,684		4,808
SGD		2,514		2,432
CHF		3,997		888
JPY		938,850		1,611
	₩	<u>2,274,031</u>	₩	<u>25,185,439</u>
Current financial assets at fair value through profit or loss				
USD	₩	29,051,268	₩	29,400,000
	₩	<u>29,051,268</u>	₩	<u>29,400,000</u>
Other receivables				
USD	₩	12,316,533	₩	8,298,104
EUR		3,157,877		2,813,592
	₩	<u>15,474,410</u>	₩	<u>11,111,696</u>
Other payables				
CHF	₩	18,417	₩	46,198
JPY		2,202,312		1,498,368
	₩	<u>2,220,728</u>	₩	<u>1,544,566</u>

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As at December 31, 2025 and 2024, if the foreign exchange rate fluctuated by 5% while other variables are fixed, the effects on income before tax would be as follows:

(in thousands of Korean won)

	2025		2024	
	Increase	Decrease	Increase	Decrease
USD	₩ 2,134,412	₩ (2,134,412)	₩ 3,137,663	₩ (3,137,663)
EUR	158,071	(158,071)	146,707	(146,707)
HKD	234	(234)	240	(240)
SGD	126	(126)	122	(122)
CHF	(721)	721	(2,265)	2,265
JPY	(63,173)	63,173	(74,838)	74,838
	<u>₩ 2,228,949</u>	<u>₩ (2,228,949)</u>	<u>₩ 3,207,629</u>	<u>₩ (3,207,629)</u>

(b) Price risk

The Company acquires equity securities to manage a liquidity risk and for trading. The Company invests in more than one investment vehicle either directly or indirectly, and the fair value of equity securities (excluding investments in subsidiaries and associates and unlisted equity securities) as at December 31, 2025, is ₩ 95,135,266 thousand (2024: ₩ 114,067,473 thousand) (Note 7).

As at December 31, 2025 and 2024, if the price of equity securities fluctuated by 20%, the effects on other comprehensive income would be as follows:

(in thousands of Korean won)

	2025		2024	
	Increase	Decrease	Increase	Decrease
Effects on other comprehensive income				
Financial assets at fair value through other comprehensive income	₩ 14,841,101	₩ (14,841,101)	₩ 18,045,475	₩ (18,045,475)

(c) Cash flow and fair value interest rate risk

The Company is exposed to changes in value risk on statement of financial position (financial assets, liabilities) through changes in price and interest rate risk through changes in interest income(expense) generated from investments and borrowings. The risk mainly arises from investments of floating rate receivables and borrowings of floating rate payables.

As at December 31, 2025, the Company did not have any floating rate receivables or payables.

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4.1.2 Credit Risk

Credit risk arises from the Company's ordinary trading and investment activities when customers or counterparties may fail to fulfill their contractual obligations. To manage such credit risk, the Company periodically evaluates the creditworthiness of customers and counterparties by considering their financial condition, past experience, and other relevant factors, and establishes credit limits for each customer and counterparty.

(a) Other financial assets carried at amortized cost

Other financial assets at amortized cost include non-trade receivables, loans and others.

Movements in loss allowance provision for other financial assets at amortized cost for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	
	Loans	
Beginning balance	₩	5,567,910
Increase in loss allowance recognized in profit or loss during the year		5,605,436
Ending balance	₩	<u>11,173,346</u>
	2024	
	Loans	
Beginning balance	₩	3,560,061
Increase in loss allowance recognized in profit or loss during the year		2,007,849
Ending balance	₩	<u>5,567,910</u>

(b) Bad debt expenses

Bad debt expenses recognized in profit or loss in relation to impaired financial assets for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Bad debt expenses on financial assets at amortized cost	₩	5,605,436	₩	2,007,849
Net bad debt expenses	₩	<u>5,605,436</u>	₩	<u>2,007,849</u>

Loss allowance provision and unused amounts reversed have been included in the separate

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income statement within 'other expenses' (Note 26). The Company's entire bad debt expense is related to financial assets at amortized cost.

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(c) *Maximum exposures to credit risk*

The Company's maximum exposures of financial instruments to credit risk without consideration of collaterals' values as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

		2025		
		Book amount without deduction	Accumulated allowance for trade receivables	Book amount (maximum exposure)
Cash and cash equivalents ¹	₩	4,543,543	₩ -	₩ 4,543,543
Short-term financial instruments		110,000,000	-	110,000,000
Current financial assets at fair value through profit or loss		70,706,091		70,706,091
Other receivables		27,001,123	(11,173,346)	15,827,777
Financial guarantee contracts		2,569,364	-	2,569,364
Non-current financial assets at fair value through profit or loss		1,577,087	-	1,577,087
Financial assets at fair value through other comprehensive income		95,684,994	-	95,684,994
	₩	<u>312,082,202</u>	₩ (11,173,346)	<u>₩ 300,908,856</u>

¹ Cash on hand is not included in cash and cash equivalents.

(in thousands of Korean won)

		2024		
		Book amount without deduction	Accumulated allowance for trade receivables	Book amount (maximum exposure)
Cash and cash equivalents ¹	₩	26,633,247	₩ -	₩ 26,633,247
Short-term financial instruments		101,400,000	-	101,400,000
Current financial assets at fair value through profit or loss		-	-	-
Other receivables		21,688,978	(5,567,910)	16,121,068
Financial guarantee contracts		1,498,368	-	1,498,368
Non-current financial assets at fair value through profit or loss		1,920,223	-	1,920,223
Financial assets at fair value through other comprehensive income		114,568,714	-	114,568,714
	₩	<u>267,709,530</u>	₩ (5,567,910)	<u>₩ 262,141,620</u>

¹ Cash on hand is not included in cash and cash equivalents.

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4.1.3 Liquidity Risk

Liquidity risk is defined as the risk that the Company is unable to meet its short-term payment obligations on time due to deterioration of its business performance or inability to access financing.

The Company forecasts its cash flow and liquidity status, and sets action plans on a regular basis to manage liquidity risk proactively.

Details of the Company's liquidity risk analysis as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025					
	Less than 3 months	Between 3 months and 1 year	Over 1 year	Over 2 years	Total	Carrying amount
Other payables	₩ 1,898,665	₩ -	₩ 688,500	₩ 1,636,900	₩ 4,224,065	₩ 4,224,065
Lease liabilities	41,400	124,200	165,600	193,200	524,400	487,598
Financial guarantee contracts ¹	2,569,364	-	-	-	2,569,364	2,202,312
	<u>₩ 4,509,429</u>	<u>₩ 124,200</u>	<u>₩ 854,100</u>	<u>₩ 1,830,100</u>	<u>₩ 7,317,829</u>	<u>₩ 6,913,975</u>

¹ The financial guarantee contracts are included under the 'On demand' category as payments will be made upon request.

<i>(in thousands of Korean won)</i>	2024					
	Less than 3 months	Between 3 months and 1 year	Over 1 year	Over 2 years	Total	Carrying amount
Other payables	₩ 906,018	₩ -	₩ 688,500	₩ 1,610,400	₩ 3,204,918	₩ 3,204,918
Lease liabilities	39,300	117,900	157,200	340,600	655,000	569,680
Financial guarantee contracts ¹	1,498,368	-	-	-	1,498,368	1,498,368
	<u>₩ 2,443,686</u>	<u>₩ 117,900</u>	<u>₩ 845,700</u>	<u>₩ 1,951,000</u>	<u>₩ 5,358,286</u>	<u>₩ 5,272,966</u>

¹ The financial guarantee contracts are included under the 'On demand' category as payments will be made upon request.

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4.2 Capital Risk Management

The Company's capital risk management purpose is to maximize shareholders' value through maintaining a sound capital structure. The Company uses debt-to-equity ratio as an indicator of capital management. This ratio is calculated from total liabilities divided by total equity which is posted in the separate financial statements.

Debt-to-equity ratios as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Total liabilities	₩	31,122,674	₩	35,885,433
Total equity		<u>729,752,298</u>		<u>688,383,832</u>
Debt-to-equity ratio		<u>4.26%</u>		<u>5.21%</u>

4.3 Fair Value Hierarchy

The table below analyzes financial instruments measured at fair value according to the evaluation method. The defined levels are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date, which reflects market assumptions about changes in the economic environment such as rising interest rates, inflation, and ESG-related risks (Level 1).
- Inputs other than quoted prices of Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2).
- Unobservable inputs to assets or liabilities, such as unlisted equity securities and financial instruments that reflect significant unobservable adjustments due to ESG-related risks (Level 3).

Fair value hierarchy classifications of the financial instruments that are measured at fair value as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income	₩ 95,135,266	₩ 549,728	₩ -	₩ 95,684,994
Financial assets at fair value through profit or loss	-	70,566,427	1,716,751	72,283,179

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(in thousands of Korean won)

	2024			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income	₩ 114,067,473	₩ 501,241	₩ -	₩ 114,568,714
Financial assets at fair value through profit or loss	-	-	1,920,223	1,920,223

As at December 31, 2025, there is no significant difference between the fair values and book amounts of financial instruments held by the Company.

4.4 Transfers Between Fair Value Hierarchy Levels of Recurring Fair Value Measurements

The Company's policy is to recognize transfers between levels of fair value at the end of the reporting period.

Details of transfers between levels of each fair value hierarchy of financial instruments are as follows:

There were no transfers between levels 1 and 2 for recurring fair value measurements for the years ended December 31, 2025 and 2024.

