# IMPORTANT NOTICE

## NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. If you are not the intended recipient of this message, please do not distribute or copy the information contained in this e-mail, but instead, delete and destroy all copies of this e-mail including all attachments. The following applies to the offering circular following this page. You are therefore advised to read this notice carefully before reading, accessing or making any other use of the offering circular. In reading, accessing or making any other use of the offering circular, you agree to be bound by the following terms and conditions and each of the restrictions set out in the offering circular, including any modifications made to them from time to time, each time you receive any information from us as a result of such access.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED IN THE OFFERING CIRCULAR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

**THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE FINAL TERMS AND CONDITIONS OF THE RELEVANT SECURITIES. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.**

Confirmation of your representation: In order to be eligible to view the following offering circular or make an investment decision with respect to the securities, investors must be non-U.S. persons (within the meaning of Regulation S under the Securities Act) outside the United States. The following offering circular is being sent at your request and by accepting the e-mail and accessing the offering circular, you shall be deemed to have represented to us that (1) you and any customers you represent are non-U.S. persons outside of the United States, (2) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions and, to the extent you purchase the securities, you will be doing so pursuant to Regulation S and (3) you consent to the delivery of such offering circular and any amendments and supplements thereto by electronic transmission.

You are reminded that the following offering circular has been delivered to you on the basis that you are a person into whose possession the following offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose the contents of the following offering circular to any other person. If this is not the case, you must return the offering circular to us immediately.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors:** Prospective investors should be aware that certain intermediaries in the context of the offering of the Notes (as defined in this Offering Circular), including certain Managers, are ''capital market intermediaries'' (together, the ''CMIs'') subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the ''SFC Code''). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as ''overall coordinators'' (''OCs'') for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer (as defined in this Offering Circular), a CMI or its group companies would be considered under the SFC Code as having an association (an ''Association'') with the Issuer, the CMI or the relevant group company (as the case may be). Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e., two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Manager or its group company has more than 50% interest, in which case it will be classified as a ''proprietary order'' and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such ''proprietary order'' may negatively impact the price discovery process in relation to the offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a ''proprietary order''. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a ''proprietary order'' (pursuant to the SFC Code), such prospective investor should so indicate to the relevant Manager when placing such order and such orders will be subject to applicable requirements in accordance with the SFC Code. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a ''proprietary order''. Where prospective investors disclose such information but do not disclose that such ''proprietary order'' may negatively impact the price discovery process in relation to the offering, such ''proprietary order'' is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks which act as CMIs in connection with the offering (''Private Banks'')) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the offering. Failure to provide such information may result in that order being rejected.

The following Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, none of BNP PARIBAS, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank and The Hongkong and Shanghai Banking Corporation Limited (collectively, the ''Managers'') nor any person who controls any of them nor any director, officer, employee or agent of any of them nor affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Managers.

You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply email communications, including those you generate by using the ''Reply'' function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the ''Order'') or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as ''relevant persons''). Any securities will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.



KOMIR

# Korea Mine Rehabilitation and Mineral Resources Corporation

**(a statutory juridical corporation established under the laws of the Republic of Korea)**

**Issue of U.S.$500,000,000 4.875% Notes due 2031**

**under the U.S.$5,000,000,000**

**Global Medium Term Note Program**

THE NOTES TO WHICH THIS PRICING SUPPLEMENT RELATES (THE "NOTES") HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE NOTES WILL BE OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S.

IN CONNECTION WITH THIS ISSUE, THE STABILIZING MANAGERS (OR ANY PERSON ACTING ON BEHALF OF ANY STABILIZING MANAGER) MAY OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE MAY BE NO OBLIGATION ON THE STABILIZING MANAGERS (OR ANY PERSON ACTING ON BEHALF OF ANY STABILIZING MANAGER) TO UNDERTAKE STABILIZATION ACTION. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD. SUCH STABILIZING SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.

***Joint Bookrunners and Joint Lead Managers***

**BNP PARIBAS** **Citigroup** **Crédit Agricole CIB** **HSBC**

The date of this Pricing Supplement is March 31, 2026.

**Korea Mine Rehabilitation and Mineral Resources Corporation**

**Issue of U.S.$500,000,000 4.875% Notes due 2031**

**under the U.S.$5,000,000,000**

**Global Medium Term Note Program**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated March 25, 2026. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

| | | | |
|---|---|---|---|
| 1. | (i) | Issuer: | Korea Mine Rehabilitation and Mineral Resources Corporation |
| 2. | (i) | Series Number: | 13 |
| | (ii) | Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | | United States dollars (“U.S.$”) |
| 4. | Aggregate Nominal Amount: | | |
| | (i) | Series: | U.S.$500,000,000 |
| | (ii) | Tranche: | U.S.$500,000,000 |
| 5. | (i) | Issue Price: | 99.588% of the Aggregate Nominal Amount |
| | (ii) | Net proceeds (after deducting a combined underwriting and management commission but not estimated expenses): | U.S.$496,690,000 |
| 6. | Specified Denominations: | | U.S.$200,000 and, in excess thereof, integral multiples of U.S.$1,000 |
| 7. | (i) | Issue Date: | April 13, 2026 |
| | (ii) | Interest Commencement Date: | April 13, 2026 |
| 8. | Maturity Date: | | April 13, 2031 |
| 9. | Interest Basis: | | 4.875% Fixed Rate |
| 10. | Redemption/Payment Basis: | | Redemption at par |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | | None |
| 12. | Put (other than Condition 8(d)(i))/Call Options: | | Not Applicable |

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|---|---|---|---|
| 13. | (a) | Status of the Notes: | Senior Notes |
| | (b) | Date of the Issuer's Board approval for the issues of Notes obtained: | December 23, 2025 |
| 14. | Listing: | | Singapore Exchange Securities Trading Limited (the "SGX- ST") |
| 15. | Method of distribution: | | Syndicated |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 16. | Fixed Rate Note Provisions: | | Applicable |
| | (i) | Rate of Interest: | 4.875% per annum payable semi-annually in arrears |
| | (ii) | Interest Payment Date(s): | April 13 and October 13 in each year up to and including the Maturity Date with the first interest payment date being October 13, 2026. |
| | (iii) | Fixed Coupon Amount(s): | U.S.$24.375 per U.S.$1,000 in nominal amount |
| | (iv) | Broken Amount(s): | Not Applicable |
| | (v) | Day Count Fraction: | 30/360, unadjusted |
| | (vi) | Determination Date(s): | Not Applicable |
| | (vii) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | None |
| 17. | Floating Rate Note Provisions: | | Not Applicable |
| 18. | Zero Coupon Note Provisions: | | Not Applicable |
| 19. | Index Linked Interest Note Provisions: | | Not Applicable |
| 20. | Dual Currency Note Provisions: | | Not Applicable |

**PROVISIONS RELATING TO REDEMPTION**

| | | |
|---|---|---|
| 21. | Issuer Call: | Not Applicable |
| 22. | Investor Put (other than Condition 8(d)(i)): | Not Applicable |
| 23. | Final Redemption Amount of each Note: | Par |

| | | |
|---|---|---|
| 24. | Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8(e)): | Not Applicable |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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| 25. | Form of Notes: | Registered Notes:<br><br>Regulation S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg |
| 26. | Financial Center(s) or other special provisions relating to Payment Dates: | Seoul, London and New York |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature): | No |
| 28. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 29. | Details relating to Installment Notes: amount of each installment, date on which each payment is to be made: | Not Applicable |
| 30. | Redenomination applicable: | Redenomination not applicable |
| 31. | Other terms or special conditions: | Not Applicable |

**DISTRIBUTION**

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|---|---|---|---|
| 32. | (i) | If syndicated, names of Managers: | BNP PARIBAS<br>Citigroup Global Markets Limited<br>Crédit Agricole Corporate and Investment Bank<br>The Hongkong and Shanghai Banking Corporation Limited |
| | (ii) | Stabilizing Manager (if any): | BNP PARIBAS<br>Citigroup Global Markets Limited<br>Crédit Agricole Corporate and Investment Bank<br>The Hongkong and Shanghai Banking Corporation Limited |

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|---|---|---|
| 33. | If non-syndicated, name of relevant Dealer: | Not Applicable |
| 34. | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA rules not applicable |
| 35. | Prohibition of sales to EEA retail investors: | Not Applicable |
| 36. | Prohibition of sales to UK retail investors: | Not Applicable |
| 37. | Additional selling restrictions: | Not Applicable |

**HONG KONG SFC CODE OF CONDUCT**

| | | |
|---|---|---|
| 38. | Rebates: | Not applicable |
| 39. | Contact email addresses of the Managers where underlying investor information in relation to omnibus orders should be sent: | DCM.Omnibus@citi.com;<br>dl.asia.syndicate@asia.bnpparibas.com;<br>HKG-Syndicate@ca-cib.com;<br>hk_syndicate_omnibus@hsbc.com.hk |
| 40. | Marketing and investor target strategies: | As indicated in the Offering Circular. |

**OPERATIONAL INFORMATION**

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| 41. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| 42. | Delivery: | Delivery against payment |
| 43. | In the case of Registered Notes, specify the location of the office of the Registrar if other than New York: | Dublin, Ireland |
| 44. | Additional Paying Agent(s) (if any): | Not Applicable |
| | ISIN: | XS3322576417 |
| | Common Code: | 332257641 |

## NOTICE TO INVESTORS IN SINGAPORE

By accepting this Pricing Supplement, if you are an investor in Singapore, you: (I) represent and warrant that you are either (1) an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the "SFA")) pursuant to Section 274 of the SFA; or (2) an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA, and (II) agree to be bound by the limitations and restrictions described in the Offering Circular.

## LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.$5,000,000,000 Global Medium Term Note Program of Korea Mine Rehabilitation and Mineral Resources Corporation.

The Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Pricing Supplement. Approval in-principle from, admission to the Official List of, and listing and quotation of any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Program or the Notes.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement, which, when read together with the Offering Circular referred to above, contains all information that is material in the context of the issue of the Notes.

**OFFERING CIRCULAR**



KOMIR

# Korea Mine Rehabilitation and Mineral Resources Corporation

**(a statutory juridical corporation established under the laws of the Republic of Korea)**

## U.S.$5,000,000,000
## Global Medium Term Note Program

This Offering Circular replaces and supersedes the Offering Circular dated March 22, 2024 describing the Program (as defined below). Any Notes (as defined below) issued under this Program on or after the date of this Offering Circular are issued subject to the provisions described herein. The provisions herein do not affect any Notes issued prior to the date of this Offering Circular.

Under this U.S.$5,000,000,000 Global Medium Term Note Program (the "Program"), Korea Mine Rehabilitation and Mineral Resources Corporation (the "Company") or any subsidiary of the Company which accedes to the Program by executing an accession agreement pursuant to the terms of the Agency Agreement (as defined below) (each such subsidiary, a "Guaranteed Issuer," and together with the Company, each an "Issuer" in relation to the Notes issued by it) may from time to time issue notes (the "Notes") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

The Notes may be issued in bearer or registered form (respectively, "Bearer Notes" and "Registered Notes"). Notes issued by the Guaranteed Issuers will be guaranteed by the Company (in such capacity, the "Guarantor"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Program will not exceed U.S.$5,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Summary of the Program" and any additional Dealer appointed under the Program from time to time by the Issuer (each a "Dealer" and together, the "Dealers"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "Singapore Stock Exchange") in connection with the Program and application will be made for the listing and quotation of Notes that may be issued pursuant to the Program and which are agreed, at or prior to the time of issue thereof, to be so listed on the Singapore Stock Exchange. Such permission will be granted when such Notes have been admitted for listing and quotation on the Singapore Stock Exchange. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein that are applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a pricing supplement (the "Pricing Supplement").

The Singapore Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of any Notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Issuer, the Guarantor, the Program or the Notes.

The Program provides that the Notes may be listed or admitted to trading on such other or further stock exchange(s) as may be agreed among the Issuer, the Guarantor (if applicable) and the relevant Dealer. The Issuer may also issue unlisted Notes.

**See "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Notes.**

Neither the Notes nor the Guarantee has been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and, unless so registered, may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes will be offered and sold (a) in the United States, only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) or to "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that are institutions and (b) in "offshore transactions" to persons other than "U.S. persons" (each as defined in Regulation S under the Securities Act). See "Subscription and Sale and Transfer and Selling Restrictions."

***Arranger***

**Citigroup**

***Dealers***

**BNP PARIBAS** **Citigroup** **Crédit Agricole CIB** **HSBC**

The date of this Offering Circular is March 25, 2026.

The Company (in its capacity as the Issuer or, in the case of Senior Guaranteed Notes, as the Guarantor) and the Guaranteed Issuers, having made all reasonable enquiries, confirm that this Offering Circular contains or incorporates all information which is material in the context of the issuance and offering of the Notes, that the information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading in any material respect, that the opinions and intentions expressed in this Offering Circular are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions, and that there are no other facts, the omission of which would, in the context of the issue and offering of the Notes, make this Offering Circular as a whole or any information or the expression of any opinions or intentions expressed in this Offering Circular misleading in any material respect. The Company and the Guaranteed Issuers accept responsibility accordingly. Information provided in this Offering Circular with respect to Korea, its political status and economy has been derived from information published by the Korean government and other public sources, and the Company and the Guaranteed Issuers accept responsibility only for the accurate extraction of information from such sources.

This Offering Circular is to be read in conjunction with all documents that are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

The Dealers have not separately verified all information contained herein. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Company or the Guaranteed Issuers in connection with the Program or the Notes or their distribution. No Dealer accepts any responsibility or liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Company or the Guaranteed Issuers in connection with the Program.

No person is or has been authorized by the Company or the Guaranteed Issuers to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Program or the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by any of the Company, the Guaranteed Issuers or the Dealers.