Changes in level 3 for recurring fair value measurements for the years ended December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

	2025		2024	
	Financial assets at fair value through profit or loss		Financial assets at fair value through profit or loss	
Beginning balance	₩	1,920,222	₩	783,383
Amount recognized in profit or loss		(362,002)		(133,389)
Purchases		306,859		1,270,228
Sales		(148,329)		-
Ending balance	₩	1,716,750	₩	1,920,222

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Valuation techniques and inputs used in the recurring and non-recurring fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

		2025		
	Fair value	Level	Valuation techniques	Inputs
Financial assets at fair value through other comprehensive income				
Equity	₩ 549,728	2	Market value method	Credit risk adjusted discount rate and others
Financial assets at fair value through profit or loss				
Funds	1,716,751	3	Asset approach	Fair value of net assets
Beneficiary securities	70,566,427	2	Market value method	Credit risk adjusted discount rate and others

(in thousands of Korean won)

		2024		
	Fair value	Level	Valuation techniques	Inputs
Financial assets at fair value through other comprehensive income				
Equity	₩ 501,241	2	Market value method	Credit risk adjusted discount rate and others
Financial assets at fair value through profit or loss				
Funds	1,920,223	3	Asset approach	Fair value of net assets

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5. Financial Instruments by Category

5.1 Carrying Amounts of Financial Instruments by Category

Categorizations of financial assets and liabilities as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

	2025					Total
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial liabilities at amortized cost		
Financial assets						
Cash and cash equivalents	₩ 4,590,001	₩ -	₩ -	₩ -	₩ -	₩ 4,590,001
Short-term financial instruments	110,000,000	-	-	-	-	110,000,000
Current financial assets at fair value through profit or loss	-	70,706,091	-	-	-	70,706,091
Non-current financial assets at fair value through profit or loss	-	1,577,087	-	-	-	1,577,087
Financial assets at fair value through other comprehensive income	-	-	95,684,994	-	-	95,684,994
Other receivables	15,827,778	-	-	-	-	15,827,778
	<u>₩ 130,417,779</u>	<u>₩ 72,283,179</u>	<u>₩ 95,684,994</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 298,385,952</u>
Financial liabilities						
Other payables	₩ -	₩ -	₩ -	₩ 6,426,377	₩ -	₩ 6,426,377
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 6,426,377</u>	<u>₩ -</u>	<u>₩ 6,426,377</u>

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	2024					Total
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial liabilities at amortized cost		
<i>(in thousands of Korean won)</i>						
Financial assets						
Cash and cash equivalents	₩ 26,675,482	₩ -	₩ -	₩ -	₩ -	₩ 26,675,482
Short-term financial instruments	101,400,000	-	-	-	-	101,400,000
Non-current financial assets at fair value through profit or loss	-	1,920,223	-	-	-	1,920,223
Financial assets at fair value through other comprehensive income	-	-	114,568,714	-	-	114,568,714
Other receivables	16,121,068	-	-	-	-	16,121,068
	<u>₩ 144,196,550</u>	<u>₩ 1,920,223</u>	<u>₩ 114,568,714</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 260,685,487</u>
Financial liabilities						
Other payables	₩ -	₩ -	₩ -	₩ 4,703,286	₩ -	₩ 4,703,286
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 4,703,286</u>	<u>₩ -</u>	<u>₩ 4,703,286</u>

5.2 Net Gains or Losses by Category of Financial Instruments

Net gains or losses on each category of financial instruments for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Financial assets at fair value through profit or loss		
Gain (loss) on valuation	₩ 259,790	₩ (133,389)
Loss on transaction	(9,715)	-
Foreign exchange gain	844,000	-
Financial assets at fair value through other comprehensive income		
Loss on valuation (other comprehensive income)	(18,883,720)	(13,529,417)
Dividend income	2,723,668	2,109,513
Financial assets at amortized cost		
Interest income	5,225,651	3,546,861
Foreign exchange gain (loss)	(2,682,593)	1,882,230
Reversal of other bad debt expenses (other bad debt expenses)	5,605,436	(2,007,849)
Financial liabilities at amortized cost		
Transfer to financial guarantee liabilities	(777,932)	(358,348)
Foreign exchange gain (loss)	73,988	(53,095)

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6. Cash and Cash Equivalents and Short-term Financial Instruments

(a) Cash and cash equivalents as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>		2025		2024	
	Cash	₩	46,458	₩	42,235
	Ordinary deposits		391,769		803,520
Cash and cash equivalent	Foreign currency ordinary deposit		2,231,705		1,631,037
	Time deposits		1,920,069		24,198,690
		₩	<u>4,590,001</u>	₩	<u>26,675,482</u>
Short-term financial instruments	Time deposits	₩	110,000,000	₩	101,400,000

7. Financial Assets at Fair Value through Other Comprehensive Income

(a) Financial assets at fair value through other comprehensive income as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>		2025		2024	
Listed securities		₩	95,135,266	₩	114,067,473
Unlisted securities			549,728		501,241
		₩	<u>95,684,994</u>	₩	<u>114,568,714</u>

Upon disposal of these equity securities, any balance within the accumulated other comprehensive income for these equity investments is reclassified to retained earnings and is not reclassified to profit or loss.

(b) Changes in financial assets at fair value through other comprehensive income for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>		2025		2024	
Beginning balance		₩	114,568,714	₩	128,098,131
Loss on valuation			(18,883,720)		(13,529,417)
Ending balance		₩	<u>95,684,994</u>	₩	<u>114,568,714</u>

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(c) The details of listed securities as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

	Number of shares (in shares)	Percentage of ownership(%)	2025		2024	
			Acquisition cost	Market value	Book amount	Book amount
GOLDWIN INC. ¹	4,131,300	2.9	₩ 3,540,098	₩ 95,135,266	₩ 95,135,266	₩ 114,067,473

¹ GOLDWIN INC.'s shares are listed in Tokyo Stock Exchange in Japan.

² For the year ended December 31, 2025, the number of shares increased from 1,377,100 to 4,131,300 due to the share split(1:3), but there was no change in the percentage of ownership.

8. Financial Assets at Fair Value through Profit or Loss

(a) Financial assets at fair value through profit or loss as at December 31, 2025 and 2024, consist of:

(in thousands of Korean won)

	2025		2024	
	Acquisition cost	Fair value	Book amount	Book amount
Current				
Beneficiary securities				
Beneficiary securities	₩ 69,100,636	₩ 70,566,428	₩ 70,566,428	₩ -
Sparklabs-Shinhan Opportunity Fund 1 ¹	468,809	139,663	139,663	-
	<u>69,569,445</u>	<u>70,706,091</u>	<u>70,706,091</u>	<u>-</u>
Non-current				
Sparklabs-Shinhan Opportunity Fund ¹	-	-	-	649,994
H One Private Equity Fund	1,577,087	1,577,087	1,577,087	1,270,229
	<u>1,577,087</u>	<u>1,577,087</u>	<u>1,577,087</u>	<u>1,920,223</u>
	<u>₩ 71,146,532</u>	<u>₩ 72,283,178</u>	<u>₩ 72,283,178</u>	<u>₩ 1,920,223</u>

¹ Transferred to the current due to the planned dissolution of the investment association.

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(b) The changes in financial assets at fair value through profit or loss for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Beginning balance	₩	1,920,222	₩	783,383
Acquisition		101,162,160		1,270,228
Disposals		(31,902,994)		-
Gain (loss) on valuation		259,790		(133,389)
Gain on foreign currency translation		844,000		-
Ending balance	₩	<u>72,283,178</u>	₩	<u>1,920,222</u>

9. Investment in Associates

Set out below are the associates of the Company as at December 31, 2025 that are material to the Company.

<i>(in thousands of Korean won)</i>		2025			2024	
Location	Closing month	Main business	Percentage of ownership (%)	Acquisition cost	Book amount	Book amount
GOLDEUWIN KOREA CO.,LTD.	Korea December 31	Domestic and overseas export business, its agency business	40	₩ 3,360,000	₩ 3,360,000	₩ 3,360,000

The changes in investments in associates for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Beginning balance	₩	3,360,000	₩	-
Acquisition		-		3,360,000
Ending balance	₩	<u>3,360,000</u>	₩	<u>3,360,000</u>

The tables below provide summarized financial information for investments in associates as at and for the year ended December 31, 2025.

<i>(in thousands of Korean won)</i>	2025				
	Assets	Liabilities	Capital	Revenue	Loss
GOLDEUWIN KOREA CO.,LTD	₩ 7,881,818	₩ 780,002	₩ 7,101,816	₩ 2,152,887	₩ (859,689)

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10. Investments in Subsidiaries

(a) The Company's investments in subsidiaries as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)	Location	Ending month	2025		2024	
			Ownership (%)	Book amount	Ownership (%)	Book amount
Youngone Corporation ⁴	Korea	December	50.52	₩ 210,554,593	50.52	₩ 210,554,593
Youngone Outdoor	Korea	December	59.30	160,959,881	59.30	160,959,881
KEPZ ^{1,2}	Bangladesh	December	100.00	-	100.00	-
Qweto GmbH	Switzerland	December	51.42	498,189	51.42	498,189
POIVRE BLANC INTERNATIONAL AG ²	Switzerland	December	100.00	-	100.00	-
Scott North Asia Co.,Ltd ^{2,5}	Korea	December	60.00	-	60.00	-
YOH, LLC.	U.S.A	December	100.00	7,056,100	100.00	7,056,100
YOH CVC PTE. LTD.	Singapore	December	100.00	1,212,700	100.00	1,212,700
YOH CVC Fund 1 Limited Partnership ^{3,6}	Singapore	December	47.06	40,000,000	47.06	40,000,000
TEKWIN (BD) LIMITED ⁷	Bangladesh	December	51.00	61,242	-	-
TEKVISION (BD) LIMITED ⁷	Bangladesh	December	51.00	61,242	-	-
				<u>₩ 420,403,947</u>		<u>₩ 420,281,463</u>

¹ KOREAN EPZ(KEPZ) CORPORATION(BD) LIMITED.

² Recognized full amount of impairment loss before 2024.

³ Although it is less than 50%, the subsidiary of the Company owns 52.94% of shares, it has been classified as an investment in subsidiaries.

⁴ Based on the total number of ordinary shares issued, the ownership interest is 50.52%, and the effective ownership interest excluding treasury shares is 52.60%.

⁵ Based on the total number of ordinary shares issued, the ownership interest is 60%, and the effective ownership interest excluding treasury shares is 70.52%.

⁶ Based on the total number of ordinary shares issued, the ownership interest is 47.06%, and the effective ownership interest, considering shares held by subsidiaries, is 74.91%.

⁷ Acquired from YOUNGONE HI-TECH SPORTSWEAR IND.LTD for the year ended December 31, 2025.

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11. Other Receivables

(a) Book amount and provision for impairment of other receivables as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025			2024		
	Receivables	Loss allowance	Book amount	Receivables	Loss allowance	Book amount
Current						
Non-trade receivables	₩ 13,008,831	₩ -	₩ 13,008,831	₩ 12,022,956	₩ -	₩ 12,022,956
Accrued income	<u>1,739,981</u>	-	<u>1,739,981</u>	<u>1,224,436</u>	-	<u>1,224,436</u>
	<u>14,748,812</u>	-	<u>14,748,812</u>	<u>13,247,392</u>	-	<u>13,247,392</u>
Non-current						
Rent deposits	1,078,965	-	1,078,965	752,057	-	752,057
Long-term accrued income	534,080	(534,080)	-	175,015	-	175,015
Long-term loans	<u>10,639,266</u>	<u>(10,639,266)</u>	-	<u>7,514,514</u>	<u>(5,567,910)</u>	<u>1,946,604</u>
	<u>12,252,311</u>	<u>(11,173,346)</u>	<u>1,078,965</u>	<u>8,441,586</u>	<u>(5,567,910)</u>	<u>2,873,676</u>
	<u>₩ 27,001,123</u>	<u>₩ (11,173,346)</u>	<u>₩ 15,827,777</u>	<u>₩ 21,688,978</u>	<u>₩ (5,567,910)</u>	<u>₩ 16,121,068</u>

(b) See Note 4.1.2 for the impairment of other receivables and the Company's exposure to credit risk.

12. Other Current Assets

Other current assets as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Advances	₩	10,586	₩	1,949
Prepaid expenses		<u>1,144,762</u>		<u>1,105,030</u>
	₩	<u>1,155,347</u>	₩	<u>1,106,979</u>

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13. Property, Plant and Equipment

(a) Details of property, plant and equipment as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025			2024		
	Cost	Accumulated depreciation	Book amount	Cost	Accumulated depreciation	Book amount
Structures	₩ 784,760	₩ (472,449)	₩ 312,311	₩ 784,760	₩ (446,088)	₩ 338,672
Vehicles	247,815	(202,979)	44,836	247,815	(164,483)	83,332
Equipment	1,163,030	(677,981)	485,049	936,893	(639,140)	297,753
Facilities	56,205	(16,246)	39,959	56,205	(14,473)	41,732
	<u>₩ 2,251,810</u>	<u>₩ (1,369,655)</u>	<u>₩ 882,155</u>	<u>₩ 2,025,673</u>	<u>₩ (1,264,184)</u>	<u>₩ 761,489</u>

(b) Changes in property, plant and equipment for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025				
	Structures	Vehicles	Equipment	Facilities	Total
Opening net book amount	₩ 338,672	₩ 83,332	₩ 297,753	₩ 41,732	₩ 761,489
Acquisitions	-	-	226,137	-	226,137
Depreciation	(26,361)	(38,496)	(38,841)	(1,773)	(105,471)
Closing net book amount	<u>₩ 312,311</u>	<u>₩ 44,836</u>	<u>₩ 485,049</u>	<u>₩ 39,959</u>	<u>₩ 882,155</u>
Acquisition cost	₩ 784,760	₩ 247,815	₩ 1,163,030	₩ 56,205	₩ 2,251,810
Accumulated depreciation	(472,449)	(202,979)	(677,981)	(16,246)	(1,369,655)
Net book amount	<u>₩ 312,311</u>	<u>₩ 44,836</u>	<u>₩ 485,049</u>	<u>₩ 39,959</u>	<u>₩ 882,155</u>
<i>(in thousands of Korean won)</i>	2024				
	Structures	Vehicles	Equipment	Facilities	Total
Opening net book amount	₩ 365,033	₩ 121,828	₩ 302,637	₩ 36,529	₩ 826,027
Acquisitions	-	-	15,775	6,900	22,675
Depreciation	(26,361)	(38,496)	(20,659)	(1,697)	(87,213)
Closing net book amount	<u>₩ 338,672</u>	<u>₩ 83,332</u>	<u>₩ 297,753</u>	<u>₩ 41,732</u>	<u>₩ 761,489</u>
Acquisition cost	₩ 784,760	₩ 247,815	₩ 936,893	₩ 56,205	₩ 2,025,673
Accumulated depreciation	(446,088)	(164,483)	(639,140)	(14,473)	(1,264,184)
Net book amount	<u>₩ 338,672</u>	<u>₩ 83,332</u>	<u>₩ 297,753</u>	<u>₩ 41,732</u>	<u>₩ 761,489</u>

Depreciation has been fully included in the 'selling and administrative expenses'.

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14. Leases

Set out below is information for leases when the Company is a lessee.

(a) Amounts recognized in the separate statement of financial position

The separate statement of financial position shows the following amounts relating to leases:

<i>(in thousands of Korean won)</i>	2025	2024
Right-of-use assets		
Buildings	₩ 479,602	₩ 537,519
	<u>₩ 479,602</u>	<u>₩ 537,519</u>
Lease liabilities		
Current	₩ 165,600	₩ 157,200
(Present value discounts)	(19,109)	(34,657)
Non-current	358,800	497,800
(Present value discounts)	(17,692)	(50,663)
	<u>₩ 487,599</u>	<u>₩ 569,680</u>

Additions to the right-of-use assets for the year ended December 31, 2025, were ₩ 87,924 thousand.

(b) Amounts recognized in the separate income statements

The separate income statements show the following amounts relating to leases:

<i>(in thousands of Korean won)</i>	2025	2024
Depreciation of right-of-use assets		
Buildings	₩ 145,841	₩ 129,005
	<u>₩ 145,841</u>	<u>₩ 129,005</u>
Interest expense relating to lease liabilities (included in finance cost)	₩ 28,038	₩ 42,623

The total cash outflow for leases for the year ended December 31, 2025, was ₩ 163,500 thousand (2024: ₩ 157,200 thousand).

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15. Intangible Assets

Intangible assets as at December 31, 2025 and 2024, consist of:

<i>(in thousands of Korean won)</i>	2025			2024		
	Cost	Accumulated amortization	Book amount	Cost	Accumulated amortization	Book amount
Software	₩ 25,856,582	₩ (6,703,455)	₩ 19,153,127	₩ 18,481,453	₩ (2,877,919)	₩ 15,603,534
Industrial property	256,211	(101,615)	154,596	231,301	(54,124)	177,177
Construction in progress	2,047,981	-	2,047,981	6,015,499	-	6,015,499
	<u>₩ 28,160,774</u>	<u>₩ (6,805,070)</u>	<u>₩ 21,355,704</u>	<u>₩ 24,728,253</u>	<u>₩ (2,932,043)</u>	<u>₩ 21,796,210</u>

Changes in intangible assets for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025			
	Software	Industrial property	Construction in progress	Total
Opening net book amount	₩ 15,603,534	₩ 177,177	₩ 6,015,499	₩ 21,796,210
Acquisitions	177,069	8,019	3,247,433	3,432,521
Transfer	7,198,060	16,891	(7,214,951)	-
Amortization	<u>(3,825,536)</u>	<u>(47,491)</u>	<u>-</u>	<u>(3,873,027)</u>
Closing net book amount	<u>₩ 19,153,127</u>	<u>₩ 154,596</u>	<u>₩ 2,047,981</u>	<u>₩ 21,355,704</u>
Acquisition cost	₩ 25,856,582	₩ 256,211	₩ 2,047,981	₩ 28,160,774
Accumulated amortization	<u>(6,703,455)</u>	<u>(101,615)</u>	<u>-</u>	<u>(6,805,070)</u>
Net book amount	<u>₩ 19,153,127</u>	<u>₩ 154,596</u>	<u>₩ 2,047,981</u>	<u>₩ 21,355,704</u>
<i>(in thousands of Korean won)</i>	2024			
	Software	Industrial property	Construction in progress	Total
Opening net book amount	₩ 588,786	₩ 129,476	₩ 13,894,295	₩ 14,612,556
Acquisitions	43,500	90,055	9,839,470	9,973,026
Transfer	17,718,266	-	(17,718,266)	-
Amortization	<u>(2,747,018)</u>	<u>(42,354)</u>	<u>-</u>	<u>(2,789,372)</u>
Closing net book amount	<u>₩ 15,603,534</u>	<u>₩ 177,177</u>	<u>₩ 6,015,499</u>	<u>₩ 21,796,210</u>
Acquisition cost	₩ 18,481,453	₩ 231,301	₩ 6,015,499	₩ 24,728,253
Accumulated amortization	<u>(2,877,919)</u>	<u>(54,124)</u>	<u>-</u>	<u>(2,932,043)</u>
Net book amount	<u>₩ 15,603,534</u>	<u>₩ 177,177</u>	<u>₩ 6,015,499</u>	<u>₩ 21,796,210</u>

Amortization is included in the 'selling and administrative expenses' in the separate income statements.

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16. Investment Property

Details of investment properties as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025			2024		
	Cost	Accumulated depreciation	Book amount	Cost	Accumulated depreciation	Book amount
Land	₩ 7,608,328	₩ -	₩ 7,608,328	₩ 7,608,328	₩ -	₩ 7,608,328
Buildings	16,667,504	(9,423,567)	7,243,937	16,667,504	(8,867,820)	7,799,684
	<u>₩ 24,275,832</u>	<u>₩ (9,423,567)</u>	<u>₩ 14,852,265</u>	<u>₩ 24,275,832</u>	<u>₩ (8,867,820)</u>	<u>₩ 15,408,012</u>

Changes in investment property for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		
	Land	Buildings	Total
Opening net book amount	₩ 7,608,328	₩ 7,799,684	₩ 15,408,012
Depreciation	-	(555,747)	(555,747)
Closing net book amount	<u>₩ 7,608,328</u>	<u>₩ 7,243,937</u>	<u>₩ 14,852,265</u>
Acquisition cost	₩ 7,608,328	₩ 16,667,504	₩ 24,275,832
Accumulated depreciation	-	(9,423,567)	(9,423,567)
Net book amount	<u>₩ 7,608,328</u>	<u>₩ 7,243,937</u>	<u>₩ 14,852,265</u>

<i>(in thousands of Korean won)</i>	2024		
	Land	Buildings	Total
Opening net book amount	₩ 7,601,678	₩ 8,349,881	₩ 15,951,559
Acquisitions	6,650	5,441	12,091
Depreciation	-	(555,638)	(555,638)
Closing net book amount	<u>₩ 7,608,328</u>	<u>₩ 7,799,684</u>	<u>₩ 15,408,012</u>
Acquisition cost	₩ 7,608,328	₩ 16,667,504	₩ 24,275,832
Accumulated depreciation	-	(8,867,820)	(8,867,820)
Net book amount	<u>₩ 7,608,328</u>	<u>₩ 7,799,684</u>	<u>₩ 15,408,012</u>

Fair value of investment property as at December 31, 2025, is ₩ 39,798,927 thousand (2024: ₩ 41,582,236 thousand).

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Rent income from investment property for the year ended December 31, 2025, is ₩ 2,344,562 thousand (2024: ₩ 2,274,116 thousand).

Depreciation has been fully included in the 'selling and administrative expenses'.