Neither this Offering Circular nor any other information supplied in connection with the Program or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by any of the Company, the Guaranteed Issuers or the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Program or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the applicable Issuer and the Guarantor (if applicable). Neither this Offering Circular nor any other information supplied in connection with the Program or the issue of any Notes constitutes an offer or invitation by or on behalf of any of the Company, the Guaranteed Issuers or the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Company and the Guaranteed Issuers is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Program is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Company or the Guaranteed Issuers during the life of the Program or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its territories or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Company, the Guaranteed Issuers and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Company, the Guaranteed Issuers or the Dealers that would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of the Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States of America, the European Economic Area (the "EEA"), the United Kingdom (the "UK"), Japan, Hong Kong, Singapore, Korea and Switzerland. See "Subscription and Sale and Transfer and Selling Restrictions."

In making an investment decision, investors must rely on their own examination of the applicable Issuer and the Guarantor (if applicable) and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

## EEA INFORMATION

**MIFID II product governance –** The final terms (or Pricing Supplement, as the case may be) in respect of any Series (as defined under "Terms and Conditions of the Notes") of Notes may include a legend entitled "MiFID II Product Governance," which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. If such information is included, any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), each of the Arranger and Dealers subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**IMPORTANT – EEA RETAIL INVESTORS –** If the final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors," the Notes of any such Series are not intended to be offered, sold or otherwise made

available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes: (a) the expression ''retail investor'' means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the ''Insurance Distribution Directive''), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below); and (b) the expression ''offer'' includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the ''PRIIPs Regulation'') for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be prepared and therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

For the purposes of the foregoing paragraph, the expression ''Prospectus Regulation'' means Regulation (EU) 2017/1129.

## UK INFORMATION

**UK MiFIR product governance –** The final terms (or Pricing Supplement, as the case may be) in respect of any Series (as defined under ''Terms and Conditions of the Notes'') of Notes may include a legend entitled ''UK MiFIR Product Governance'' which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. If such information is included, any person subsequently offering, selling or recommending the Notes (a ''UK MiFIR distributor'') should take into consideration the target market assessment; however, a UK MiFIR distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the ''UK MiFIR Product Governance Rules'') will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, each of the Arranger and Dealers subscribing for any Notes is a UK MiFIR manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a UK MiFIR manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT – UK RETAIL INVESTORS –** If the final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes includes a legend entitled ''UK PRIIPS Regulation/ Prohibition of Sales to UK Retail Investors,'' the Notes of any such Series are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes: (a) the expression ''retail investor'' means a person who is neither: (i) a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (''EUWA''); nor (ii) a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (''POATRs''); and (b) the expression ''offer'' includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the ''UK PRIIPs Regulation'') for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Offering Circular is only being distributed to and is only directed at (i) persons who are outside the UK; (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (e) of the Order (all such persons together being referred to as "relevant persons"). The Notes will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offering Circular or any of its contents.

None of the Dealers, the Company or the Guaranteed Issuers makes any representation to any investor regarding the legality of its investment in the Notes under any applicable laws. The contents of this Offering Circular should not be construed as providing legal, business, accounting or tax advice. Any investor should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

## U.S. INFORMATION

This Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs or Institutional Accredited Investors (each as defined under "Form of the Notes") for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorized. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Registered Notes may be offered or sold within the United States only to QIBs or to Institutional Accredited Investors, in either case in transactions exempt from registration under the Securities Act. Each U.S. purchaser of the Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act ("Rule 144A").

Purchasers of the Definitive IAI Registered Notes will be required to execute and deliver an IAI Investment Letter (each as defined under "Terms and Conditions of the Notes"). Each purchaser or holder of the Definitive IAI Registered Notes, the Notes represented by a Rule 144A Global Note (as defined below) or any Notes issued in registered form in exchange or substitution therefor (together "Legended Notes") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "Subscription and Sale and Transfer and Selling Restrictions." Unless otherwise stated, terms used in this paragraph have the meanings given to them in "Form of the Notes."

## IMPORTANT NOTICE TO PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT

Prospective investors should be aware that certain intermediaries in the context of certain offerings of the Notes pursuant to the Program (each such offering, a "CMI Offering"), including certain Dealers, may be "capital market intermediaries" ("CMIs") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "SFC Code"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("OCs") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (an "Association") with the Issuer, the CMI or the relevant group company. Prospective investors associated

with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e., two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

## SINGAPORE INFORMATION

**PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – The Pricing Supplement in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA"). If applicable, the Issuer will make a determination about the classification of the Notes being offered for the purposes of section 309B(1)(a) and section 309B(1)(c) of the SFA. Any such legend included on the relevant Pricing Supplement will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

## AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, each of the Issuers and the Guarantor (if applicable) will be required to furnish, upon request, to a holder of the Notes and a prospective investor designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act unless at the time of the request the Issuer or the Guarantor, as the case may be, is a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), or is exempt from the registration requirements of Section 12(g) of the Exchange Act (and therefore is required to publish on its website, in English, certain information pursuant to Rule 12g3-2(b) under the Exchange Act).

## PRESENTATION OF FINANCIAL INFORMATION

The audited annual consolidated financial statements of the Company as of and for the years ended December 31, 2025 and 2024 have been prepared in accordance with the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions in the Republic of Korea ("Government Accounting Standards"), and where accounting provisions have not been specified under Government Accounting Standards, the Company has also applied International Financial Reporting Standards as adopted by the Republic of Korea ("K-IFRS") as allowed under Government Accounting Standards. Such accounting standards differ in certain significant respects from generally accepted accounting principles in other countries, including the United States. Unless expressly stated otherwise, all financial and other information in the Offering Circular regarding the Company's activities, financial condition and results of operations are presented on a consolidated basis.

For the year ended December 31, 2025, the Company disposed of its entire equity interests in SARISBURY LIMITED and Minera Metalurgica del Boleo (MMB), and accordingly, classified these projects as discontinued operations. In addition, the Wyong, Togara North and Narrabri projects were classified as assets held-for-sale during the year ended December 31, 2025 and were consequently categorized as discontinued operations. The consolidated statements of financial position as of December 31, 2024 and the consolidated statements of comprehensive loss for the year ended December 31, 2024 have been restated to reflect the classification of discontinued operations as of December 31, 2025. See note 44 of the audited annual consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular.

A Korean version of the Company's audited annual separate financial statements as of and for the years ended December 31, 2025 and 2024 and the related audit opinion are publicly available at the Company's website at https://www.komir.or.kr/kor/article/ATCL01b4f4fdf?mno#.

## CERTAIN DEFINED TERMS AND CONVENTIONS

The Company is a wholly state-owned corporation established on September 10, 2021 under the Korea Mine Rehabilitation and Mineral Resources Corporation Act (the "KOMIR Act") through a merger between Korea Resources Corporation ("KORES") and Korea Mine Reclamation Corporation ("MIRECO") pursuant to which all assets, liabilities, rights and obligations of KORES and MIRECO were automatically transferred by law under universal succession to the Company under the KOMIR Act. KORES was established in 1967 as a wholly state-owned corporation under the KORES Act and was mandated to secure a stable supply of key mineral resources, both domestically and overseas. MIRECO was established in 2006 as a wholly state-owned corporation under the Mining Damage Prevention and Restoration Act and specialized in mine reclamation with a focus on promoting national safety and economic revitalization in mining areas.

All references to "Korea" and the "Republic" contained in this Offering Circular shall mean the Republic of Korea. All references to the "Government" shall mean the government of Korea. All references to "KOMIR" shall mean Korea Mine Rehabilitation and Mineral Resources Corporation, a

statutory juridical entity established under the KOMIR Act, or KOMIR and its consolidated subsidiaries collectively, as indicated or as required by context. All references to the "Guarantor" herein shall mean KOMIR. All references to "KORES" herein shall mean "Korea Resources Corporation" or KORES and its consolidated subsidiaries collectively, as indicated or as required by context. All references to "MIRECO" herein shall mean "Korea Mine Reclamation Corporation" or MIRECO and its consolidated subsidiaries collectively, as indicated or as required by context. All references to the "Company" herein shall mean KOMIR, provided that all references to the Company and its activities prior to September 10, 2021 relating to those originally performed by KORES shall mean KORES and its activities and those originally performed by MIRECO shall mean MIRECO and its activities. All references to "Guaranteed Issuers" shall mean the subsidiaries of Korea Mine Rehabilitation and Mineral Resources Corporation that have acceded to the Program by executing an accession agreement pursuant to the terms of the Agency Agreement, and all references to "Issuers" herein shall mean Korea Mine Rehabilitation and Mineral Resources Corporation and the Guaranteed Issuers. All references to "U.S." and the "United States" shall mean the United States of America. In this Offering Circular, all references to "Won" or "₩" are to the lawful currency of Korea, all references to "U.S. dollar" or "U.S.$" are to the lawful currency of the United States, all references to "euro" or "€" are to the lawful currency of the European Economic and Monetary Union, all references to "Mexican peso" are to the lawful currency of the United Mexican State, all references to "Japanese yen" are to the lawful currency of Japan, all references to "Australian dollar" or "AUD" are to the lawful currency of the Commonwealth of Australia and all references to "S$" are to the lawful currency of Singapore. For the reader's convenience, certain Won amounts in this Offering Circular have been translated into U.S. dollars at the market average exchange rate, announced by Seoul Money Brokerage Services, Ltd. in Seoul, between Won and U.S. dollars, rounded to the nearest tenth of one Won (the "Market Average Exchange Rate"). For a discussion of historical information regarding the rate of exchange between the Won and the U.S. dollar, see "Exchange Rates." No representation is made that the Won or U.S. dollar amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars or Won, as the case may be, at any particular rate or at all.

Any discrepancies in any table between totals and the sums of the amounts listed are due to rounding.

## SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Company is a statutory juridical entity established in Korea pursuant to the KOMIR Act. All of the Company's directors and officers and certain other persons named in this Offering Circular reside in Korea, and all or a significant portion of the assets of the directors and officers and certain other persons named in this Offering Circular and, substantial part of the Company's assets are located in Korea. As a result, it may not be possible for you to effect service of process within the United States upon such persons or to enforce against them or against the Company in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the United States. There is doubt as to the enforceability in Korea, either in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated on the U.S. federal securities laws.

## FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain "forward-looking statements" that are based on the Company's current expectations, assumptions, estimates and projections about the Company and the mining industry. The forward looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "intend," "target," "seek," "aim," "contemplate," "project," "plan," "goal," "should" and similar expressions or the negatives thereof. Those statements include, among other things, the discussions of the Company's business strategy and expectations concerning its market position, future operations, cash flows, margins, profitability, liquidity and capital resources. Reliance on any forward-looking statement involves risks and

uncertainties, and although the Company believes that the assumptions on which the forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions could be incorrect. The uncertainties in this regard include, but are not limited to, those identified in the risk factors discussed elsewhere in this Offering Circular. See the section entitled "Risk Factors" in this Offering Circular. In light of these and other uncertainties, you should not conclude that the Company will necessarily achieve any plans and objectives or projected financial results referred to in any of the forward-looking statements. The Company does not undertake to release the results of any revisions of these forward-looking statements to reflect future events or circumstances, except as required by law.

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In connection with the issue and distribution of any Tranche of Notes, the Dealer(s) (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in the applicable Pricing Supplement may, subject to all applicable laws and regulations, over-allot the Notes or effect transactions with a view to supporting the market price of the Notes of a Series (as defined below) of which such Tranche forms a part at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) to undertake any stabilizing action. Such stabilizing, if commenced, may be discontinued at any time, and must be brought to an end after a limited period.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated into, and to form part of, this Offering Circular:

(a) the most recently published audited annual consolidated financial statements and, if published later, the most recently published interim consolidated financial statements (if any) of the Company from time to time;

(b) the most recently published audited annual separate financial statements (if any) and, if published later, the most recently published interim financial statements (if any) of the Guaranteed Issuers from time to time; and

(c) all supplements or amendments to this Offering Circular circulated by the Issuers from time to time,

save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Company and the Guaranteed Issuers will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Company at its office set out at the end of this Offering Circular. In addition, such documents will be available upon prior written request and satisfactory proof of holding during normal business hours (currently between 9:00 a.m. and 3:00 p.m.) on any weekday from the principal office of Citibank, N.A., London Branch (the "Principal Paying Agent") for any Notes listed on the Singapore Stock Exchange.

If the terms of the Program are modified or amended in a manner that would make this Offering Circular, as so modified or amended, inaccurate or misleading, a new offering circular will be prepared.

## GENERAL DESCRIPTION OF THE PROGRAM

Under the Program, the Issuer, with the approval of the Guarantor (if applicable), may from time to time issue Notes denominated in any currency, subject to the terms and conditions as set out herein. A summary of the terms and conditions of the Program and the Notes appears below. The applicable terms of any Notes will be agreed among the Issuer, the Guarantor (if applicable) and the relevant Dealer prior to the issue of the Notes and will be set out in the terms and conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under "Form of the Notes" below.