17. Other Payables

Other payables as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Current		
Non-trade payables	₩ 892,829	₩ 98,471
Accrued expenses	1,005,836	807,547
Financial guarantee liabilities	2,202,312	1,498,368
	<u>₩ 4,100,977</u>	<u>₩ 2,404,386</u>
Non-current		
Rent deposits	₩ 2,325,400	₩ 2,298,900
	<u>2,325,400</u>	<u>2,298,900</u>
	<u>₩ 6,426,377</u>	<u>₩ 4,703,286</u>

18. Other Current Liabilities

Details of other current liabilities as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Withholdings	₩ 222,412	₩ 1,862,508

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19. Net Defined Benefit Liabilities

(a) Details of net defined benefit liabilities at the end of the reporting period of 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Present value of defined benefit obligations	₩ 16,936,919	₩ 17,268,555
Fair value of plan assets	(12,914,438)	(10,587,907)
Net defined benefit liabilities	4,022,481	6,680,648

(b) Movements in the defined benefit obligations for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Beginning balance	₩ 17,268,554	₩ 9,599,705
Current service cost	1,447,813	1,122,525
Interest expense	763,544	622,323
Remeasurements:		
Actuarial loss from change in financial assumptions	(1,877,250)	3,518,043
Effect of change in demographic assumptions	-	(119,533)
Actuarial gain from experience adjustments	(504,892)	(681,545)
Payments from plans:		
Benefit payments	(67,267)	(328,219)
Past service cost:		
Impact of policy change	-	2,999,434
Effect of transfer to associates	(225,923)	-
Effect of transfer from associates	132,340	535,821
Ending balance	<u>₩ 16,936,919</u>	<u>₩ 17,268,554</u>

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(c) Movements in the fair value of plan assets for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Beginning balance	₩	10,587,907	₩	7,954,765
Interest income		435,535		370,307
Remeasurements:				
Return on plan assets (excluding amounts included in interest income)		(20,154)		(76,527)
Contributions:				
Employers		2,072,000		2,633,000
Payments from plans:				
Benefit payments		(67,267)		(829,459)
Effect of transfer to associates		(225,923)		-
Effect of transfer from associates		132,340		535,821
Ending balance	₩	12,914,438	₩	10,587,907

(d) The significant actuarial assumptions as at December 31, 2025 and 2024, are as follows:

	2025	2024
Discount rate	4.90%	4.60%
Salary growth rate	5.82%/10.37%	5.3%/11.36%

(e) Plan assets as at December 31, 2025 and 2024, consist of the following:

<i>(in thousands of Korean won)</i>	2025		2024	
Cash and Cash Equivalents	₩	12,914,438	₩	10,587,907

(f) The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

<i>(in thousands of Korean won)</i>	2025			2024		
	Changes in assumption	Increase in assumption	Decrease in assumption	Changes in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	₩ (1,459,042)	₩ 1,673,705	1%	₩ (1,641,178)	₩ 1,902,166
Salary growth rate	1%	1,576,243	(1,408,401)	1%	1,769,271	(1,567,746)

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(g) The Effects of Future Cash Flows on Defined Benefit Plans

The Company reviews the funding level on an annual basis and has a policy of eliminating deficit from the fund.

The expected maturity analysis of undiscounted pension benefits as at December 31, 2025, is as follows:

<i>(in thousands of Korean won)</i>		Less than 1 year		Between 1-2 years		Between 2-5 years		5-10 years
Pension benefits	₩	758,839	₩	852,475	₩	3,724,906	₩	9,457,649

The weighted average duration of the defined benefit obligation is 9.25 years.

(h) The expenses recognized in the current period in relation to defined contribution plan were ₩ 8 million.

(i) Expected contributions to post-employment benefit plans for the year ending December 31, 2026, are ₩ 1,765 million.

20. Tax Expense and Deferred Tax

(a) Income tax expense for the years ended December 31, 2025 and 2024, consists of:

<i>(in thousands of Korean won)</i>		2025		2024
Current tax:				
Current tax on profit	₩	1,742,597	₩	899,071
Adjustments in respect of prior years		1,196,513		-
Deferred tax:				
Changes in deferred tax due to temporary differences		(152,914)		(289,379)
Income tax expense	₩	<u>2,786,196</u>	₩	<u>609,692</u>

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(b) Income tax expense on the Company's profit before tax differs from the theoretical amount that would arise using the average tax rate applicable are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Profit before income tax expense	₩	120,330,500	₩	124,791,831
Tax at domestic tax rates applicable to profits in the respective countries		27,334,346		28,364,913
Tax effects of:				
Income not subject to tax		(28,212,609)		(30,080,564)
Expenses not deductible for tax purposes		49,645		24,130
Effect of temporary differences for which no deferred tax is recognized		1,672,346		814,141
Effect of income tax on unappropriated earnings and external tax payments		1,656,637		860,222
Changes in deferred tax due to changes in tax rates		(34,558)		-
Adjustments in respect of prior years (additional payment of income taxes)		1,196,513		-
Others ¹		(876,125)		626,850
Income tax expense	₩	<u>2,786,195</u>	₩	<u>609,692</u>

¹ Includes the global minimum tax.

(c) The tax effect relating to components of other comprehensive income (expenses) for the years ended December 31, 2025 and 2024, is as follows:

<i>(in thousands of Korean won)</i>	2025			2024		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Gain (loss) on valuation of financial assets at fair value through other comprehensive income	₩ (18,883,720)	₩ 2,960,604	₩ (15,923,116)	₩ (13,529,417)	₩ 2,827,648	₩ (10,701,769)
Remeasurements of net defined benefit liabilities	<u>2,361,988</u>	<u>(528,505)</u>	<u>1,833,483</u>	<u>(2,793,493)</u>	<u>583,840</u>	<u>(2,209,653)</u>
	<u>₩ (16,521,732)</u>	<u>₩ 2,432,099</u>	<u>₩ (14,089,633)</u>	<u>₩ (16,322,910)</u>	<u>₩ 3,411,488</u>	<u>₩ (12,911,422)</u>

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(d) Deferred tax assets and deferred tax liabilities as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Deferred tax assets		
Deferred tax asset to be recovered within 12 months	₩ 30,495	₩ 26,499
Deferred tax asset to be recovered after more than 12 months	3,733,218	3,553,714
	<u>3,763,713</u>	<u>3,580,213</u>
Deferred tax liabilities		
Deferred tax liability to be recovered within 12 months	(382,796)	(253,787)
Deferred tax liability to be recovered after more than 12 months	(22,865,215)	(25,395,738)
	<u>(23,248,011)</u>	<u>(25,649,525)</u>
Deferred tax liabilities, net	₩ <u>(19,484,298)</u>	₩ <u>(22,069,312)</u>

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(e) The movement in deferred tax assets and liabilities during the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(in thousands of Korean won)

	January 1, 2025		Profit (loss)		Other comprehensive income (loss)		December 31, 2025	
Deferred tax assets								
Post-employment benefit obligation	₩	2,904,699	₩	579,310	₩	(528,505)	₩	2,955,504
Provision for annual leaves		26,499		3,995		-		30,494
Payment of guaranteed fees		9,067		477		-		9,544
Depreciation		13,338		3,691		-		17,029
Land		507,547		26,713		-		534,260
Lease liabilities		119,063		(11,791)		-		107,272
Structures		-		9,182		-		9,182
Non-business-related buildings		-		14,847		-		14,847
Allocated income (foreign pass-through)		-		85,580		-		85,580
	₩	3,580,213	₩	712,004	₩	(528,505)	₩	3,763,712
Deferred tax liabilities								
Investments in subsidiaries	₩	(24,934)	₩	-	₩	-	₩	(24,934)
Land advanced depreciation provision		(1,061,910)		(55,890)		-		(1,117,800)
Retirement pension plan assets		(1,441,222)		(320,337)		-		(1,761,559)
In-kind contribution assets		(63,953)		(3,366)		-		(67,319)
Financial assets at fair value through profit or loss		(8,897)		(55,485)		-		(64,382)
Financial assets at fair value through other comprehensive income		(22,682,479)		-		2,960,604		(19,721,875)
Right-of-use asset		(112,342)		6,829		-		(105,513)
Accrued income		(253,787)		(129,009)		-		(382,796)
Adjustment of investment in a joint venture		-		(1,832)		-		(1,832)
	₩	(25,649,524)	₩	(559,090)	₩	2,960,604	₩	(23,248,010)

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	January 1, 2024		Profit (loss)	Other comprehensive income (loss)	December 31, 2024			
Deferred tax assets								
Post-employment benefit obligation	₩	1,518,656	₩	818,197	₩	567,846	₩	2,904,699
Provision for annual leaves		20,239		6,260		-		26,499
Payment of guaranteed fees		9,067		-		-		9,067
Depreciation		10,308		3,030		-		13,338
Land		507,547		-		-		507,547
Lease liabilities		143,010		(23,947)		-		119,063
	₩	<u>2,208,827</u>	₩	<u>803,540</u>	₩	<u>567,846</u>	₩	<u>3,580,213</u>
Deferred tax liabilities								
Investments in subsidiaries	₩	(24,934)	₩	-	₩	-	₩	(24,934)
Land advanced depreciation provision		(1,061,910)		-		-		(1,061,910)
Retirement pension plan assets		(1,076,615)		(380,601)		15,994		(1,441,222)
In-kind contribution assets		(63,953)		-		-		(63,953)
Financial assets at fair value through profit or loss		(36,776)		27,879		-		(8,897)
Financial assets at fair value through other comprehensive income		(25,510,128)		-		2,827,648		(22,682,480)
Right-of-use asset		(139,304)		26,962		-		(112,342)
Accrued income		(65,386)		(188,401)		-		(253,787)
	₩	<u>(27,979,006)</u>	₩	<u>(514,161)</u>	₩	<u>2,843,642</u>	₩	<u>(25,649,525)</u>

(f) Details of unrecognized deductible (taxable) temporary differences as deferred tax assets (liabilities) as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)	2025	2024	Reason
Investments in subsidiaries	₩ (20,804,319)	₩ (17,773,311)	No plan to disposal
Payment of guaranteed fees, bad debt expenses and others	13,375,658	5,567,910	No tax effect
Tax loss ¹	940,666	3,839,817	Uncertainty of future taxable profit
Carried forward tax credits ²	2,180,147	531,098	Uncertainty of future taxable profit

¹ The maturity of unused losses is as follows:

(in thousands of Korean won)	2025
December 31, 2038	₩ 704,386
December 31, 2039	236,280

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² The maturity of unused tax credits is as follows:

<i>(in thousands of Korean won)</i>	2025
December 31, 2033	₩ 215,217
December 31, 2034	316,427
December 31, 2035	1,648,503

(g) Impact of Pillar Two income taxes

Under the Pillar Two legislation, the Company is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Company recognized income tax expense amounting to ₩ 47 million for the year ended December 31, 2025. The Company applied the exception to recognizing and disclosing information about deferred tax and assets and liabilities related to Pillar Two income Taxes.