This Offering Circular and any supplement will only be valid for the issue of Notes in an aggregate nominal amount of the Notes which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Program, does not exceed U.S.$5,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Program from time to time:

(a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under "Form of the Notes") shall be determined, at the discretion of the Issuer and the Guarantor (if applicable), either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer and the Guarantor (if applicable) on the relevant day of calculation;

(b) the U.S. dollar equivalent of Dual Currency Notes, Index Linked Interest Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under "Form of the Notes") shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and

(c) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under "Form of the Notes") and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

## SUMMARY OF THE PROGRAM

*The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this summary.*

| | |
|---|---|
| Initial Issuer | Korea Mine Rehabilitation and Mineral Resources Corporation (the "Company") |
| LEI | 988400H3GWWTNW7D1G09 |
| Accession of New Issuers | Any subsidiary of the Company nominated by the Company may agree to be bound by all the terms of the Program, and thereby become a "New Issuer" by executing an accession agreement pursuant to the terms of the Agency Agreement.<br><br>In this Offering Circular, any reference to the "Issuer" shall mean the Initial Issuer and the New Issuers in respect of the Notes issued by it in accordance with the terms of the Program. |
| Guaranteed Issuers | The New Issuers |
| Guarantor | Korea Mine Rehabilitation and Mineral Resource Corporation, with respect to Notes issued by the Guaranteed Issuers. |
| Guarantee | The Guarantor will unconditionally and irrevocably guarantee (the "Guarantee") to each holder of Notes issued by a Guaranteed Issuer the due payment of all amounts owing from time to time under such Notes. |
| Description | Global Medium Term Note Program. |
| Arranger | Citigroup Global Markets Limited |
| Dealers | BNP PARIBAS, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank and The Hongkong and Shanghai Banking Corporation Limited and any other Dealers appointed in accordance with the Program Agreement. |
| Certain Restrictions | Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale and Transfer and Selling Restrictions") including the following restrictions applicable at the date of this Offering Circular. |

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| | **Notes with a maturity of less than one year:** |
| | Notes having a maturity of less than one year from the date of issue will, if the proceeds of the issue are accepted in the UK, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. See "Subscription and Sale and Transfer and Selling Restrictions." |
| Principal Paying Agent, Transfer Agent, Registrar, Paying Agent and Exchange Agent | Citibank, N.A., London Branch |
| Program Size | Up to U.S.$5,000,000,000 (or its equivalent in other currencies calculated as described under "General Description of the Program") outstanding at any time. The Company may increase the amount of the Program in accordance with the terms of the Program Agreement. |
| Distribution | Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. |
| Currencies | Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer. |
| Redenomination | The applicable Pricing Supplement may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 5. |
| Maturities | Such maturities as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the Guarantor or the relevant Specified Currency. |
| Issue Price | Notes may be issued on a fully paid or a partly paid basis and at an issue price which is at par or at a discount to, or premium over, par. |
| Form of Notes | The Notes will be issued in registered form or in bearer form as described in "Form of the Notes." Registered Notes will not be exchangeable for Bearer Notes and vice versa. |
| Fixed Rate Notes | Fixed interest will be payable on such date or dates as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer and on redemption, and will be calculated on the basis of such Day Count Fraction (as defined in "Terms and Conditions of the Notes") as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer. |

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| Floating Rate Notes . . . . . | Floating Rate Notes will bear interest at a rate determined:<br><br>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of Notes of the relevant Series); or<br><br>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or<br><br>(iii) on such other basis as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer, all as indicated in the applicable Pricing Supplement.<br><br>The margin (if any) relating to such floating rate will be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer for each Series (as defined under "Terms and Conditions of the Notes") of Floating Rate Notes.<br><br>In the event of the discontinuation of a reference rate applicable to a Series of Floating Rate Notes specified in the applicable Pricing Supplement, then (a) Condition 6(b)(v) of the "Terms and Conditions of the Notes" shall apply if Benchmark Transition Event is specified in the applicable Pricing Supplement; (b) Condition 6(b)(vi) of the "Terms and Conditions of the Notes" shall apply if Benchmark Discontinuation (SOFR) is specified in the applicable Pricing Supplement; or (c) as otherwise provided in the applicable Pricing Supplement. |
| Index Linked Interest Notes . . . . . | Payments of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer, the Guarantor (if applicable) and the relevant Dealer may agree, to the extent permitted by applicable law. |
| Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes . . . . . | Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer, the Guarantor (if applicable) and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer. |

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| Dual Currency Notes . . . . . | Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer, the Guarantor (if applicable) and the relevant Dealer may agree. |
| Zero Coupon Notes . . . . . | Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment. |
| Change of Control. . . . . | Upon the occurrence of a Change of Control, each holder of Notes will have the right to require the Issuer to redeem all or any part of such holder's Notes at a redemption price equal to 100% of the principal amount thereof plus accrued but unpaid interest, if any, to the date of redemption, as further described in Condition 8(d)(i). |
| Redemption . . . . . | The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified installments, if applicable, or for taxation reasons or following an occurrence of a Change of Control or an Event of Default (each as defined in "Terms and Conditions of the Notes"), or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders (as defined in "Terms and Conditions of the Notes") upon giving notice to the Noteholders or the Issuer and the Guarantor, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer. The applicable Pricing Supplement may provide that the Notes may be redeemable in two or more installments of such amounts and on such dates as are indicated in the applicable Pricing Supplement. |
| Denomination of Notes . . . . . | The Notes will be issued in such denominations as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Unless otherwise stated in the applicable Pricing Supplement, the minimum denomination of each Definitive IAI Registered Note will be U.S.$500,000 or its approximate equivalent in other Specified Currencies. |
| Taxation. . . . . | All payments in respect of the Notes or the Guarantee (if applicable) will be made without deduction for or on account of withholding taxes imposed by a Tax Jurisdiction (as defined in "Terms and Conditions of the Notes"), subject as provided in Condition 9. In the event that any such deduction is made, the Issuer (and failing whom, the Guarantor) will, save in certain limited circumstances provided in Condition 9, be required to pay additional amounts to cover the amounts so deducted. |

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| Certain Covenants . . . . . | The terms of the Notes will contain a negative pledge provision and certain other covenants, as further described in Condition 4. |
| Cross Default . . . . . | The terms of the Notes will contain a cross default provision as further described in Condition 11. |
| Status of the Notes . . . . . | *Senior Notes*:<br><br>Notes issued by the Company are referred to as Senior Notes. The Senior Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured general obligations of the Company and will rank *pari passu*, without any preference among themselves and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Company, from time to time outstanding.<br><br>*Senior Guaranteed Notes*:<br><br>Notes issued by a Guaranteed Issuer are referred to as Senior Guaranteed Notes. The Senior Guaranteed Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured general obligations of the Company and will rank *pari passu*, without any preference among themselves and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Guaranteed Issuer, from time to time outstanding.<br><br>*Guarantee*:<br><br>The Guarantee will constitute a direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured general obligations of the Guarantor and will rank *pari passu*, without any preference among themselves and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Guarantor, from time to time outstanding. |

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| Listing | Approval in-principle has been received from the Singapore Stock Exchange in connection with the Program and application will be made for the listing and quotation of Notes that may be issued pursuant to the Program and which are agreed at or prior to the time of issue thereof, to be so listed on the Singapore Stock Exchange. For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, such Notes, if traded on the Singapore Stock Exchange, will be traded in a minimum board lot size of S$200,000 (or its equivalent in foreign currencies). The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer, the Guarantor (if applicable) and the relevant Dealer in relation to each Series. Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on which stock exchange(s). |
| Governing Law | The Notes will be governed by, and construed in accordance with, New York law. |
| Selling Restrictions | There are restrictions on the offer, sale and transfer of the Notes in the United States of America, the EEA, the UK, Japan, Hong Kong, Singapore, Korea and Switzerland and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale and Transfer and Selling Restrictions." |

# RISK FACTORS

*Investing in the Notes involves risks and uncertainties. Prospective purchasers of the Notes are advised to review carefully all of the information contained elsewhere in this Offering Circular and should consider, in particular, the following risk factors before purchasing the Notes. The risks described below are not the only ones that may be relevant to the Issuer, the Guarantor, the trading price of the Notes or the value of the Guarantee.*

**Risks relating to the Company**

***The Company was established in September 2021 through a consolidation of KORES and MIRECO under the KOMIR Act which was enacted in September 2021 to address KORES's complete equity erosion and liquidity problems. As of December 31, 2025, the Company's equity remains completely eroded and there is no assurance that the Company's complete equity erosion and liquidity problems will be successfully addressed and the failure to do so may have a material adverse effect on the Company's business and financial condition and the Holders.***

Significant declines in the prices (including forecasted prices) of commodities, such as copper, nickel and coal led to significant impairment losses by KORES and its equity method investees, and resulted in the complete erosion of KORES's capital at the end of 2016, which remained completely eroded through the date of the Merger (as defined below). As of September 9, 2021, the liabilities of KORES exceeded the assets of KORES by Won 3.6 trillion. Under the KORES Act, KORES's authorized capital was Won 2 trillion, and as of September 9, 2021, the amount of KORES's issued capital was Won 2 trillion.

In March 2018, in order to address KORES's complete equity erosion and liquidity problems, an independent task force appointed by the Ministry of Trade, Industry and Energy (the "MOTIE"), which has since been renamed as the Ministry of Trade, Industry and Resources (the "MOTIR"), recommended to the Government a two stage plan (the "Plan") that involved (1) the consolidation of KORES, a wholly state-owned corporation under the KORES Act which was mandated to secure a stable supply of key mineral resources, both domestically and overseas, with MIRECO, a wholly state-owned corporation under the Mining Damage Prevention and Restoration Act which specialized in mine reclamation with a focus on promoting national safety and economic revitalization in mining areas, to form the Company and (2) KORES's divestiture from overseas exploration, development and production activities, while maintaining its remaining activities, such as stockpiling of rare mineral resources and support services for overseas resources development activities of the private sector.

Pursuant to such Plan, the Company was established on September 10, 2021 under the KOMIR Act through a merger between KORES and MIRECO pursuant to which all assets, liabilities, rights and obligations of KORES and MIRECO were automatically transferred by law under universal succession to the Company under the KOMIR Act (the "Merger"). The KOMIR Act, which came into effect on September 10, 2021, specifies the Company's authorized capital as Won 3 trillion and states that the outstanding aggregate principal amount of the bonds issued by the Company cannot exceed twice the sum of its issued capital and reserves. The KOMIR Act also allows the Government to guarantee the principal repayment of bonds and to provide financial support to cover certain operating expenses and losses. The scope of business of the Company also includes potential business cooperations with North Korea with respect to resource development. In addition, pursuant to the KOMIR Act, a separate account was created under the Company to manage the Company's overseas assets and liabilities (the "Overseas Assets Account") and to account for the Overseas Assets Account separately from the Company's business and other accounts. The KOMIR Act also prohibits the disposal of financial resources relating to abandoned mine areas to operate the Overseas Assets Account or to manage the liabilities of the Overseas Assets Account.

The second stage of the Plan calls for the sale of all of the Company's overseas assets over time. While, as a general matter, all of the Company's overseas assets are to be sold, there is no timetable for the sale. MOTIR established an independent decision making committee (the "Overseas Assets

Management Committee") to consider and decide on the management and sale of the assets, taking into consideration various factors including the market price of commodities, and the Korea Asset Management Corporation ("KAMCO"), a majority state owned corporation, is to oversee such management and sale. In accordance with the Plan, the Company completed the sale of Minera Metalurgica del Boleo ("Boleo") in November 2025 and is planning to complete the sale of Togara North in the first quarter of 2026. See note 17 of the audited annual consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular.

The Company is also discussing the sale of Narrabri and Wyong with potential purchasers and has been examining potential avenues for the sale of its overseas direct investment projects in Ambatovy and Cobre Panama (together with Narrabri and Wyong, the "Planned Disposal Assets"). The Company will not engage in any new direct overseas investment projects and will instead focus on the Company's remaining activities, including stockpiling of rare minerals, support services for overseas resources development activities of the private sector and mine reclamation activities to provide fully integrated mining support and mine reclamation services. The Plan also calls for additional plans to be formulated to restructure the mineral stockpiling businesses of the Company and Public Procurement Service.

As of December 31, 2025, the liabilities of the Company exceeded the assets of the Company by Won 3.2 trillion. Under the KOMIR Act, the Company's authorized capital is Won 3.0 trillion, and as of December 31, 2025, the amount of the Company's issued capital was Won 2.8 trillion. Note 52 of the audited consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular disclosed the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. There is no assurance that the Plan or the Merger will successfully address the Company's complete equity erosion and liquidity problems. The failure to do so may have a material adverse effect on the Company's business and financial condition and the Holders. See also "– The Company may fail to successfully complete, integrate or realize the anticipated benefits of the Merger or other strategic alternatives or corporate reorganizations, and such transactions may negatively impact the Company's business."

No bankruptcy, rehabilitation or similar proceedings have been initiated against the Company under the Debtor Rehabilitation and Bankruptcy Act of Korea ("Bankruptcy Act"). While it is not clear whether the Bankruptcy Act applies to wholly state-owned statutory juridical corporations such as the Company, the possibility of the Company being subject to any bankruptcy or rehabilitation proceedings under the Bankruptcy Act is low as a practical matter. The KOMIR Act also allows the Government to guarantee the principal repayment of bonds and to provide financial support to cover certain operating expenses and losses. The Act on the Management of Public Institutions of Korea, which is the general act governing the operation of public institutions, such as the Company, does not have any provisions relating to the bankruptcy, liquidation or rehabilitation of a public institution. However, should it be found that the Bankruptcy Act does apply to the Company, or the Bankruptcy Act is amended or an analogous act is passed to include statutory juridical wholly state-owned corporations, such as the Company, in the scope of such act, bankruptcy, rehabilitation or similar proceedings could be brought against the Company while its equity is eroded. If the Company is adjudicated to be bankrupt or insolvent by a court or other relevant body having jurisdiction over the Company and such adjudication is not cured, such adjudication may constitute an event of default under the Notes, which may have a material adverse effect on the Company's business, financial condition and results of operations.

***Although the Government has provided and is expected to continue to provide financial support to the Company, the Government is not legally required to do so.***

While the Government has regularly provided financial support to KORES and MIRECO in the past in the form of capital contributions and is permitted to guarantee Notes issued by the Company pursuant to the KOMIR Act, there is no statutory or legal requirement for the Government to do so, and the Government would be prevented from providing additional capital contributions once the Company

reaches the amount of its authorized capital unless the Company's authorized capital is increased through an amendment to the KOMIR Act, as described above. The provision of capital contributions and other forms of Government financial support to the Company is subject to prior authorization by the National Assembly of Korea as part of its budget approval process. Accordingly, there can be no assurance that the Government's support will continue and be provided on a timely basis.