21. Issued Capital and Share Premium

(a) Changes in issued capital and share premium as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>		No. of shares (unit: shares)	Ordinary shares	Share premium	Total
January 1, 2024	Beginning balance	<u>13,635,592</u>	₩ 6,817,796	₩ 113,893,779	₩ 120,711,575
December 31, 2024	Ending balance	<u>13,635,592</u>	<u>6,817,796</u>	<u>113,893,779</u>	<u>120,711,575</u>
January 1, 2025	Beginning balance	13,635,592	6,817,796	113,893,779	120,711,575
March 31, 2025	Transfer to retained earnings	<u>-</u>	<u>-</u>	<u>(48,469,026)</u>	<u>(48,469,026)</u>
December 31, 2025	Ending balance	<u>13,499,237</u>	₩ 6,817,796	₩ 65,424,753	₩ 72,242,549

(b) The details of issued capital and share premium as at December 31, 2025 and 2024, are as follows:

<i>(in Korean won, except for number of shares)</i>	2025	2024
Number of shares authorized to issue	100,000,000	100,000,000
Par value per share	₩ 500	₩ 500
Number of shares outstanding	13,499,237	13,635,592
Issued capital	₩ 6,817,796,000	₩ 6,817,796,000
Share premium	₩ 65,424,752,901	₩ 113,893,779,001

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¹ As at December 31, 2025, Number of shares issued by Company, whose voting power is limited under the Commercial Law, is 1,894,339 shares (2024: 2,030,694 shares) (Note 22).

22. Other Components of Equity

(a) The details of other components of equity as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Reserve in equity				
Revaluation reserve	₩	20,674,485	₩	20,674,485
Gains on disposal of treasury shares		6,332,674		6,332,674
Others		58,005,153		58,005,153
Accumulated other comprehensive income				
Gain on valuation of financial assets at fair value through other comprehensive income		69,923,015		85,846,131
Remeasurements of net defined benefit liabilities		(9,603,518)		(11,437,001)
Capital adjustments				
Treasury shares ¹		(4,693,698)		(5,031,552)
	₩	<u>140,638,111</u>	₩	<u>154,389,890</u>

¹ Details of treasury shares whose voting power is limited by regulations as at December 31, 2025 and 2024, are as follows:

Owner	Number of shares	Ownership	Reason for restriction
Treasury shares	1,894,339	14.03%	Commercial Law Article 369, Part II

(b) Changes in accumulated other comprehensive income for the year ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		
	Beginning balance	Increase (Decrease)	Ending balance
Gain (loss) on valuation of financial assets at fair value through other comprehensive income	₩ 85,846,131	₩ (15,923,116)	₩ 69,923,015
Remeasurements of net defined benefit liabilities	(11,437,001)	1,833,483	(9,603,518)

<i>(in thousands of Korean won)</i>	2024		
	Beginning balance	Increase (Decrease)	Ending balance
Gain (loss) on valuation of financial assets at fair value through other comprehensive income	₩ 96,547,900	₩ (10,701,769)	₩ 85,846,131
Remeasurements of net defined benefit liabilities	(9,227,349)	(2,209,652)	(11,437,001)

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Changes in accumulated other comprehensive income represent net of tax effect amounts.

23. Retained Earnings

(a) Retained earnings as at December 31, 2025 and 2024, consist of:

<i>(in thousands of Korean won)</i>	2025	2024
Legal reserves ¹	₩ 6,424,200	₩ 6,424,200
Discretionary reserves ²	419,926,013	308,926,013
Unappropriated retained earnings	90,521,426	97,932,154
	<u>₩ 516,871,639</u>	<u>₩ 413,282,367</u>

¹ The Commercial Code of the Republic of Korea requires the Company to appropriate, as a legal reserve, an amount equal to a minimum of 10% of cash dividends paid until such reserve equals 50% of its issued share capital. The reserve is not available for the payment of cash dividends, but may be transferred to share capital or used to reduce accumulated deficit, if any, with the ratification of the Company's majority shareholders.

² Discretionary reserves are the retained earnings that are allowed to be distributed on dividend with the approval of the shareholders.

(b) Retained earnings for the year ended December 31, 2025, is expected at the shareholders' meeting on March 27, 2026. The appropriation date for the year ended December 31, 2024, was March 31, 2025.

<i>(in Korean won)</i>	2025	2024
Unappropriated retained earnings carried over from prior year	₩ 1,166,730,516	₩ 1,601,769,707
Transfer to retained earnings	-	48,469,026,100
Profit	117,544,304,377	124,182,139,009
Interim dividends (Cash dividend (%):		
₩ 2,400 (480%) in 2025		
₩ 2,400 (480%) in 2024	(27,851,755,200)	(27,851,755,200)
Cancellation of treasury shares	(337,853,582)	-
Retained earnings available for appropriation	<u>90,521,426,111</u>	<u>146,401,179,616</u>
Discretionary reserves	(41,000,000,000)	(111,000,000,000)
Dividends (Cash dividend (%):		
₩ 4,176 (835%) in 2025		
₩ 2,950 (590%) in 2024	(48,462,054,048)	(34,234,449,100)
Appropriation of retained earnings	<u>(89,462,054,048)</u>	<u>(145,234,449,100)</u>
Unappropriated retained earnings to be carried forward	<u>₩ 1,059,372,063</u>	<u>₩ 1,166,730,516</u>

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24. Dividends

Dividends paid amount to ₩ 62,086,204 thousand (₩ 5,350 per share) and ₩ 55,355,363 thousand (₩ 4,770 per share) in 2025 and 2024, respectively. Dividends per share and total dividends in respect of the year ended December 31, 2025, are ₩ 4,176 and ₩ 48,462,054 thousand, respectively, and are expected to be proposed to shareholders at the annual general meeting on March 27, 2026. These separate financial statements do not reflect this dividend payable.

25. Selling and Administrative Expenses

Details of selling and administrative expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Salaries	₩	12,488,149	₩	11,796,442
Post-employment benefits		1,783,739		4,381,891
Employee benefits		710,194		750,650
Travel expense		11,287		10,742
Communications		28,068		28,508
Utilities		30,275		28,179
Tax and duties		340,362		292,328
Rent expenses		109,735		43,965
Depreciation		661,218		642,850
Depreciation of right-of-use asset		145,841		129,005
Vehicle maintenance		26,645		27,785
Entertainment		185,297		111,716
Supplies		17,700		18,103
Repair and maintenance		34,655		33,229
Insurance		9,299		13,171
Publications		13,175		11,510
Training		14,730		13,519
Service fees		8,957,916		7,560,305
Amortization		3,873,027		2,789,371
Overseas trips		934,785		756,155
Advertising costs		114,455		-
Transportation		6,351		5,387
	₩	<u>30,496,903</u>	₩	<u>29,444,811</u>

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26. Other Income and Expenses

(a) Details of other income and expenses for the years ended December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

	2025	2024
Other income		
Import commission	₩ 13,249	₩ 3,838
Gain on foreign currency translation	1,668,671	1,778,243
Gain on foreign currency transaction	74,125	792,900
Gain on valuation of financial asset at fair value through profit or loss	621,792	-
Gain on disposal of right-of-use assets	34,544	-
Miscellaneous income	21,668	20
	<u>₩ 2,434,049</u>	<u>₩ 2,575,001</u>
Other Expenses		
Loss on foreign currency translation	₩ 150,441	₩ 45,115
Loss on foreign currency transaction	3,356,960	696,893
Loss on disposal of financial asset at fair value through profit or loss	9,715	-
Loss on valuation of financial asset at fair value through profit or loss	362,002	133,389
Other bad debt expenses	5,605,436	2,007,849
Donations	120,397	61,757
Miscellaneous expenses	-	30
	<u>₩ 9,604,951</u>	<u>₩ 2,945,033</u>

Youngone Holdings Co., Ltd.
Notes to the Separate Financial Statements
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27. Breakdown of Expenses by Nature

Expenses by nature for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Salaries and post-employment benefits	₩ 14,271,888	₩ 16,178,332
Employee benefits	710,194	750,650
Depreciation	661,217	642,850
Depreciation of right-of-use assets	145,841	129,005
Amortization	3,873,027	2,789,371
Service fees	8,957,916	7,560,305
Other expenses	1,876,820	1,394,297
1	₩ 30,496,903	₩ 29,444,811

¹ Includes only 'selling and administrative expenses'.

28. Finance Income and Costs

(a) Finance income for the years ended December 31, 2025 and 2024, consists of:

<i>(in thousands of Korean won)</i>	2025	2024
Finance income		
Interest income from short-term bank deposits	₩ 4,833,718	₩ 3,310,241
Other interest income	391,933	236,620
	₩ 5,225,651	₩ 3,546,861
Finance costs		
Interest expense on lease liabilities	₩ 28,038	₩ 42,623
Provision for financial guarantee liabilities	777,932	358,348
	₩ 805,970	₩ 400,971

Youngone Holdings Co., Ltd.
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29. Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year excluding treasury shares. The Company did not issue any potential ordinary shares. Therefore, basic earnings per share are identical to diluted earnings per share.

Basic earnings per share for the years ended December 31, 2025 and 2024, is as follows:

<i>(in Korean won)</i>	2025	2024
Profit	₩ 117,544,304,377	₩ 124,182,139,009
Weighted average number of ordinary shares outstanding ¹ (in shares)	11,604,898	11,604,898
Basic earnings per share	₩ 10,129	₩ 10,701

¹ Weighted average number of ordinary shares outstanding:

<i>(in number of shares)</i>	2025	2024
Number of ordinary shares outstanding	13,499,237	13,635,592
Weighted average number of treasury shares	(1,894,339)	(2,030,694)
Weighted average number of ordinary shares outstanding	11,604,898	11,604,898

Youngone Holdings Co., Ltd.
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30. Cash Flows

(a) Cash generated from operations for the years ended December 31, 2025 and 2024, is as follows:

<i>(in thousands of Korean won)</i>	2025		2024	
Profit	₩	117,544,304	₩	124,182,139
Adjustments for				
Tax expense	₩	2,786,196	₩	609,692
Interest income		(5,225,651)		(3,546,861)
Dividend income		(130,353,562)		(132,345,378)
Interest expense		28,038		42,623
Depreciation		661,217		642,850
Depreciation of right-of-use asset		145,841		129,005
Amortization		3,873,027		2,789,371
Post-employment benefits		1,783,739		4,373,974
Other bad debt expense		5,605,436		2,007,849
Gain on foreign currency translation		(1,668,671)		(1,778,244)
Loss on foreign currency translation		150,441		45,115
Gain on valuation of financial assets at fair value through profit or loss		(621,792)		-
Loss on valuation of financial assets at fair value through profit or loss		362,002		133,389
Loss on disposal of financial assets at fair value through profit or loss		9,715		-
Gain on disposal of right-of-use assets		(34,544)		-
Provision for financial guarantee liabilities		777,932		358,348
	₩	(121,720,636)	₩	(126,538,267)
Changes in operating assets and liabilities				
Increase in other receivables	₩	(913,135)	₩	(5,647,501)
Increase in other current assets		(48,368)		(1,057,377)
Increase (decrease) in other payables		273,843		(255,996)
Increase (decrease) in other current liabilities		(1,640,096)		1,182,722
Decrease in net defined benefit obligations		(2,079,917)		(2,633,000)
		(4,407,673)		(8,411,152)
Net cash flows used in operations	₩	(8,584,005)	₩	(10,767,280)

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(b) Significant non-cash transactions for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Loss on valuation of financial assets at fair value through other comprehensive income	₩ (18,883,720)	₩ (13,529,417)
Reclassification of short-term loans to long-term loans	-	2,740,128
Increase (decrease) in non-trade payables related to intangible asset	(718,799)	2,740,615
Reclassification of leasehold deposits to long-term leasehold deposits	-	(2,227,900)

(c) Changes in liabilities arising from financial activities for the years ended December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025		
	Lease liabilities	Leasehold deposits	Total
At January 1, 2025	₩ 569,680	₩ 2,298,900	₩ 2,868,580
Cash flows	(135,462)	26,500	(108,962)
Other non-financial changes	53,380	-	53,380
At December 31, 2025	<u>₩ 487,598</u>	<u>₩ 2,325,400</u>	<u>₩ 2,812,998</u>

<i>(in thousands of Korean won)</i>	2024		
	Lease liabilities	Leasehold deposits	Total
At January 1, 2024	₩ 684,258	₩ 2,227,900	₩ 2,912,158
Cash flows	(114,577)	71,000	(43,577)
At December 31, 2024	<u>₩ 569,681</u>	<u>₩ 2,298,900</u>	<u>₩ 2,868,581</u>

31. Contingencies and Commitments

(a) As at December 31, 2025, the Company has entered into management advisory and IT operation support contracts with the subsidiaries and recognized management consulting fees and IT operation support fees as operating profit.