***The Company (excluding its subsidiaries) is restricted in the amount of bonds it can issue relative to the sum of its issued capital and reserves under the KOMIR Act.***

Under the KOMIR Act, the outstanding aggregate principal amount of the bonds issued by the Company (excluding its subsidiaries) cannot exceed twice the sum of the Company's issued capital and reserves. As of December 31, 2025, on a separate basis, the outstanding aggregate principal amount of bonds payable by the Company was Won 5,322.4 billion and the Company's issued capital was Won 2,753.2 billion (the Company did not have any statutory reserves), representing a bond to issued capital ratio of 1.93:1. The majority of the Company's outstanding indebtedness was incurred through bond issuances. See "Capitalization of the Company." The Company is restricted in the amount of new bonds it can issue to finance its business and refinance its debt obligations as they become due as a result of the bond to issued capital and reserves ratio. The Company has been advised by Yulchon that temporarily exceeding the ratio for the sole purpose of refinancing maturing bonds, including issuing new Notes to repay maturing Notes, is not likely to violate the KOMIR Act. However, Yulchon has also noted that there is no assurance a court would agree with such interpretation in any legal dispute. The Company has further been advised by Yulchon, however, that even in the event that such a violation is found to have occurred, the validity of the newly issued Notes or the rights of Holders will not be affected. Such restriction under the KOMIR Act on the amount of bonds that may be issued does not apply to guarantees by the Company on bonds issued by certain subsidiaries of the Company.

***The Company is subject to the control of the Government, and, as a public entity that implements the Government's mineral resources and mine reclamation related policies, its activities are heavily regulated.***

The Company was established under the KOMIR Act to, among other policy objectives, promote the mineral industry, revitalize the economies of mining areas and secure a stable supply of key mineral resources strategically important to Korea's economic development. From time to time, the Company is required to take action in furtherance of public policy considerations and the Government's broader objectives for promoting domestic and overseas mineral resources development and mine reclamation activities, which may not be necessarily in the Company's best commercial interests. As of the date of this Offering Circular, the Government holds 100% of the Company's issued share capital. Accordingly, the Government is able to elect the non-standing directors on the board of directors of the Company as well as the Company's president, who is authorized to appoint the standing directors of the Company. Although the Company's management runs the day-to-day operations, the Government may determine material policies relating to the direction of the Company's business and influence the Company's strategy. For example, public policy considerations relating to the level of the Company's exploration, development, production, stockpiling and reclamation activities may affect the Company's business, results of operation and financial condition. The Government has historically influenced, and is likely to continue to influence, the Company's strategy and operations. See "The Company—Business—Relationship with the Government."

In June 2016, the Ministry of Finance and Economy (the "MOFE") and MOTIR announced broad-based measures (the "June 2016 Government Plan") to rationalize the overseas natural resource exploration, development and production activities of government-controlled enterprises, including the Company. The June 2016 Government Plan called for, among other things, the Company's divestiture from overseas exploration, development and production operations in phases, while strengthening the Company's support services to private Korean companies engaged in such operations, and the implementation of a hiring freeze and a reduction in the number of employees and overseas offices. The June 2016 Government Plan also called for the further examination of consolidating the Company's

strategic stockpiling and support services roles with other government-controlled enterprises. In furtherance of such plan, in June 2019, the Government announced that additional minerals which are secured by the Public Procurement Service would be transferred to the Company, and such transfer is currently in process. See "The Company—Business—Relationship with the Government."

The Company is also heavily regulated by a variety of laws and government bodies, including MOTIR and MOFE. MOTIR, among other things, establishes policies relating to identifying, developing and stockpiling the key strategically important mineral resources and also establishes the Mining Damage Prevention Master Plan that provides the framework relating to mine damage prevention policies. In addition, the Company must receive MOTIR's consent in most instances, and in some cases must seek amendments to current laws, to expand its operations into new businesses outside of its core operations. This may cause delays in enacting the Company's plans, which may adversely affect the Company's results of operations and financial condition. See "Regulation."

***Decreases in commodity prices have adversely affected and may in the future adversely affect the Company's business, results of operations and financial condition.***

The Company's financial performance is sensitive to changes in the market prices of the commodities that it and its affiliates produce, particularly the market prices of copper, nickel and coal. Historically, the prices of these commodities have been subject to fluctuations and have been affected by numerous factors beyond the Company's control, including global and regional supply and demand, supply and market prices of substitute or competing commodities, resource nationalism, international economic trends, exchange rate and interest rate fluctuations, expectations of inflation, speculative activities, political and other events in major mineral producing and consuming nations and production costs in major producing regions.

In the years leading up to 2020, market prices of commodities, such as copper, nickel and coal, declined significantly, primarily due to lower-than-expected economic growth of developing countries, where demand for such commodities is comparatively higher, resulting in oversupply. The onset of the COVID-19 pandemic in late 2019 further materially and adversely affected the global economy and financial markets in 2020, exacerbating price volatility and downward pressure on commodity prices. While such prices rebounded in 2022, partially as a result of the war between Russia and Ukraine and ensuing sanctions against Russia, they have remained volatile since 2023 in light of weakness and uncertainty in the global economy and financial markets, rising interest rates globally to combat inflationary pressures, and most recently due to heightened geopolitical tensions in the Middle East, including the ongoing conflict involving Iran and other countries, including the United States and Israel. See "—Earthquakes, tsunamis, floods, severe health epidemics (including occurrence of widespread infectious diseases such as the global COVID-19 pandemic) and other natural calamities could materially and adversely affect the Company's business, results of operations or financial condition." For example, the market price of nickel on the London Metal Exchange decreased from U.S.$22,894 per tonne in 2011 to U.S.$13,789 per tonne in 2020, increased to U.S.$16,812 per tonne in 2024 but decreased to U.S.$15,160 per tonne in 2025. The average price of thermal coal delivered from Newcastle, Australia, and published by the International Continental Exchange decreased from U.S.$85.3 per tonne in 2013 to U.S.$61.58 per tonne in 2020, increased to U.S.$136.43 per tonne in 2024 but decreased to U.S.$108.38 per tonne in 2025. The market price of copper decreased from U.S.$8,821 per tonne in 2011 to U.S.$6,480 in 2020, but increased to U.S.$8,478 per tonne in 2023, U.S.$9,147 per tonne in 2024 and U.S.$9,945 per tonne in 2025. The market prices of commodities have fluctuated greatly during recent periods of volatility in the global financial markets and it is impossible to accurately predict future price movements of such commodities. Accordingly, commodity prices may not remain at, and may vary significantly from, their current levels. A significant or extended decline in the prices of these commodities could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company reviews the book value of its tangible and intangible assets with definite useful lives, including its construction in progress assets and other mining properties, at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Company estimates the recoverable amount of the relevant assets to determine the extent of the impairment loss, if any. The recoverable amount of an asset is the greater of its value in use, which is the estimated future net cash flow expected to be generated by the asset adjusted by a discount rate that reflects current market assessments of the time value of money and the risk specific to the asset, and its fair value less costs to sell. If the book value exceeds the recoverable amount of an asset, an impairment loss will be recognized and the book value of such asset will be adjusted to their recoverable amount. Goodwill and other intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is any indication of impairment.

The Company estimates the future net cash flows of its mining properties as well as intangible assets based on long-term forecasts from globally recognized research institutions. If such long-term forecasts estimate that commodities prices will decrease substantially, the Company may be required to recognize impairment losses on its mining properties and intangible assets. Likewise, certain of the Company's overseas direct investment projects, including Ambatovy and Cobre Panama, which are accounted for as equity method investees in the Company's consolidated financial statements, may be required to recognize impairment losses on their mining properties and intangible assets, which may contribute to recognition of share of loss in associates and joint ventures by the Company.

In 2024, the Company recognized Won 110 billion of impairment loss on property, plant and equipment relating to Boleo and in 2025, the Company recognized Won 108 billion of impairment loss on property, plant and equipment relating to Boleo. In 2024 and 2025, the Company recognized net share of loss mainly resulting from Ambatovy and Cobre Panama. The Company cannot predict the amount or timing of any impairment of assets. If the Company is required to recognize an impairment loss on a significant portion of its assets, such impairment would have a material adverse effect on the Company's business, financial condition and results of operations. The net losses of KORES has led to the complete erosion of the Company's equity. See "—The Company was established in September 2021 through a consolidation of KORES and MIRECO under the KOMIR Act which was enacted in September 2021 to address KORES's complete equity erosion and liquidity problems. As of December 31, 2025, the Company's equity remains completely eroded and there is no assurance that the Company's complete equity erosion and liquidity problems will be successfully addressed and the failure to do so may have a material adverse effect on the Company's business and financial condition and the Holders."

***The Company may fail to successfully complete, integrate or realize the anticipated benefits of the Merger or other strategic alternatives or corporate reorganizations, and such transactions may negatively impact the Company's business.***

The Company was established through a merger between KORES and MIRECO pursuant to which all assets, liabilities, rights and obligations of KORES and MIRECO were automatically transferred by law under universal succession to the Company under the KOMIR Act. Such Merger has required the integration of separate companies or business lines that had previously operated independently. The anticipated financial and operational benefits of the Merger, including increased revenues, synergies and cost savings, depend at least in part on the Company's ability to successfully combine and integrate such businesses. There can be no assurance as to whether and the extent to which the Company will be able to realize such benefits.

***Earthquakes, tsunamis, floods, severe health epidemics (including the occurrence of widespread infectious diseases such as the global COVID-19 pandemic) and other natural calamities could materially and adversely affect the Company's business, results of operations or financial condition.***

If earthquakes, tsunamis, floods, severe health epidemics or any other natural calamities were to occur in any area where any of the Company's assets, direct investment operations or customers are located, the Company's business, results of operations or financial condition could be adversely affected. As of December 31, 2025, the Company's direct investment operations consisted of exploration, development and production projects in 12 locations in seven countries, including Australia, China, Madagascar and Panama. Any occurrence of such natural calamities in countries where the Company's direct investment operations are located may lead to reduced production or delays in the production of mineral resources. In addition, natural calamities in areas where the Company's customers are located, including Korea and Europe, may cause disruptions in their businesses, which in turn could adversely impact their demand for the Company's mineral resources, which may also lead to lower prices for such mineral resources. For example, production from Ambatovy has been suspended since February 2026 due to damages caused by Cyclone Gezani and the Company expects production to resume in May 2026.

In particular, COVID-19, an infectious disease caused by severe acute respiratory syndrome coronavirus 2, was declared a pandemic by the World Health Organization in March 2020. The global outbreak of COVID-19 had let to global economic and financial disruptions and had adversely affected the Company's business operations.

Risks associated with COVID-19 or other types of widespread infectious diseases include:

- disruption in the normal operations of the businesses of the Company's customers, which in turn may decrease demand for the Company's mineral resources and adversely affect the prices for such mineral resources;

- disruption in the normal operations of the Company's business resulting from contraction of infectious diseases by the Company's employees or those of the Company's direct investment operations, which may necessitate such employees to be quarantined and/or the Company's direct investment operations or offices to be temporarily shut down, which in turn may adversely impact the Company's production capacity;

- disruption in the distribution of the Company's mineral resources to its customers;

- disruption resulting from the necessity for social distancing, including implementation of temporary adjustment of work arrangements requiring employees to work remotely, which may lead to a reduction in labor productivity;

- depreciation of the Won against major foreign currencies, which in turn may increase the cost of the Company's mineral resources;

- unstable global and Korean financial markets, which may adversely affect the Company's ability to meet its funding needs on a timely and cost-effective basis; and

- impairments in the fair value of the Company's investments in companies that may be adversely affected by the pandemic, which in turn may adversely affect the sale of the Company's overseas assets pursuant to the Plan.

In the event that a future recurrence of COVID-19 or an occurrence of other types of widespread infectious diseases cannot be effectively and timely contained, the Company's business, financial condition and results of operations may be materially and adversely affected.

***The Company faces various risks associated with its investments worldwide, and if the Company is not able to effectively manage these risks, the Company's financial condition and results of operations may be adversely affected.***

The Company has significant overseas operations. As of December 31, 2025, the Company was participating in exploration, development and production projects in 12 locations in seven countries, including Australia, China, Madagascar and Panama. The Company is subject to political, legal and regulatory environments in these countries, some of which are known to be unstable, and differ in certain significant respects from those prevailing in developed countries. Furthermore, as the global competition for limited natural resources continues to intensify, the Company may face protectionist measures imposed by governments that are designed to protect local commercial interests.

The Company's operations abroad require management attention and personnel resources. In addition, the Company's results of operations may be adversely affected by a number of risks in the countries in which it operates or has interests, including, but not limited to, the following:

- changes in international and domestic political and economic conditions as well as social conditions;
- challenges caused by distance, language, local business customs and cultural differences;
- local labor relation issues which could lead to significant work stoppages and labor unrest;
- changes in laws, regulations or governmental policies, or in the interpretation or enforcement thereof, including those affecting taxes and royalties on mineral resources, labor, environmental compliance and investments, as well as those driven by resource nationalism;
- difficulty and costs relating to compliance with the different commercial and legal requirements, including obtaining licenses, permits or other regulatory approvals from local authorities and in enforcing the Company's rights under contracts;
- fluctuations in foreign currency exchange rates;
- foreign exchange controls and cash repatriation restrictions;
- military hostilities or acts of terrorism; and
- natural disasters, including earthquakes, tsunamis and landslides, and epidemics or pandemics, such as the global COVID-19 pandemic. See "—Earthquakes, tsunamis, floods, severe health epidemics (including the occurrence of widespread infectious diseases such as the global COVID-19 pandemic) and other natural calamities could materially and adversely affect the Company's business, results of operations or financial condition."

The likelihood of the risks being realized and their potential impact on the Company vary from country to country and are difficult to predict with any degree of accuracy. The Company may not be able to develop and implement policies and strategies that will be effective in each location where it conducts business, and there can be no assurance that the Company's exposure to such risks will not adversely affect the Company's business, results of operations and financial condition.

***If the Company is unable to divest from overseas exploration, development and production operations on acceptable terms, the Company's financial condition and results of operations may be adversely affected.***

Pursuant to the June 2016 Government Plan, the Company has been divesting certain of its overseas natural resources exploration, development and production activities in phases. Although the Company is continuing to explore potential avenues to divest from such activities, such divestments may

require the consent of third parties outside of the Company's control, such as consents of lenders under its borrowings or general partners in connection with the sale of certain of its assets. Any potential transaction would be dependent upon a number of factors that may be beyond the Company's control, including, among other factors, market conditions, industry trends, the interest of third-parties and the availability of financing to potential buyers on reasonable terms. There can be no assurance that the Company will be able to consummate any such transaction on acceptable terms or at all.

Even if the Company is successful in disposing of certain of its overseas assets through a sale or otherwise, the Company may be required to recognize a loss in connection with such disposal if the disposal price of such assets is less than their respective book value. In addition, the Company may not be able to reinvest the proceeds of any disposal on acceptable terms or at all.

The Company's failure to successfully divest from its overseas exploration, development and production operations or to reinvest the proceeds of any such disposal, each on acceptable terms, may have a material adverse effect on the Company's financial condition and results of operations.

***The Company's business operations and results of operations may be adversely affected by present or future mining laws and regulations, including those relating to taxation, as well as court judgments thereon.***

The Company's operations are subject to numerous federal, state and local mining laws and regulations both in Korea and other jurisdictions in which it has operations. The Company believes that it is in compliance with such mining laws and regulations. However, such laws and regulations, as well as court judgments thereon, are subject to change and the Company cannot determine the extent to which its future operations and earnings may be affected by new legislation, new regulations or changes in existing regulations governing the mining industry, as well as court judgments thereon. Changes in mining laws and regulations or in the interpretation or enforcement (including court judgments) thereof or the enactment of new laws and regulations may cause the Company to incur additional costs in order to comply with such changes, which may materially and adversely affect the Company's business prospects, results of operations and financial condition.

In November 2023, the Supreme Court of Panama ruled the new Mineral Rights Contract Law No. 406 to be unconstitutional and in December 2023, the Government of Panama ordered mining operations to cease. As a result, mining operations at Cobre Panama have been shut down since December 2023 and the Company and the Government of Panama are currently discussing the status of the project. While the financial impact of such business cessation and the results of the arbitration cannot be reasonably estimated at this time, continued cessations and unsuccessful results of the arbitration may have a material adverse effect on the Company's results of operations and financial condition.

***The Company may encounter problems with joint overseas exploration, development and production projects, over which it may have limited control, and such problems may materially and adversely affect its business.***

Historically, the Company has made a number of direct investments in overseas mineral resources exploration, development and production projects. The Company generally pursued these overseas exploration, development and production projects jointly with consortium partners or through acquisition of a minority interest in such projects. The Company typically lacks a controlling interest in these projects and does not act as operator. Therefore, the Company is usually dependent on its partners for their financial commitment and technical expertise and is unable to require that its joint ventures sell assets or return invested capital, make additional capital contributions or take any other action without the vote of at least a majority of its consortium partners. The Company has limited ability to control day-to-day activities on a project on which it is not the operator, and the partner on which the Company relies as operator may commit errors or misjudgments. If there are disagreements between the Company and its consortium partners or among the other consortium partners regarding the business and operations of the joint projects, the Company cannot assure you that it will be able to resolve them in a manner that will be in the Company's best interests. Certain major decisions, such as selling a stake in

the joint project or refinancing these projects, may require the consent of all other partners. These limitations may adversely affect the Company's ability to obtain the economic and other benefits it seeks from participating in these projects.

In addition, the Company's consortium partners may:

- have economic or business interests or goals that are inconsistent with the Company's interests;
- take actions contrary to the Company's instructions, requests, policies or objectives;
- be unable or unwilling to fulfill their obligations;
- experience financial and other difficulties; or
- have disputes with the Company as to their rights, responsibilities and obligations.

Any of these and other factors may have a material adverse effect on the performance of the Company's joint projects and expose the Company to a number of risks, including the risk that the partners may be incapable of providing the required financial support to the partnerships and the risk that the partners may not be able to fulfill their other obligations, resulting in disputes not only between the Company and its partners, but also between the joint ventures and their customers. Such a material adverse effect on the performance of the Company's joint projects may in turn materially and adversely affect the Company's business, results of operations and financial condition.

***Foreign exchange rate fluctuations may have a material adverse effect on the Company's results of operations and financial condition.***

The Company's consolidated financial statements are prepared from the local currency denominated financial results, assets and liabilities of the Company and its subsidiaries around the world, which are then translated into Won. Accordingly, the Company's consolidated financial results and assets and liabilities may be materially affected by changes in the exchange rates of foreign currencies. To the extent the Company incurs costs in one currency and generates revenues in another, its profit margins may be affected by changes in the exchange rates between the two currencies.

Appreciation of the Won may adversely affect the Company's results of operations because, among other things, it causes a reduction in the Company's net revenues and accounts receivables in terms of Won from its overseas investments, which are primarily denominated in U.S. dollars, as well as a reduction in the Won value of the Company's equity investments and monetary assets and liabilities denominated in foreign currencies. Because of the larger negative effects of an appreciation of the Won, depreciation of the Won generally has a net positive impact (that is the reverse of the negative impact of appreciation) on the Company's results of operations despite its effect of increasing the amount of Won required for the Company to make interest and principal payments on the Company's foreign currency-denominated debt (including, in the future, the Notes offered hereby), and increasing the foreign exchange translation losses on liabilities, which lower the Company's earnings for accounting purposes.

The Company strives to naturally offset foreign exchange risk by matching foreign currency financial assets, such as loans and receivables, with foreign currency financial liabilities, such as bonds payable and borrowings. The Company attempts to manage the remaining net exposure after natural hedges by entering into derivative transactions. Although the impact of exchange rate fluctuations has in the past been partially mitigated by such strategies, there can be no assurance that such strategies will be sufficient to reduce or eliminate the adverse impact of such fluctuations in the future. Foreign exchange rate fluctuations have had and may in the future have an adverse impact on the Company's results of operations and financial condition.

***The ore reserve estimates in this Offering Circular are only estimates and may require substantial revisions as a result of future drilling, testing and production, and as such, the Company's actual production, revenues and expenditures may also differ materially from the estimates.***

There is a degree of uncertainty attributable to the calculation of ore reserves. The proven and probable ore reserve data included in this Offering Circular are estimates made by the Company or other third-party consultants. The reliability of the estimates of the value and quantity of economically recoverable ore reserves, rates of production and the timing of capital contributions or expenditures depend upon several variables and assumptions, including, but not limited to, the following:

- quality and quantity of the technical and economic data used in the estimation process;
- extensive engineering judgments;
- interpretation of geological and geophysical data;
- continuity of current fiscal policy and regulatory regime in the countries where the reserves are located;
- assumptions concerning future commodity prices; and
- assumptions concerning future operating, development and production costs.

Many of the factors, assumptions and variables involved in estimating ore reserves are beyond the Company's control and may prove to be incorrect over time. The Company may be required in the future to revise its reserve estimates based on its subsequent drilling, testing and actual production. The Company cannot assure you that the Company's actual reserves conform to geological, metallurgical or other expectations or that the estimated volume and grade of ore will be recovered. Market prices of the mineral resources, increased production costs, reduced recovery rates, short-term operating factors, royalty charges and other factors may render proven and probable reserves uneconomic to exploit and may result in revisions of reserve estimates from time to time. Reserve estimates are not necessarily indicative of the Company's future prospects.

***The Company operates in the highly competitive mineral resources industry, and its failure to compete successfully would adversely affect its business.***

The mineral resources industry is highly competitive. Mines have limited lives, and as such, significant competition exists for the acquisition of properties producing or capable of producing mineral resources as industry participants continually seek to replace and expand their ore reserves through the acquisition of new properties. The Company is in competition with much larger, well-established companies with substantially greater financial, human, technical and other resources. Some of these competitors have been engaged in the mining business for much longer than the Company and have strong market power through a combination of different factors, such as diversification and reduction of risk, financial strength, exploitation of benefits of integration and economic scale, strengthening of their positions in the global market and their relations with the governments of mineral producing countries. Many of these competitors also have greater financial capacity to operate mines, fund acquisitions of ore reserves and conduct mineral resources exploration, development and production than the Company. As such, they may be able to identify, bid for and purchase a greater number of properties and prospects, including operatorships and licenses, or better compete on the basis of price or bear the economic risks inherent in the mining business than the Company's financial or human resources permit. Significant competitive pressure could make it difficult for the Company to invest in additional exploration, development and production projects, thereby causing a material adverse effect on the Company's business, results of operations and financial condition.

***The Company's exploration, development, production and reclamation activities require substantial expenditure and investments, and the Company's plans for, and its ability to make, such expenditures and investments are subject to various risks.***

Exploration, development and production of natural resources and mine reclamation are capital-intensive activities with high risks. The Company made direct investments in its exploration, development and production projects in the amount of Won 1,064.8 billion and Won 110.3 billion in 2024 and 2025, respectively. As of December 31, 2025, the Company had directly invested Won 3,723.2 billion in its existing overseas exploration, development and production activities. The Company's current budget for direct investments in its exploration, development and production activities in 2026 is approximately Won 88.1 billion. The Company does not intend to invest in any material new exploration, development or production projects in 2026. The Company had invested in its mine reclamation activities in the amounts of Won 88 billion and Won 88 billion in 2024 and 2025, respectively. The Company plans to invest Won 92 billion in its mine reclamation activities in 2026.

The Company's ability to carry out its exploration, development, production and reclamation activities and make the necessary capital expenditures and investments is subject to many risks, contingencies and other uncertainties, which may prevent the Company from achieving its desired results, or which may significantly increase the expenditures and investments that the Company makes, including, but not limited to, the following:

- the Company's ability to generate sufficient cash flows from operations to finance its expenditures, investments and other requirements, which are affected by changes in copper, nickel, coal and other commodity prices and other factors;
- the availability and terms of external financing;
- the Company's mix of exploration, development and reclamation activities conducted on an independent basis and those conducted jointly with other partners;
- the extent to which the Company's ability to influence or adjust plans for exploration-, development- and reclamation-related expenditures is limited under joint venture agreements for those projects in which the Company has partners;
- government approvals required for exploration-, development- and reclamation-related expenditures and investments in jurisdictions in which the Company conducts its business; and
- economic, political and other conditions in jurisdictions in which the Company conducts its business.

***The Company is subject to concentration risk in its direct investment operation, which increases the Company's exposure to market, political and other risks.***

The largest investment by the Company to date is the Ambatovy project, a large tonnage nickel mining project in Madagascar, in which the Company holds a 38.17% equity interest. The Company also holds a 8.98% equity interest in the Cobre Panama copper and molybdenum project. As of December 31, 2025, the Company's aggregate investment amount in Ambatovy and Cobre Panama was Won 2,613.0 billion and Won 865.6 billion, respectively, which together account for approximately 93.4% of the Company's aggregate cumulative investments in overseas projects as of December 31, 2025. In 2026, the Company expects to make additional capital contributions of approximately Won 88.1 billion in Ambatovy, which include amounts already contributed by the Company year to date. With respect to Cobre Panama, the Company is currently exploring opportunities for additional investment contingent upon the potential resumption of mining operations.

In February 2023, the Cobre Panama project suspended ore processing operations for approximately two weeks as a result of the Panama Maritime Authority's refusal to permit copper concentrate loading operations at the project's port, Punta Rincon. The suspension was lifted in March 2023. However, in November 2023, the Supreme Court of Panama ruled the new Mineral Rights Contract Law No. 406 to be unconstitutional and in December 2023, the Government of Panama ordered mining operations to cease. As a result, mining operations at Cobre Panama have been shut down since December 2023 and the Company and the Government of Panama are currently discussing the status of the project. See "—The Company's business operations and results of operations may be adversely affected by present or future mining laws and regulations, including those relating to taxation, as well as court judgments thereon." While the financial impact of such business disruptions and cessations cannot be reasonably estimated at this time, continued disruptions and cessations may have a material adverse effects on the Company's results of operations and financial condition.

The Company's investments in mineral resources exploration, development and production projects are concentrated by geography and by product. The Company recognizes proportionate shares of net loss and income related to direct investments in mineral resources exploration, development and production projects with significant influence but no control in its consolidated financial statements. As of December 31, 2025, of the 12 projects that the Company was invested in, five were located in Australia. In addition, three were located in Africa and one was located in Latin America, where economic and political instability lingers. For example, in Africa, Madagascar experienced an unexpected change of government in 2009 and the resulting political instability has directly and indirectly impacted the Ambatovy project. The Company's investments are also concentrated by product, and approximately 98% of the total projects were investments in copper, nickel and coal. See "—Decreases in commodity prices may adversely affect the Company's results of operations and financial condition."

Such concentration of investment exposes the Company to increased risks of fluctuations in the exchange rates of certain foreign currencies and market prices of certain commodities, as well as political, economic and other conditions, which may adversely affect the Company's results of operations and financial condition.

***A large portion of the Company's exposure in its lending operation is concentrated in a relatively small number of large borrowers and the concentration of exposure increases the Company's credit portfolio risk.***

As of December 31, 2025, the Company's ten largest domestic loan exposures totaled Won 163.8 billion and accounted for 73.0% of the Company's total outstanding domestic loans. As of that date, none of the Company's exposures to these borrowers was classified as substandard or below. As of that date, the Company's single largest domestic exposure was to Choongmoo Chemical Co., Ltd. to which the Company had outstanding exposures of Won 23.2 billion, representing 10.3% of the Company's total outstanding domestic loans.