(b) The Company provides payment guarantees for borrowings of subsidiaries and others (Note 32).

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(c) Limitation on disposal of subsidiaries

Youngone Holdings Co., Ltd. may sell equity shares of Youngone Outdoor Corporation after obtaining approval from the Board of Directors of Youngone Outdoor Corporation. The equity shares can be sold only to the existing shareholders, and if there are no existing shareholders who purchase, it can be sold to a third party through approval of the Board of Directors.

32. Related Party Transactions

(a) Related parties of the Company as at December 31, 2025 and 2024, are as follows:

	Name
Entity with significant influence over the Company	YMSA
Subsidiaries	Youngone Corporation, Youngone Outdoor, KOREAN EPZ(KEPZ) CORPORATION(BD) LIMITED., POIVRE BLANC INTERNATIONAL AG, Qweto GmbH, Scott North Asia Co.,Ltd, YOH, LLC., YOH CVC PTE. LTD., YOH CVC Fund 1 Limited Partnership, TEKWIN (BD) LIMITED ¹ , TEKVISION (BD) LIMITED ¹ YOUNGONE (CEPZ) LTD. TITAS SPORTSWEAR INDUSTRIES LTD. KARNAPHULI SPORTSWEAR INDUSTRIES LTD. YOUNGONE HI-TECH SPORTSWEAR INDUSTRIES LTD. YOUNGONE PADDING(CEPZ) LTD. YOUNGONE GARMENT ACCESSORIES INDUSTRIES LTD. SHINHAN EMULSION CO.,LTD. SAVAR DYEING & FINISHING INDUSTRIES LTD. YOUNGONE SYNTHETIC FIBRE PRODUCTS INDUSTRIES LTD. SUNGNAM TEXTILES MILLS LTD.
Subsidiaries of Youngone Corporation	ARIRANG AVIATION (IOM) LTD. KARNAPHULI SHOES INDUSTRIES LTD. SURMA GARMENTS WASHING & FINISHING CO., LTD. SUNGNAM LEATHER AND SPORTS PRODUCT INDUSTRIES LTD. ALPHA PRODUCT DEVELOPMENT COMPANY (BD) LIMITED CHANG-JO PRODUCT DEVELOPMENT CO.(BD) LIMITED DAE-GU PRODUCT DEVELOPMENT CO.(BD) LIMITED EVERTOP PRODUCT DEVELOPMENT CO.(BD) LIMITED GAYA PRODUCT DEVELOPMENT COMPANY (BD) LIMITED KARNAPHULI POLYESTER PRODUCTS COMPANY LIMITED INCHEON CONTAINERS (BD) LIMITED SUNGNAM APPARELS (BD) LIMITED

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	Name
	BUSAN HARBOUR (BD) LIMITED
	KARNAPHULI PACKAGING IND LTD
	QINGDAO YOUNGONE SPORTS PRODUCTS CO., LTD.
	QINGDAO YOUNGONE SPORTSWEAR CO.,LTD.
	YOUNGONE NAM DINH CO., LTD.
	YOUNGONE BACGIANG CO.,LTD.
	YOUNGONE HUNGYEN CO.,LTD.
	BROADPEAK SOC TRANG CO., LTD
	YOUNGONE (EL SALVADOR) S.A DE C.V.
	EVER SUMMIT (HK) LTD.
	DONGNAMA TRADING CO.,LTD.
	YOUNGONE AMERICA INC.
	MOUNTAIN SUMMIT HOLDINGS,LTD.
	OUTDOOR RESEARCH LLC.
	OUTDOOR RESEARCH-CANADA INC.
	YOUNGONE (ISTANBUL) APPAREL SANAYI VE TICARET LTD. SIRKETI
	ARIRANG AVIATION LTD.
	SAMARKAND APPAREL LLC.
	BUKA SPORTSWEAR LLC.
	BROAD PEAK INTERNATIONAL LTD.
	EVERTOP SPORTSWEAR PLC.
	DESIGNER TEXTILES INTERNATIONAL LTD.
	YOUNGONE INTERNATIONAL ASIA PTE LTD
	EVERTOP TEXTILE & APPAREL COMPLEX PRIVATE LIMITED
	YOUNGONE CORPORATION EUROPE SGPS S.A.
	AMATITLAN SUNGNAM INDUSTRIES, S. A.
	YOK MIRAGAIA, S.A.
	YOUNGONE KENYA EPZ LTD
	SCOTT CORPORATION SA
	SCOTT SPORTS SA
	SCOTT USA INC.
	SSG (EUROPE) DISTRIBUTION CENTER NV
	SCOTT ITALIA S.R.L.
	SCOTT SPORTS AB
	SCOTT SPORTS AFRICA (PTY) LTD.
	SCOTT SPORTS INDIA (PTY) LTD.
	DFG INC.
	BERGAMONT FAHRRAD VERTRIEB GMBH

**Subsidiaries of SCOTT
CORPORATION SA**

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	Name
	DOLOMITE S.R.L.
	SHEPPARD CYCLES AUSTRALIA PTY LTD.
	SHEPPARD CYCLES NEW ZEALAND LIMITED
	SPORT NETWORK SOLUTION SA
	SCOTT SPORTS DENMARK A/S
	SHEPPARD CYCLES RETAIL SERVICES PTY LTD.
	BSSH PTY LTD.
	INTERNATIONAL RETAIL CORPORATION SA.
Joint ventures of SCOTT CORPORATION SA	SCOTT NETWORK SOLUTIONS INDIA PVT LTD.
	BIKE SPORT TRAVEL AG
Subsidiaries of POIVRE BLANC INTERNATIONAL AG.	POIVRE BLANC S-13
Subsidiary of Scott North Asia Co.,Ltd	SCOTT JAPAN INC.
Subsidiaries of KOREAN EPZ(KEPZ) CORPORATION(BD) LIMITED.²	KEPZ Trust Hospital, Chittagong Youngone Nursing College
Associates	GOLDEUWIN KOREA CO.,LTD.
	RAY&CO, GOLDWIN INC., YMSA USA LLC, YOUNGONE SOURCING COMPANY(BANGLADESH) LTD., EL MEROSI SAMARKAND LLC.,
Others	TRANSA Backpacking SA, Ski-service SA, Trophy Schweiz SA, Ski+Velo-Center SVC AG.

¹ The Company acquired an equity interest from Youngone Corporation's subsidiary, YOUNGONE HI-TECH SPORTSWEAR INDUSTRIES LTD., and accordingly classified the entity as a subsidiary for the year ended December 31, 2025.

² Newly established for the year ended December 31, 2025.

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(b) Significant transactions with related parties for the years ended December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)	2025			
	Dividend income	Other sales and others	Dividend paid	Other purchases
Entity with significant influence over the Company				
YMSA	₩ -	₩ -	₩ 21,223,295	₩ 200
Subsidiaries				
Youngone Corporation	47,011,272	6,124,209	-	442,719
Youngone Outdoor	80,591,871	6,737,278	-	18,127
Scott North Asia Co.,Ltd	-	3,940	-	-
SCOTT JAPAN INC.	-	12,268	-	554
POIVRE BLANC INTERNATIONAL AG	-	418,776	-	-
QINGDAO YOUNGONE SPORTSWEAR CO.,LTD	-	1,107	-	-
SAVAR DYEING & FINISHING IND. LTD.	-	73,364	-	-
TITAS SPORTSWEAR IND.LTD.	-	492,431	-	-
YOUNGONE (CEPZ) LIMITED	-	492,661	-	-
YOUNGONE HI-TECH SPORTSWEAR IND.LTD ³	-	336,277	-	122,484
YOUNGONE PADDING (CEPZ) LTD.	-	28,853	-	-
KARNAPHULI SPORTSWEAR IND. LTD.	-	417,634	-	-
YOUNGONE SYNTHETIC FIBRE PRODUCTS	-	33,700	-	-
KOREAN EXPORT PROCESSING ZONE	-	5,981	-	-
YOUNGONE NAMDINH CO.LTD.(YNL)	-	1,768,729	-	-
SUNGNAM TEXTILE MILLS LTD	-	18,948	-	-
KARNAPHULI SHOES INDUSTRIES LTD	-	1,213,138	-	-
YOUNGONE BACGIANG CO.,LTD(YBL)	-	267,328	-	-
YOUNGONE HUNGYEN CO.,LTD (YHL)	-	355,232	-	-
BROAD PEAK INTERNATIONAL LTD	-	1,535	-	-
FE SAMARKAND APPAREL LLC	-	21,231	-	-

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(in thousands of Korean won)	2025			
	Dividend income	Other sales and others	Dividend paid	Other purchases
Entity with significant influence over the Company				
KARNAPHULI POLYESTER PRODUCTS COMPANY LTD	-	93,769	-	-
BROADPEAK SOC TRANG CO, LTD(BSL)	-	624,978	-	-
YOUNGONE INTERNATIONAL ASIA PTE LTD	-	4,414	-	17,632
DAE-GU PRODUDCT DEVELOPMENT CO.(BD)	-	1,883	-	-
KARNAPHULI PACKAGING IND LTD	-	21,121	-	-
SHINHAN EMULSION CO(BD). LTD.	-	9,402	-	-
YOUNGONE GARMENT ACCESSORIES IND. LTD	-	17,614	-	-
YOUNGONE(EL SALVADOR)S.A.DE C.V.	-	56,338	-	-
EVER SUMMIT(H.K)LTD.	-	13,002	-	-
DONGNAMA TRADING CO.LTD	-	2,946	-	-
EVERTOP SPORTSWEAR PLC	-	15,303	-	-
SUNGNAM APPARELS (BD) LIMITED	-	4,623	-	-
EVERTOP PRODUCT DEV. CO. (BD) LTD.	-	2,568	-	-
YOH CVC PTE. LTD.	-	1,167	-	-
ARIRANG AVIATION IOM LTD	-	3,874	-	-
TEKVISION (BD) LIMITED	-	3,849,319	-	-
Associate				
GOLDEUWIN KOREA CO.,LTD.	-	62,252	-	-
Others				
RAY&CO.	-	-	-	135,000
GOLDWIN INC	2,723,668	-	-	-
Other related parties ¹	-	-	-	5,628
	<u>₩ 130,326,811</u>	<u>₩ 23,609,193</u>	<u>₩ 21,223,295</u>	<u>₩ 742,344</u>

¹ Although the entity is not the related party of the Company in accordance with Korean IFRS 1024, the entity belongs to the Large Enterprise Group to which the Company also belongs in accordance with the Monopoly Regulation and Fair-Trade Act.