***A considerable increase in interest rates would raise the Company's funding costs while reducing loan demand and the repayment ability of the Company's borrowers, which, as a result, could adversely affect the Company.***

Interest rates in Korea have been subject to fluctuations in recent years. For example, in March 2020, the Bank of Korea lowered its policy rate from 1.25% to 0.75%, which was further lowered to 0.5% in May 2020 to address the problems associated with the global COVID-19 pandemic. However, as the economy began to show signs of recovery from the COVID-19 pandemic starting from the second half of 2021, the Bank of Korea gradually raised its policy rate to pre-pandemic levels of 1.25% from August 2021 through January 2022. More recently, in response to rising levels of household debt and inflation in Korea as well as globally, the Bank of Korea implemented successive increases in its policy rate from 1.50% in April 2022 to 3.50% in January 2023 but began lowering its policy rate from 3.25% in October 2024 to 2.50% in May 2025 in response to weak economic conditions in Korea.

All else being equal, further increases in interest rates would raise the Company's funding costs, while reducing loan demand from borrowers. Rising interest rates may therefore require the Company to re-balance its assets and liabilities in order to minimize the risk of potential mismatches and maintain its profitability. In addition, rising interest rate levels may adversely affect the Korean economy and the financial condition and repayment ability of the Company's borrowers, which in turn may lead to a deterioration in the Company's credit portfolio.

***The Company's risk management system may not be effective in mitigating risk and loss to the Company.***

The Company seeks to monitor and manage its risk exposure through a comprehensive risk management platform, encompassing a centralized risk management organization and credit evaluation systems, reporting and monitoring systems, early warning systems and other risk management infrastructure, using a variety of risk management strategies and techniques. However, such risk management strategies and techniques employed by the Company and the judgments that accompany their application cannot anticipate the economic and financial outcome in all market environments, and many of the Company's risk management strategies and techniques have a basis in historic market behavior that may limit the effectiveness of such strategies and techniques in times of significant market stress or other unforeseen circumstances. Furthermore, the Company's risk management strategies may not be effective in a difficult or less liquid market environment, as other market participants may be attempting to use the same or similar strategies as the Company to deal with such market conditions. In such circumstances, it may be difficult for the Company to reduce its risk positions due to the activity of such other market participants.

***Exploration, development, production, stockpiling and reclamation activities involve numerous risks that may result in accidents and other operating risks and costs, for which the Company may not be fully insured.***

The Company's exploration, development, production, stockpiling and reclamation activities involve many risks, including unexpected geological formations or pressures, sudden blowouts, collapsed holes, natural disasters, environmental disasters, industrial accidents, power outages, labor disturbances, business interruptions, property damage, product liability, personal injury and death as well as stockpiling risks related to the condition of stockpiling facilities and their compliance with safety and environmental standards. The realization of any of these risks or the occurrence of any other accidents could result in diversion of resources, production disruption and reputational losses as well as potentially significant monetary losses, damages and liabilities. For example, in January 2018, as a result of Cyclone Ava on the east coast of Madagascar, the Ambatovy plant was shut down for approximately 4 weeks, which caused interruptions in the Company's production of nickel. There can be no assurance that such events will not occur in the future or that the Company's production capacity will not be materially and adversely impacted as a result of such events.

Insurance against certain of these risks with respect to the Company's overseas direct investment operations is typically maintained by the operator of the project, and the Company typically does not itself maintain any insurance against any of these risks. The occurrence of any of these events not fully covered by insurance may require the Company to cover the damages with its own funds, which in turn could materially and adversely affect the Company's business, results of operations and financial condition.

***The Company's business operations may be adversely affected by present or future environmental or safety regulations.***

The Company and its investee companies are subject to a wide variety of national and local laws and regulations and permit requirements relating to the safety and protection of human health and the environment, both in Korea and in other jurisdictions in which it has operations. These laws govern the discharge of substances into the air and water, the management and disposal of hazardous substances

and waste, site clean-up, groundwater quality and availability. For a discussion of the environmental laws and regulations in Korea that are relevant for the Company, see "Regulation—Environmental Legislation."

The Company incurs, and expects to incur, capital and operating costs in order to comply with such laws and regulations, which are becoming increasingly complex. The introduction of new laws and regulations, the imposition of tougher requirements in licenses, or increasingly strict enforcement or new interpretations of existing laws, regulations and licenses may require further expenditure to modify operations, install pollution control equipment, or curtail or cease certain operations. In addition, the discovery of previously unknown contaminations may require site clean-ups and the payment of fees, fines or other payments for pollution, discharges or other breaches of environmental requirements. Where the Company does not act as the operator, it relies on its partners that are operators to comply with the applicable environmental regulations. As a result, the Company may incur additional expenses or liabilities if its partners fail to comply.

Furthermore, heightened global awareness and international and national commitments to reduce greenhouse gas emissions and counteract climate change (including increased activism by nongovernmental and political organizations campaigning against fossil fuel extractions) may lead to increased costs for the Company. For example, the Glasgow Climate Pact which was agreed to at COP26 in November 2021 includes commitments to phase down the use of unabated coal power and inefficient fossil fuel subsidies. The Government also announced its commitment to reduce greenhouse gas emissions by 40% by 2030 at COP26 and such commitments were reconfirmed at COP27 in Egypt in November 2022. In addition, COP28 in Dubai in December 2023 resulted in an agreement to transition away from fossil fuels to achieve net-zero emissions by 2050 as well as to triple renewable energy capacity globally by 2030. Furthermore, at COP30 in Brazil in November 2025, the Government committed to strengthen its efforts to reduce greenhouse gas emissions by 53% to 61% from 2018 levels by 2035. Carbon tax proposals in various jurisdictions as well as consumer preference changes in response to growing concerns of climate change could stimulate the emergence of alternative technologies and renewable energy availability, which may impact demand for oil and gas while increasing corporate expenses. Investor preferences and sentiments are also influenced by environmental, social and corporate governance considerations including climate change and the transition to a lower carbon economy. Changes in such preferences and sentiment, including increased scrutiny from market participants, environmental organizations or the press could have an adverse effect on the Company's business, financial condition and results of operations.

The Company believes that the facilities and operations in which it holds interests are in material compliance with the requirements of the relevant environmental protection laws and safety regulations. While the costs of the measures taken to comply with such laws or regulations have not had a material adverse effect on the Company's financial condition or results of operations to date, the costs of such measures and liabilities related to damages caused by the Company's operations may increase in the future. Also, if the Company is unable to comply with the applicable laws and regulations, the local government may, at its discretion, close the non-complying facility, or force the Company to cease operations until proper compliance is made. Such increases in environmental or safety compliance costs or disruptions in operations may have a material adverse effect on the Company's results of operation and financial condition.

***Declines in the market value of the Company's equity holdings in Kangwon Land Inc. ("Kangwon Land") and the results of operations of Kangwon Land could have a material adverse effect on the Company's results of operations.***

Pursuant to the Special Act on the Assistance to the Development of Coal Industry Transition Areas and the Investment Plan for Abandoned Mine Areas by MOTIR, the Company established and supported associated companies to help revive the local economy, including Kangwon Land. As of December 31, 2025, the Company held a 36.27% equity interest in Kangwon Land, a resort company that operates the only casino in Korea that is open to Korean nationals and is listed on the KRX KOSPI

Market of the Korea Exchange (the "KRX KOSPI Market"). The Company's shareholding in Kangwon Land constituted 30.7% of the Company's consolidated assets as of December 31, 2025. The Company received dividend payments of Won 72.2 billion in 2024 and Won 90.8 billion in 2025 related to such shareholding and the Company recognized share of profit of Won 174.6 billion in 2024 and Won 123.4 billion in 2025 related to such shareholding.

Gaming is a highly regulated industry that is subject to extensive national, provincial, and/or local laws, regulations and ordinances that are administered by the relevant regulatory agency or agencies in each jurisdiction. These laws, regulations and ordinances vary from jurisdiction to jurisdiction, but generally concern the responsibilities, financial stability and character of the owners and managers of gaming operations as well as persons financially interested or involved in gaming operations, and often require such parties to obtain certain licenses, permits and approvals. In addition, some of the licenses that Kangwon Land holds expire after a certain period of time and thus require renewals and reevaluations before the end of such expiration periods. Obtaining these licenses in the first place and the renewal process involves a subjective determination by the regulatory agencies such as from the Minister of Culture, Sports and Tourism under the Special Act on the Assistance to the Development of Coal Industry Transition Areas. There is no assurance that Kangwon Land will be able to continually renew all registrations, permits, approvals or licenses necessary to conduct its operations as intended. The regulatory environment may change in the future and any such change could have a material adverse effect on its results of operations.

In March 2021, the National Assembly amended the Special Act on Support for Coal Industry Transition Areas, thereby extending the period of application of such Act until 2045. Under the amendment, commencing September 2021, Kangwon Land is to contribute 13% of its gross gaming revenue to the Abandoned Mine Fund, compared to the 25% of pre-tax profit that it was previously required to contribute. Although there is an exclusivity period through 2045 during which no further gaming facility in Korea will be open to Korean nationals without amending the Special Act on Support for Coal Industry Transition Areas, no assurance can be given that Kangwon Land's license will not be adversely affected by future changes or that it will be renewed in the future. Additionally, if the Government were to allow Kangwon Land's competitors to operate full-scale casinos for Korean nationals in Korea, Kangwon Land would face additional competition and could lose market share.

In addition, consumer demand for casinos is particularly sensitive to changes in the Korean and global economies, which adversely impact discretionary spending on leisure activities. Changes in discretionary consumer spending or consumer preferences brought about by factors such as perceived or actual general global economic conditions, high unemployment, weakness in housing or oil markets, perceived or actual changes in disposable consumer income and wealth, an economic recession (whether driven by the COVID-19 pandemic or otherwise) and changes in consumer confidence in the global economy, fears of war and future acts of terrorism or epidemics or other widespread illnesses, such as COVID-19, have in the past, have at present with respect to COVID-19 and could in the future reduce patron demand for the leisure activities Kangwon Land offers, and may have a significant negative impact on its operating results. For instance, Kangwon Land's results of operations in 2020 and 2021 were materially and adversely affected by social distancing measures relating to COVID-19 such as increased travel restrictions, quarantine measures, testing requirements and capacity limitations while its results of operations rebounded in 2022 due to the progress in ongoing COVID-19 vaccination efforts and rising mobility.

Accordingly, declines in the market value of the Company's equity holdings in Kangwon Land and the results of operations of Kangwon Land could have a material adverse effect on the Company's results of operations.

***A downgrade in, or a negative outlook with respect to, the Company's credit ratings could adversely affect the Company's business, financial condition and results of operations.***

Credit rating agencies could downgrade, or issue a negative outlook with respect to, the Company's credit ratings due to factors specific to the Company's business, a prolonged downturn in the mining industry or global commodities markets or credit market disruption.

In March 2017, Moody's downgraded KORES's issuer and senior unsecured ratings, as well as KORES's rating on its senior unsecured medium-term note program, from "Aa3" to "A1." The downgrade was due in part to the rating agency's assessment that KORES's policy role and strategic importance to the Korean government had weakened amidst the announcement of the June 2016 Government Plan and significant declines in commodity prices and impairment of assets of KORES, decreasing asset base as well as reductions in mining investments. In January 2020, Moody's changed the outlook of KORES from "stable" to "negative" mainly due to the delay and uncertainty around the National Assembly's approval of the Korea Mining Corporation Act. In March 2021, Moody's revised the outlook of KORES to "stable" from "negative" in light of the approval of the Korea Mine Rehabilitation and Mineral Resources Corporation Act by the National Assembly in February 2021.

In November 2017, S&P lowered KORES's corporate credit rating, as well as the rating of KORES's senior unsecured bonds, from "A+" to "A." In announcing the downgrade, S&P pointed to KORES's high debt levels due to KORES's negative operating cash flows and ongoing investment outlays. S&P also mentioned that KORES's ratings could be further lowered if the likelihood of Government support were to unexpectedly weaken due to a change in Government strategy and priorities. However, in November 2023, S&P raised the Company's corporate credit rating and the rating of its senior unsecured medium-term note program from "A" to "A+."

While the Company and its senior unsecured medium-term note program have been rated A1 by Moody's, A+ by S&P and A+ by Fitch Ratings, each with a stable outlook, and the Notes are expected to be rated A+ by S&P and A+ by Fitch Ratings, each with a stable outlook, a downgrade in, or a negative outlook with respect to, the Company's credit ratings could increase the Company's financing costs and adversely affect the Company's ability to raise additional capital in the capital markets in the future for working capital, capital expenditures, acquisitions and other general corporate purposes. If a credit rating downgrade were to occur at a time when the Company is experiencing significant working capital requirements or otherwise lack liquidity, the Company's business, results of operations and financial condition could be materially adversely affected.

***The Company's business may be materially and adversely affected by legal claims and regulatory actions against the Company.***

The Company is subject to the risk of legal claims and regulatory actions in the ordinary course of its business, which may expose the Company to substantial monetary damages and legal costs, injunctive relief, criminal and civil penalties, sanctions against the Company's management and employees and regulatory restrictions on the Company's operations, as well as significant reputational harm.

The Company is unable to predict the final outcome of such and other investigations, lawsuits, arbitration proceedings and regulatory actions, and the scope of the investigations in these matters may increase and lower court decisions may be appealed. Additional investigations may be launched by governmental authorities or civil claims may be filed against the Company in the future with respect to such or other alleged legal violations by the Company and its current and former officers and employees. An adverse determination in any such proceedings may result in significant regulatory sanctions and financial liability as well as reputation harm to the Company, which in turn may have a material adverse effect on the Company's business, results of operations and financial condition.

***The Company's ability to maintain and grow its business will depend on the continuing efforts of its key personnel.***

The Company's efforts to grow its business will place significant demands on its management and other resources as the Company will be required to continue to improve operational, financial and other internal controls, both in Korea and overseas locations where the Company conducts its business. Accordingly, the future success of the Company depends to a significant extent on the continued service from its senior management, engineers and technical personnel as well as other key team members in its business units, particularly those with expertise in the mining industry, and on the Company's ability to continue to attract, retain and motivate such key personnel. There is substantial competition for qualified personnel, and there can be no assurance that the Company will be able to attract or retain them. If one or more of the Company's key executive officers or other key personnel retire, or are unable or unwilling to continue in their present positions, it could be difficult to find and integrate replacement personnel in a timely manner, or at all. The loss of the service of any of the Company's key personnel without adequate replacement, or the inability to attract new qualified personnel, may hinder the Company's ability to maintain and grow its business, which in turn could have a material adverse effect on the Company's business, results of operations and financial condition.

***The Company may be exposed to risks and costs associated with protecting the integrity and security of confidential information.***

The Company's business involves the storage and transmission of large amounts of confidential information relating to the Company as well as its customers and suppliers, and any breach in its cybersecurity could expose the Company to a risk of loss, the improper use or disclosure of such information, ensuing legal actions or potential liability, any of which could harm its reputation and adversely affect its business. Although there has been no material instance where an unauthorized party was able to obtain access to the Company's data or its customers' data, there can be no assurance that the Company will not be vulnerable to cyberattacks in the future.

The Company's cybersecurity measures may also fail due to employee error, malfeasance or otherwise. Instituting appropriate access controls and safeguards across the Company's information technology infrastructure is challenging. Furthermore, outside parties may attempt to fraudulently induce employees to disclose sensitive information in order to gain access to the Company's or its customers' data or accounts or may otherwise obtain access to such data or accounts. Because the techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and often are not recognized until launched against a target, the Company may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of the Company's cybersecurity occurs or the market perception of the effectiveness of its cybersecurity measures is adversely affected, the Company may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties, damage to its reputation and a loss of confidence of its customers, which could have an adverse effect on the Company's business, financial condition and results of operations.

**Risks relating to Korea**

***The Company is significantly supported by the Government, and its current business and future growth could be materially and adversely affected if economic conditions in Korea deteriorate.***

The Company is wholly owned by the Government and serves as an execution arm for Government policies and businesses relating to mineral resources and mine reclamation, supported by significant capital contributions and other support from the Government. The Company's headquarters and significant parts of its off-take customers and assets are also located in Korea. Accordingly, the Company's performance and successful fulfillment of its operational strategies are necessarily dependent on the overall Korean economy and the resulting impact on the need for mineral resources. Any future deterioration of the Korean or global economy could adversely affect the business, financial condition and results of operations of the Company.

In recent years, adverse conditions and volatility in the global financial markets, fluctuations in oil and commodity prices, supply chain disruptions and the increasing weakness of the global economy, in particular due to the COVID-19 pandemic, Russia's invasion of Ukraine and ensuing sanctions against Russia and the heightened geopolitical tensions in the Middle East, including the ongoing conflict involving Iran and other countries, including the United States and Israel, have contributed to the uncertainty of global economic prospects in general and have adversely affected, and may continue to adversely affect, the Korean economy, which has been characterized by high levels of uncertainty resulting from high inflation rates, a rise in interest rates and a depreciation of the Won against the U.S. dollar. As a result, future growth of the Korean economy is subject to many factors beyond the Company's control, including developments in the global economy.

Factors that could adversely affect the future performance of the Korean economy include:

- declines in consumer confidence and a slowdown in consumer spending in the Korean or global economy;

- hostilities or political or social tensions involving oil producing countries in the Middle East (including those resulting from the hostilities in the Middle East following the Israel-Hamas war and the military conflicts between Iran and other countries, including the United States and Israel) and Northern Africa and any material disruption in the global supply of oil or sudden increase in the price of oil;

- hostilities, political or social tensions involving Russia (including the war between Russia and Ukraine by Russia and ensuing actions that the United States and other countries have taken or may take in the future) and the resulting adverse effects on the global supply of oil and other natural resources and the global financial markets;

- adverse conditions or uncertainty in the economies of countries and regions that are important export markets for Korea, such as China, the United States, Europe and Japan, or in emerging market economies in Asia or elsewhere, including as a result of the deterioration of economic and trade relations among such countries (including escalations of tariffs) and increased uncertainties in the global financial markets and industry;

- adverse changes or volatility in foreign currency reserve levels, inflation rates, interest rates, commodity prices (including oil prices), exchange rates (including fluctuation of the U.S. dollar, Euro or Japanese Yen exchange rates or revaluation of the Chinese Yuan) or stock markets;

- deterioration in economic or diplomatic relations between Korea and its trading partners or allies, including deterioration resulting from territorial or trade disputes or disagreements in foreign policy;

- the economic impact of any pending or future free trade agreements or of any changes to existing free trade agreements;

- increased sovereign default risk in select countries and the resulting adverse effects on the global financial markets;

- deterioration in the financial condition or performance of small- and medium-sized enterprises and other companies in Korea;

- investigations of large Korean business groups and their senior management for possible misconduct;

- a continuing rise in the level of household debt and increasing delinquencies and credit defaults by retail and small- and medium-sized enterprise borrowers in Korea;

- the occurrence of severe health epidemics in Korea and other parts of the world;

- political uncertainty or increasing strife among or within political parties in Korea following the declaration of martial law by former President Yoon in December 2024 that led to his impeachment and subsequent removal in April 2025 and the election of Mr. Lee Jae-myung as President in June 2025;

- social and labor unrest;

- substantial changes in the market prices of Korean real estate;

- rising inflationary pressures leading to increases in the costs of goods and services and a decrease in purchasing power;

- a substantial decrease in tax revenues and a substantial increase in the Government's expenditures for fiscal stimulus measures, unemployment compensation and other economic and social programs, which would likely lead to a national budget deficit as well as an increase in the Government's debt;

- financial problems or lack of progress in the restructuring of Korean business groups, other large troubled companies, their suppliers or the financial sector;

- loss of investor confidence arising from corporate accounting irregularities and corporate governance issues concerning certain Korean companies;

- a continued decrease in the population and birthrates in Korea;

- increases in social expenditures to support an aging population in Korea or decreases in economic productivity due to the declining population size in Korea;

- natural or man-made disasters that have a significant adverse economic or other impact on Korea or its major trading partners; and

- an increase in the level of tensions or an outbreak of hostilities between North Korea and Korea or the United States.

***Escalations in tensions with North Korea could have an adverse effect on the Company and the market value of the Notes.***

Relations between Korea and North Korea have been tense throughout Korea's modern history. The level of tension between the two Koreas has fluctuated and may increase abruptly as a result of current and future events. In particular, there have been heightened security concerns in recent years stemming from North Korea's nuclear weapon, ballistic missile and satellite programs as well as its hostile military actions against Korea. Some of the significant incidents in recent years include the following:

- North Korea renounced its obligations under the Nuclear Non-Proliferation Treaty in January 2003 and has conducted six rounds of nuclear tests since October 2006, including claimed detonations of hydrogen bombs and warheads that can be mounted on ballistic missiles. Over the years, North Korea has continued to conduct a series of missile tests, including ballistic missiles launched from submarines and intercontinental ballistic missiles that it claims can reach the United States mainland. North Korea has increased the frequency of such activities since the beginning of 2022, firing numerous ballistic missiles, including intercontinental

ballistic missiles, and in November 2023, successfully launched its first spy satellite. In response, the Government has repeatedly condemned the provocations and flagrant violations of relevant United Nations Security Council resolutions. In February 2016, the Government also closed the inter-Korea Gaeseong Industrial Complex in response to North Korea's fourth nuclear test in January 2016. Internationally, the United Nations Security Council has passed a series of resolutions condemning North Korea's actions and significantly expanding the scope of sanctions applicable to North Korea. Over the years, the United States and the European Union have also expanded their sanctions applicable to North Korea.

- In March 2010, a Korean naval vessel was destroyed by an underwater explosion, killing many of the crewmen on board. The Government formally accused North Korea of causing the sinking, while North Korea denied responsibility. Moreover, in November 2010, North Korea fired more than 100 artillery shells that hit Korea's Yeonpyeong Island near the Northern Limit Line, which acts as the de facto maritime boundary between Korea and North Korea on the west coast of the Korean peninsula, causing casualties and significant property damage. The Government condemned North Korea for the attack and vowed stern retaliation should there be further provocation.

North Korea's economy also faces severe challenges, which may further aggravate social and political pressures within North Korea.

Although bilateral summit meetings between Korea and North Korea were held in April, May and September 2018 and between North Korea and the United States in June 2018, February 2019 and June 2019, there can be no assurance that the level of tensions affecting the Korean peninsula will not escalate in the future. Any further increase in tensions, which may occur, for example, if North Korea experiences a leadership crisis, high-level contacts between Korea and North Korea or between the United States and North Korea break down or military hostilities occur, could have a material adverse effect on the Korean economy and on the Company's business, financial condition and results of operations and the price of the Notes, including a downgrade in the credit rating of the Company or the Notes.

***There are special risks involved with investing in securities of Korean companies, including the possibility of restrictions being imposed by the government in emergency circumstances as well as accounting and corporate disclosure standards that differ from those in other jurisdictions.***

As the Company is a Korean company and operates in a business and cultural environment that is different from that of other countries, there are risks associated with investing in its securities that may not be typical for investments in securities of companies in other jurisdictions.

Under the Foreign Exchange Transaction Act of Korea and its Enforcement Decree and regulations under that Act and Decree (collectively referred to as the "Foreign Exchange Transaction Laws"), if the Government deems that certain emergency circumstances, including sudden fluctuations in interest rates or exchange rates, extreme difficulty in stabilizing the balance of payments or substantial disturbance in the Korean financial and capital markets, are likely to occur, it may impose any necessary restriction such as requiring Korean or foreign investors to obtain prior approval from the MOFE for the acquisition of Korean securities or for the repatriation of interest, dividends or sales proceeds arising from Korean securities or from disposition of such securities or other transactions involving foreign exchange. Moreover, if the Government deems it necessary on account of war, armed conflict, natural disaster or grave and sudden and significant changes in domestic or foreign economic circumstances or similar events or circumstances, the Minister of Economy and Finance may temporarily suspend performance under any or all foreign exchange transactions, in whole or in part, to which the Foreign Exchange Transaction Laws apply (including suspension of payment and receipt of foreign exchange) or impose an obligation to deposit, safe-keep or sell any means of payment to the Bank of Korea or certain other governmental agencies or financial institutions.

In addition, the financial statements of the Company included in this Offering Circular have been prepared in accordance with Government Accounting Standards or K-IFRS, as the case may be, and the Company expects to prepare its financial statements in accordance with Government Accounting Standards or K-IFRS, as the case may be, for future periods, which differ in certain respects from accounting principles applicable to companies in certain other countries, including the United States. In addition, the Company is not a listed company and makes public disclosures regarding aspects of its business pursuant to the Act on the Management of Public Institutions and other laws applicable to the Company. These disclosure rules differ in many material respects from those applicable to companies in certain other countries, including the United States. There may also be less publicly available information about Korean companies, such as the Company, than is regularly made available by public or nonpublic companies in other countries. In making an investment decision, investors must rely upon their own examination of the Company, the terms of the offering and the financial information contained in this Offering Circular.

**Risks relating to the Notes and the Guarantee**

***The Notes and the Guarantee are not guaranteed by the Republic of Korea.***

The Notes and the Guarantee are neither the obligations of, nor guaranteed by, the Republic of Korea. Although under the KOMIR Act, the Government is allowed to guarantee bonds offered by the Company, it is not providing a guarantee in respect of the Notes or the Guarantee. In addition, the Government is under no obligation to maintain the solvency of the Issuer. Therefore, investors should not rely on the Government to fulfill the Issuer's obligations under the Notes or the Guarantor's obligations under the Guarantee in the event the Issuer or the Guarantor, respectively, is unable to do so.

***The Notes and the Guarantee are unsecured obligations and the ability of the holder of the Notes to receive payments under the Notes and the Guarantee may be compromised under certain circumstances.***

Because the Notes and the Guarantee are unsecured, the Notes and the Guarantee will be effectively subordinated to any existing and future secured debt incurred by the Issuer, the Guarantor and their respective subsidiaries to the extent of the value of the assets securing any such secured debt. If the Issuer, the Guarantor or their subsidiaries are unable to repay any of their respective secured indebtedness, the holders of such debt could proceed against the assets securing that debt and those assets would not be available to the holders of the Notes and the Guarantee.

Furthermore, the Notes and the Guarantee will be structurally subordinated to all indebtedness and other obligations of the subsidiaries of the Issuer and the Guarantor, respectively. In the event of a bankruptcy, liquidation, rehabilitation or other winding-up proceedings of a subsidiary of the Issuer or the Guarantor, all of the creditors of that subsidiary, including trade creditors, will generally be entitled to be paid in full from the assets of such subsidiary before any of those assets are made available for distribution to the Issuer or to the Guarantor, as the case may be. The ability of the holders of the Notes to receive payment under the Notes and the Guarantee may also be compromised if:

- the Guarantor enters into bankruptcy, liquidation, rehabilitation or other winding-up proceedings;
- there is a default in payment under the Guarantor's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Guarantor's indebtedness.

If any of these events were to occur, the Guarantor's assets may not be sufficient to fulfill its obligations under the Guarantee to pay amounts due on any of the Notes.