² In addition to the above, the Company recognized the repayment of lease liabilities of ₩ 163,500 thousand and interest expense of ₩ 28,038 thousand with related parties.

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³ Other purchases consist of the acquisition of equity interest in TEKWIN (BD) LIMITED of ₩ 61,242 thousand and the acquisition of shares in TEKVISION (BD) LIMITED of ₩ 61,242 thousand.

(in thousands of Korean won)

	2024			
	Dividend income	Other sales and others	Dividend paid	Other purchases
Entity with significant influence over the Company				
YMSA	₩ -	₩ -	₩ 18,922,452	₩ -
Subsidiaries				
Youngone Corporation,	29,102,216	5,681,100	-	894,186
Youngone Outdoor	101,110,478	6,739,158	-	14,316
Scott North Asia Co.,Ltd	-	3,344	-	-
SCOTT JAPAN INC.	-	2,868	-	-
POIVRE BLANC INTERNATIONAL AG		261,604	-	-
QINGDAO YOUNGONE SPORTSWEAR CO.,LTD	-	2,213	-	-
SAVAR DYEING & FINISHING IND. LTD.	-	17,049	-	-
TITAS SPORTSWEAR IND.LTD.	-	655,141	-	-
YOUNGONE (CEPZ) LIMITED	-	800,244	-	-
YOUNGONE HI-TECH SPORTSWEAR IND.LTD	-	486,447	-	-
YOUNGONE PADDING (CEPZ) LTD.	-	11,084	-	-
YOUNGONE SPORTS SHOES IND. LTD.	-	225,935	-	-
KARNAPHULI SPORTSWEAR IND. LTD.	-	589,099	-	-
YOUNGONE SYNTHETIC FIBRE PRODUCTS	-	6,611	-	-
KOREAN EXPORT PROCESSING ZONE	-	8,841	-	-
YOUNGONE NAMDINH CO.LTD.(YNL)	-	1,233,194	-	-
SUNGNAM TEXTILE MILLS LTD	-	2,666	-	-
KARNAPHULI SHOES INDUSTRIES LTD	-	1,573,254	-	-
YOUNGONE BACGIANG CO.,LTD(YBL)	-	189,156	-	-
YOUNGONE HUNGYEN CO.,LTD (YHL)	-	266,662	-	-
BROAD PEAK	-	1,176	-	-

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(in thousands of Korean won)	2024			
	Dividend income	Other sales and others	Dividend paid	Other purchases
Entity with significant influence over the Company				
INTERNATIONAL LTD				
FE SAMARKAND APPAREL LLC	-	14,763	-	-
KARNAPHULI POLYESTER PRODUCTS COMPANY LTD	-	24,344	-	-
BROADPEAK SOC TRANG CO, LTD(BSL)	-	451,130	-	-
YOUNGONE INTERNATIONAL ASIA PTE LTD	-	3,092	-	107,506
DAE-GU PRODUDCT DEVELOPMENT CO.(BD)	-	3,398	-	-
KARNAPHULI PACKAGING IND LTD	-	2,617	-	-
SHINHAN EMULSION CO(BD). LTD.	-	2,334	-	-
YOUNGONE GARMENT ACCESSORIES IND. LTD	-	10,369	-	-
YOUNGONE(EL SALVADOR)S.A.DE C.V.	-	26,889	-	-
EVER SUMMIT(H.K)LTD.	-	9,807	-	-
DONGNAMA TRADING CO.LTD	-	2,089	-	-
EVERTOP SPORTSWEAR PLC	-	8,969	-	-
SUNGNAM APPARELS (BD) LIMITED	-	2,847	-	-
EVERTOP PRODUCT DEV. CO. (BD) LTD.	-	4,701	-	-
YOH CVC PTE. LTD.	-	1,095	-	-
Associate				
GOLDEUWIN KOREA CO.,LTD.	-	9,820	-	-
Others				
RAY&CO.	-	-	-	130,576
GOLDWIN INC	2,109,513	-	-	-
Other related parties ¹	-	-	-	3,108
	<u>₩ 132,322,208</u>	<u>₩ 19,335,112</u>	<u>₩ 18,922,452</u>	<u>₩ 1,149,692</u>

¹ Although the entity is not the related party of the Company in accordance with Korean IFRS 1024, the entity belongs to the Large Enterprise Group to which the Company also belongs in accordance with the Monopoly Regulation and Fair-Trade Act.

² In addition to the above, the Company recognized the repayment of lease liabilities of ₩ 157,200 thousand and interest expense of ₩ 42,622 thousand with related parties.

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(c) The balances of significant transactions as at December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)	2025					
	Non-trade receivables	Accrued expenses	Leasehold deposits	Rent deposits	Lease liabilities	Right-of-use assets ²
Subsidiaries						
Youngone Corporation,	₩ 1,267,337	₩ 43,635	₩ 1,636,900	₩ 1,055,000	₩ 524,400	₩ 479,602
Youngone Outdoor	6,881,065	-	220,000	-	-	-
Scott North Asia Co.,Ltd	1,628	-	-	-	-	-
SCOTT JAPAN INC	4,685	-	-	-	-	-
QINGDAO YOUNGONE SPORTSWEAR CO.,LTD	198	-	-	-	-	-
YOUNGONE NAMDINH CO.LTD.(YNL)	426,425	-	-	-	-	-
YOUNGONE BACGIANG CO.,LTD(YBL)	129,069	-	-	-	-	-
YOUNGONE HUNGYEN CO.,LTD (YHL)	85,570	-	-	-	-	-
BROAD PEAK INTERNATIONAL LTD	795	-	-	-	-	-
FE SAMARKAND APPAREL LLC	10,351	-	-	-	-	-
BROADPEAK SOC TRANG CO, LTD(BSL)	152,609	-	-	-	-	-
YOUNGONE INTERNATIONAL ASIA PTE LTD	1,666	893	-	-	-	-
YOUNGONE(EL SALVADOR)S.A.D E C.V.	39,366	-	-	-	-	-
EVER SUMMIT(H.K)LTD.	7,357	-	-	-	-	-
DONGNAMA TRADING CO.LTD	1,532	-	-	-	-	-
EVERTOP SPORTSWEAR PLC	7,619	-	-	-	-	-
YOH CVC PTE. LTD.	594	-	-	-	-	-
ARIRANG AVIATION IOM LTD	3,874	-	-	-	-	-
TEKVISION (BD) LIMITED	3,921,467	-	-	-	-	-

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<i>(in thousands of Korean won)</i>	2025					
	Non-trade receivables	Accrued expenses	Leasehold deposits	Rent deposits	Lease liabilities	Right-of-use assets ²
Associate						
GOLDEUWIN KOREA CO.,LTD.	7,588	-	-	-	-	-
Other						
RAY&CO.	-	-	458,500	-	-	-
	₩ 12,950,795	₩ 44,528	₩ 2,315,400	₩ 1,055,000	₩ 524,400	₩ 479,602

¹ The amount reflecting the provision for impairment.

<i>(in thousands of Korean won)</i>	2024							
	Non-trade receivables	Accrued income	Long-term loans ¹	Accrued expenses	Leasehold deposits	Rent deposits	Lease liabilities	Right-of-use assets
Subsidiaries								
Youngone Corporation,	₩ 1,677,415	₩ -	₩ -	₩ 79,320	₩ 1,610,400	₩ 730,000	₩ 655,000	₩ 774,028
Youngone Outdoor	6,959,190	-	-	-	220,000	-	-	-
Scott North Asia Co.,Ltd	1,084	-	-	-	-	-	-	-
POIVRE BLANC INTERNATIONAL AG	24,984	185,157	1,946,604	-	-	-	-	-
QINGDAO YOUNGONE SPORTSWEAR CO.,LTD	209	-	-	-	-	-	-	-
SAVAR DYEING & FINISHING IND. LTD.	5,243	-	-	-	-	-	-	-
TITAS SPORTSWEAR IND.LTD.	395,180	-	-	-	-	-	-	-
YOUNGONE (CEPZ) LIMITED	470,551	-	-	-	-	-	-	-
YOUNGONE HI- TECH SPORTSWEAR IND.LTD	-	-	-	-	-	-	-	-
YOUNGONE PADDING (CEPZ) LTD.	2,317	-	-	-	-	-	-	-
YOUNGONE SPORTS SHOES IND. LTD.	122,552	-	-	-	-	-	-	-
KARNAPHULI SPORTSWEAR IND. LTD.	352,649	-	-	-	-	-	-	-

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December 31, 2025 and 2024

(in thousands of Korean won)	2024							
	Non-trade receivables	Accrued income	Long-term loans ¹	Accrued expenses	Leasehold deposits	Rent deposits	Lease liabilities	Right-of-use assets
YOUNGONE SYNTHETIC FIBRE PRODUCTS	1,892	-	-	-	-	-	-	-
KOREAN EXPORT PROCESSING ZONE	4,211	-	-	-	-	-	-	-
YOUNGONE NAMDINH CO.LTD.(YNL)	437,985	-	-	-	-	-	-	-
SUNGNAM TEXTILE MILLS LTD	919	-	-	-	-	-	-	-
KARNAPHULI SHOES INDUSTRIES LTD	952,590	-	-	-	-	-	-	-
YOUNGONE BACGIANG CO.,LTD(YBL)	65,894	-	-	-	-	-	-	-
YOUNGONE HUNGYEN CO.,LTD (YHL)	94,777	-	-	-	-	-	-	-
BROAD PEAK INTERNATIONAL LTD	665	-	-	-	-	-	-	-
FE SAMARKAND APPAREL LLC	11,757	-	-	-	-	-	-	-
KARNAPHULI POLYESTER PRODUCTS COMPANY LTD	8,771	-	-	-	-	-	-	-
BROADPEAK SOC TRANG CO, LTD(BSL)	162,514	-	-	-	-	-	-	-
YOUNGONE INTERNATIONAL ASIA PTE LTD	1,589	-	-	46,765	-	-	-	-
DAE-GU PROUDCT DEVELOPMENT CO.(BD)	1,563	-	-	-	-	-	-	-
KARNAPHULI PACKAGING IND LTD	1,247	-	-	-	-	-	-	-
SHINHAN EMULSION CO(BD). LTD.	1,202	-	-	-	-	-	-	-
YOUNGONE GARMENT ACCESSORIES	1,971	-	-	-	-	-	-	-

Youngone Holdings Co., Ltd.
Notes to the Separate Financial Statements
December 31, 2025 and 2024

<i>(in thousands of Korean won)</i>	2024							
	Non-trade receivables	Accrued income	Long-term loans ¹	Accrued expenses	Leasehold deposits	Rent deposits	Lease liabilities	Right-of-use assets
IND. LTD								
YOUNGONE(EL SALVADOR)S.A.D E C.V.	18,650	-	-	-	-	-	-	-
EVER SUMMIT(H.K)LTD.	5,170	-	-	-	-	-	-	-
DONGNAMA TRADING CO.LTD	1,220	-	-	-	-	-	-	-
EVERTOP SPORTSWEAR PLC	8,086	-	-	-	-	-	-	-
SUNGNAM APPARELS (BD) LIMITED	1,311	-	-	-	-	-	-	-
EVERTOP PRODUCT DEV. CO. (BD) LTD.	2,165	-	-	-	-	-	-	-
YOH CVC PTE. LTD.	522	-	-	-	-	-	-	-
Associate								
GOLDEUWIN KOREA CO.,LTD.	10,802	-	-	-	-	-	-	-
Other								
RAY&CO.	-	-	-	-	458,500	-	-	-
	<u>₩ 11,808,847</u>	<u>₩ 185,157</u>	<u>₩ 1,946,604</u>	<u>₩ 126,085</u>	<u>₩ 2,288,900</u>	<u>₩ 730,000</u>	<u>₩ 655,000</u>	<u>₩ 774,028</u>

¹ The amount reflecting the provision for impairment.

(d) Loans to related parties as at December 31, 2025 and 2024, are as follows:

<i>(in thousands of Korean won)</i>	2025	2024
Subsidiary POIVRE BLANC INTERNATIONAL AG	₩ -	₩ 1,946,604

Provisions for loans to related parties is ₩ 10,639,266 thousand (2024: ₩ 5,567,910 thousand), and the interest income generated is ₩ 391,933 thousand (2024: ₩ 236,619 thousand).

Youngone Holdings Co., Ltd.
Notes to the Separate Financial Statements
December 31, 2025 and 2024

(e) The fund transactions with related parties for the years ended December 31, 2025 and 2024, are as follows:

(in thousands of Korean won)

		2025		
		Loans	Recovery	Equity contributions in cash
Subsidiary	POIVRE BLANC INTERNATIONAL AG	₩ 3,383,060	₩ 499,800	₩ -
Associate	GOLDEUWIN KOREA CO.,LTD.	-	-	-

(in thousands of Korean won)

		2024		
		Loans	Recovery	Equity contributions in cash
Subsidiary	POIVRE BLANC INTERNATIONAL AG	₩ 1,466,235	₩ -	₩ -
Associate	GOLDEUWIN KOREA CO.,LTD.	-	-	3,360,000

(f) Details of payment guarantees provided by the Company to the related parties as at December 31, 2025, are as follows:

(in JPY)

		2025			
Type	Name of entity	Guaranteed amount	Outstanding amount		Remark
Subsidiary	SCOTT JAPAN INC.	JPY 280,000,000	JPY 240,000,000		Payment guarantees of letter of credit

(g) Key management compensation for the years ended December 31, 2025 and 2024, consists of:

(in thousands of Korean won)

	2025		2024	
Salaries	₩	7,599,550	₩	7,597,500
Post-employment benefits		859,583		2,516,389
	₩	<u>8,459,133</u>	₩	<u>10,113,889</u>

**Independent Auditor's Report on
Internal Control over Financial Reporting**
(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
Youngone Holdings Co., Ltd.

Opinion on Internal Control over Financial Reporting

We have audited Youngone Holdings Co., Ltd.'s (the "Company") Internal Control over Financial Reporting as at December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We also have audited, in accordance with Korean Standards on Auditing, the separate financial statements of the Company, which comprise the separate statement of financial position as at December 31, 2025, and the separate income statement, separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements including material accounting policy information, and our report dated March 19, 2026 expressed an unqualified opinion.

Basis for Opinion on Internal Control over Financial Reporting

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibility under these standards are further described in the *Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting* section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of internal control over financial reporting and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for designing, implementing and maintaining effective internal control over financial reporting, and for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting.

Those charged with governance have the responsibilities for overseeing internal control over financial reporting.

Auditor's Responsibilities for the Audit of 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 the audit in accordance with Korean Standards on Auditing. 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.

An audit of internal control over financial reporting involves performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit includes obtaining an understanding of internal control over financial reporting and testing and evaluating the design and operating effectiveness of internal control over financial reporting based on the assessed risk.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. An entity'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 entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the entity'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 and correct, misstatements. Also, projections of any assessment 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 auditor's report is Min-seok Kwak, Certified Public Accountant.

The signature is written in a cursive, black ink style. It reads "Samil PricewaterhouseCoopers". The word "Samil" is written in a larger, more prominent script, while "PricewaterhouseCoopers" is written in a smaller, more uniform script.

Seoul, Korea
March 19, 2026

This report is effective as at March 19, 2026, 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 Company's internal control over financial reporting thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

**Management's Report on the Effectiveness of
Internal Control over Financial Reporting**
(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors and Auditor of
Youngone Holdings Co., Ltd.

We, as the Chief Executive Officer ("CEO") and the Internal Control over Financial Reporting Officer of Youngone Holdings Co., Ltd. (the "Company"), assessed the effectiveness of the design and operation of the Company's Internal Control over Financial Reporting (ICFR) for the year ended December 31, 2025.

The Company's management, including the undersigned, is responsible for designing and operating ICFR. We assessed the design and operating effectiveness of ICFR in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable financial statements. We designed and operated ICFR in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting established by the Operating Committee of Internal Control over Financial Reporting in Korea (the ICFR Committee). And, we conducted an evaluation of ICFR based on the Annex 6 'Standards for Evaluating and Reporting on Internal Control over Financial Reporting' for the Detailed Enforcement Rule of the Regulation on External Audit and Accounting.

Based on the assessment results, we believe that the Company's ICFR, as at December 31, 2025, is designed and operated effectively, in all material respects, in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which cause material misunderstandings, and we have reviewed and verified this report with sufficient due care.

(Attachment)

Internal control activities implemented to address treasury-related fraud risks, including embezzlement.

March 3, 2026

Sung, Rae Eun
Chief Executive Officer

Shin, Suk Been
Internal Control over Financial Reporting Officer

(Attachment)

Internal control activities implemented to address treasury-related fraud risks, including embezzlement.

Category	Control Activities Performed by the Company	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
Entity-Level Controls	<Anti-Fraud Program Operation> To prevent fraud, such as embezzlement, management operates a whistleblower system (hotline) and guarantees the anonymity of informants. The Internal Audit Team conducts ad hoc audits on reported matters and reports the results to the CEO.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025)
	<Fraud Risk Assessment> Management updates the identification and assessment of potential fraud risks by considering risk factors relating to fraudulent financial reporting and asset misappropriation from the perspective of the three elements of fraud (incentive/pressure, opportunity, and attitude/rationalization), and appropriately reflects such risks in the controls.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025)
	<Segregation of Duties Management> Management considers segregation of duties and access rights when designing control activities, and the ICFR team manages such controls so that the design of segregation of duties remains up to date and operates appropriately.	Testing results: No material weaknesses identified (ICFR Officer, Jan 2026)
	<Monitoring> After the annual assessment of the ICFR, the ICFR team classifies identified exceptions by significance and reports deficiencies identified each year to the ICFR Officer. Deficiencies classified as material weaknesses or above are reported by the ICFR Officer to the auditor.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025)
Treasury Controls	<Control over Use of Corporate Seal> Physical access to corporate seals required for external fund transfers and execution of contracts is controlled by not allowing the relevant operating departments to possess them. Approval is required each time the seal is used, ensuring segregation of duties between the Treasury Manager of the Financial Management Team or the CFO and the relevant operating department.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025, Jan 2026)
	<Internet Banking and Firm Banking Transfer Restriction> Internet banking may be used only for transfers between registered accounts and, in the case of offshore accounts, only for fund transfers between related parties. Authority for internet banking and firm banking (a direct bank-to-corporate ERP payment system) is segregated so that there is a clear segregation of duties between the transfer requester (the person in charge of treasury in the Financial Management Team) and the approver (Treasury Manager of the Financial Management Team).	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Jan 2026)
	<Review of Fund Execution> The Treasury Manager of the Financial Management Team approves after reviewing fund execution details.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025)
	<Management of Fund Inflows and Outflows> The Treasury Manager of the Financial Management Team and the CFO review, verify, and approve daily fund movement details and account-by-account balance lists through the daily treasury report prepared each day. At the end of the month, the balances shown in the daily treasury report are additionally reconciled with the balance certificates received from banks.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025)
	<Review of Fund Operations> The Treasury Manager of the Financial Management Team, the CFO, and the CEO review and approve the appropriateness of key terms in approval requests relating to fund operations such as subscriptions to financial instruments and loans.	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025)

	<p><Review of Cash Disbursements> The person in charge of cash payments in the Financial Management Team verifies that AP vouchers have been approved by the relevant operating department manager and the person in charge of accounting in the Financial Management Team, obtains approval for the disbursement plan from the Financial Management Team Manager, and then makes cash payments.</p>	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025, Jan 2026)
	<p><Cash Count> The Financial Management Team conducts a cash count twice a year, prepares a daily treasury report on the date of the cash count, and obtains approval from the Treasury Manager of the Financial Management Team.</p>	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025)
Other Process-Level Controls	<p><Review of Vendor Master Creation and Modification> The person in charge of Vendor Master and the Accounting Manager of the Financial Management Team review and approve the request for the creation or modification of the Vendor Master prepared by the relevant operating department, verifying that the key information (such as bank account numbers) matches the supporting documents.</p>	Testing results: No material weaknesses identified (ICFR Officer, Aug 2025, Nov 2025)