***The Notes do not restrict in any way the sale, transfer, lease or conveyance by the Company of any one or all of the Planned Disposal Assets, which constitute a significant portion of the Company's assets.***

As discussed in "Risk Factors—Risks Relating to the Company—The Company was established in September 2021 through a consolidation of KORES and MIRECO under the KOMIR Act which was enacted in September 2021 to address KORES's complete equity erosion and liquidity problems. As of December 31, 2025, the Company's equity remains completely eroded and there is no assurance that the Company's complete equity erosion and liquidity problems will be successfully addressed and the failure to do so may have a material adverse effect on the Company's business and financial condition and the Holders," the Company will examine potential avenues for the sale of its overseas direct investment projects in the "Planned Disposal Assets," which constitute a significant portion of the Company's assets. For example, in furtherance of such Plan, the Company completed the sale of Boleo in November 2025 and is planning to complete the sale of Togara North in the first quarter of 2026. The Company is also discussing the sale of Narrabri and Wyong with potential purchasers.

The Notes do not restrict in any way the sale, transfer, lease or conveyance by the Company of any one or all of the Planned Disposal Assets. In particular, Condition 4(b) of the Notes states that a sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets shall not constitute a sale, transfer, lease or conveyance of an entirety or substantially as an entirety of the Company's assets for the purposes of that Condition and Condition 11(vi) of the Notes states that any sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets shall not constitute the ceasing to carry on of the whole or substantially the whole of the Company's business for the purposes of that Condition, thereby permitting the sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets under the terms and conditions of the Notes without the restrictions otherwise set forth in the Conditions 4(b) and 11(vi). This will limit or preclude your ability to influence the sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets. See "Terms and Conditions of the Notes."

***The Notes are subject to transfer restrictions.***

The Notes will not be registered under the Securities Act or any state securities laws of the United States and may not be offered or sold to any person in the United States, or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or, in a transaction not subject to, the registration requirements of the Securities Act. For a further discussion of the transfer restrictions applicable to the Notes, see "Subscription and Sale and Transfer and Selling Restrictions—Transfer Restrictions."

***The Notes may have limited liquidity.***

There can be no assurance as to the liquidity of, or the development and continuation of an active trading market for, the Notes. If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If an active trading market for the Notes were to develop, the Notes could trade at prices that may be higher or lower than the offering price depending on many factors, including:

- prevailing interest rates;
- the Company's results of operations, financial condition and future prospects;
- political and economic developments in or affecting Korea;
- the market conditions for similar securities;
- the financial condition and stability of the mining industry; and

- the Korean financial market.

***There are tax consequences of holding Bearer Notes.***

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Bearer Notes in its particular circumstances. Bearer Notes generally may not be offered or sold in the United States or to U.S. persons. Unless an exemption applies, a U.S. person holding a Bearer Note or coupon will not be entitled to deduct any loss on the Bearer Note or coupon and must treat as ordinary income any gain realized on the sale or other disposition of the Bearer Note or coupon.

**Risks relating to forward-looking statements**

***This Offering Circular contains forward-looking statements that are the management's present expectations of future events and are subject to uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.***

In addition to the risks related to the Company's business discussed above, other factors could cause actual results to differ materially from those described in the various forward-looking statements contained in this Offering Circular. These factors include, but are not limited to, the following:

- general economic, business, political and social conditions and the impact of global epidemics such as the COVID-19 pandemic;
- fluctuations in commodity prices;
- adverse trends in regulatory, legislative and judicial developments, including litigation and environmental regulatory restrictions and liabilities;
- changes in interest rates and foreign exchange rates;
- evaluation of exploration prospects and the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits;
- uncertainties inherent in estimating proved or probable mineral reserves;
- expansion and other development trends of the mining industry and regulatory, administrative or economic conditions affecting the mining industry, including changes to applicable mining and other laws governing the mining industry;
- the risks and hazards associated with the mining business and operating or technical difficulties in connection with mining or development activities;
- claims made in respect of the Company's operations, property or assets, and contests over title to properties, particularly title to undeveloped properties;
- supply of mining and related equipment and availability and costs associated with mining inputs and labor;
- business strategy, including expansion and growth of operations;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- fluctuations in exchange rates between the Won and the U.S. dollar;
- the Company's leverage and its ability to meet its debt obligations;

- future earnings and cash flow;
- environmental risks and hazards and the costs of compliance with increasingly stronger environmental regulations;
- the Company's estimated financial information; and
- conditions in the Korean and the global financial markets.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, revenues could decrease, costs (including capital costs) could increase, investments could be delayed and anticipated improvements in performance might not be fully realized.

The Issuer and the Guarantor (if applicable) caution you not to rely on the forward-looking statements, which speak only as of the date of this Offering Circular. Except as required by law, neither the Issuer nor the Guarantor is under any obligation, and expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements attributable to the Issuer or the Guarantor or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

## FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (''Regulation S'') and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A or Regulation D under the Securities Act.

**Bearer Notes**

Each Tranche of Bearer Notes will be in bearer form and will be initially issued in the form of either a temporary bearer global note (a ''Temporary Bearer Global Note'') or a permanent bearer global note (a ''Permanent Bearer Global Note'') as indicated in the applicable Pricing Supplement, which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depositary (the ''Common Depositary'') for Euroclear Bank SA/NV (''Euroclear'') and Clearstream Banking, S.A. (''Clearstream, Luxembourg''). While any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent (''non-U.S. beneficial ownership certification'').

On and after the date (the ''Exchange Date'') which is 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Pricing Supplement and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Pricing Supplement), in each case against non-U.S. beneficial ownership certification as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused. For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that a Temporary Bearer Global Note is exchanged for definitive Bearer Notes, the Issuer and the Guarantor (if applicable) will appoint and maintain a paying agent in Singapore (the ''Singapore Paying Agent''), where the definitive Bearer Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Temporary Bearer Global Note is exchanged for definitive Bearer Notes, an announcement of such exchange shall be made by the Issuer and the Guarantor (if applicable) or on their behalf through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Bearer Notes, including details of the Singapore Paying Agent.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any further requirement for certification beyond the initial non-U.S. beneficial ownership certification as described above.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon either (i) not less than 60 days' written

notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein or (ii) only upon the occurrence of an Exchange Event. In the case of definitive Bearer notes that are issued in exchange for any Permanent Bearer Global Notes, such exchange shall only be permitted if the issuance of definitive Bearer Notes are issued in integral multiples of the Specified Denomination. For these purposes, an "Exchange Event" means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing, (ii) the Issuer and the Guarantor (if applicable) have been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system is available or (iii) the Issuer or the Guarantor (if applicable) has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form (provided that, in certain circumstances where the Notes are held through Euroclear and Clearstream, Luxembourg, such adverse tax consequences are the result of a change in, or amendment to, the laws and regulations (taxation or otherwise) of a Tax Jurisdiction). For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that a Permanent Bearer Global Note is exchanged for definitive Bearer Notes, the Issuer and the Guarantor (if applicable) will appoint and maintain a Singapore Paying Agent, where the definitive Bearer Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Permanent Bearer Global Note is exchanged for definitive Bearer Notes, an announcement of such exchange shall be made by the Issuer and the Guarantor (if applicable) or on their behalf through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Bearer Notes, including details of the Singapore Paying Agent. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer and the Guarantor (if applicable) may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes that have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes:

"ANY U.S. PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes.

Notes that are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

**Registered Notes**

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a "Regulation S Global Note"). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions (i) to "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act ("QIBs") or (ii) to "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that are institutions ("Institutional Accredited Investors") who agree to purchase the Notes for their own account and not with a view to the distribution thereof. The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a "Rule 144A Global Note" and, together with a Regulation S Global Note, the "Registered Global Notes").

The Registered Global Notes will either (a) be deposited with a custodian for, and registered in the name of a nominee of, the Depository Trust Company ("DTC") for the accounts of Euroclear and Clearstream, Luxembourg or (b) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in the Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form. The Registered Notes of each Tranche sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof ("Definitive IAI Registered Notes"). Unless otherwise set forth in the applicable Pricing Supplement, Definitive IAI Registered Notes will be issued only in minimum denominations of U.S.$500,000 and integral multiples of U.S.$1,000 in excess thereof (or the approximate equivalents in the applicable Specified Currency). Definitive IAI Registered Notes will be subject to the restrictions on transfer set forth therein and will bear the restrictive legend described under "Subscription and Sale and Transfer and Selling Restrictions." Institutional Accredited Investors that hold Definitive IAI Registered Notes may elect to hold such Notes through DTC, but transferees acquiring the Notes in transactions exempt from Securities Act registration pursuant to Regulation S or Rule 144 under the Securities Act (if available) may do so upon satisfaction of the requirements applicable to such transfer as described under "Subscription and Sale and Transfer and Selling Restrictions." The Rule 144A Global Note and the Definitive IAI Registered Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7(d)) as the registered holder of the Registered Global Notes. None of the Issuer, the Guarantor, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, an "Exchange Event" means that (a) an Event of Default has occurred and is continuing, (b) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer and the Guarantor (if applicable) that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (c) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, the Issuer and the Guarantor (if applicable) have been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease

business or have in fact done so and, in any such case, no successor clearing system is available or (d) the Issuer or the Guarantor (as applicable) has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form (provided that, in certain circumstances where the Notes are held through Euroclear and Clearstream, Luxembourg, such adverse tax consequences are the result of a change in, or amendment to, the laws and regulations (taxation or otherwise) of a Tax Jurisdiction).

For so long as any Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that a Registered Global Note is exchanged for definitive Registered Notes, the Issuer and the Guarantor (if applicable) will appoint and maintain a Singapore Paying Agent, where the definitive Registered Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Registered Global Note is exchanged for definitive Registered Notes, announcement of such exchange shall be made by the Issuer and the Guarantor (if applicable) or on their behalf through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Registered Notes, including details of the Singapore Paying Agent. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (d) above, the Issuer and the Guarantor (if applicable) may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

**Transfer of Interests**

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note or in the form of a Definitive IAI Registered Note and Definitive IAI Registered Notes may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such Notes in the form of an interest in a Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see "Subscription and Sale and Transfer and Selling Restrictions."

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes"), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note (as defined in "Terms and Conditions of the Notes") held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Guarantor (if applicable) and their respective agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and the Guarantor (if applicable) and their

respective agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note, and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

So long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Any reference herein to Euroclear, Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

The Notes may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the terms and conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver Definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC's standard operating procedures.

**Form of Pricing Supplement**

*Set out below is the form of Pricing Supplement that will be completed for each Tranche of Notes issued under the Program.*

**[MIFID II PRODUCT GOVERNANCE – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration each manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining each manufacturer's target market assessment) and determining the appropriate distribution channels.]**

**[UK MIFIR PRODUCT GOVERNANCE – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended ("UK MiFIR") only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook, as may be applicable, is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining the appropriate distribution channels.]**

**[PRIIPS REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area**

**("EEA"). For these purposes: (a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"); and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore, offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.**

**This Offering Circular has been prepared on the basis that any offer of the Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. This Offering Circular is not a prospectus for the purposes of the Prospectus Regulation.]**

**[UK PRIIPS REGULATION/PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes: (a) the expression "retail investor" means a person who is neither: (i) a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); nor (ii) a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 ("POATRs"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.**

**This Offering Circular is not a prospectus for the purposes of the UK Prospectus Rules: Admission to Trading on a Regulated Market sourcebook.]**

**[Notice to investors in Singapore: By accepting this Pricing Supplement, if you are an investor in Singapore, you: (I) represent and warrant that you are either (1) an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (the "SFA")) pursuant to Section 274 of the SFA; or (2) an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA, and (II) agree to be bound by the limitations and restrictions described in the Offering Circular.]***

*** *[To include if the Notes are to be offered in Singapore to institutional investors and accredited investors only.]***

***[Singapore Securities and Futures Act Product Classification – Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (the "SFA") – The Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products [OR] capital markets products other than prescribed capital markets products]** (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and [Excluded Investment Products [OR] Specified Investment Products]** (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]****

*** [To delete accordingly.]*

**** [To include if the Notes are to be offered in Singapore to investors other than accredited investors or institutional investors.]*

**[Date]**

**[Korea Mine Rehabilitation and Mineral Resources Corporation/[New Issuer]]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**under the U.S.$5,000,000,000**

**Global Medium Term Note Program of Korea Resources Corporation**

**[as guaranteed by Korea Mine Rehabilitation and Mineral Resources Corporation]**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated March 25, 2026 **[and the supplemental Offering Circular dated [•]]**. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular **[as so supplemented]**.

***[The following alternative language applies if the first tranche of an issue that is being increased was issued under an Offering Circular with an earlier date.***

***Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "Conditions") set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]***

***[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplements]***

| | | | |
|---|---|---|---|
| 1. | (i) | Issuer: | **Korea Mine Rehabilitation and Mineral Resources Corporation/[NEW ISSUER]** |
| | [(ii) | Guarantor: | Korea Mine Rehabilitation and Mineral Resources Corporation (*delete for direct issues by Korea Mine Rehabilitation and Mineral Resources Corporation*)] |
| 2. | (i) | Series Number: | [•] |
| | (ii) | Tranche Number: | [•] (*If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible*) |
| 3. | | Specified Currency or Currencies: | [•] |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | [•] |
| | (ii) | Tranche: | [•] |
| 5. | (i) | Issue Price: | [•] % of the Aggregate Nominal Amount [plus accrued interest from [Issue Date] *(in the case of fungible issues only, if applicable)*] |
| | (ii) | [Net proceeds: (required only for listed issues)] | [•] |
| 6. | | Specified Denominations: (*in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)* | [•][•] *(N.B. Pursuant to the Prospectus Regulation, Notes to be admitted to trading on a regulated market within the EEA must have a minimum denomination of €100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities and the wholesale exemption set out in Article 1(4) of the Prospectus Regulation. If an issue of Notes is (i) not admitted to trading on an EEA exchange and (ii) only offered in the EEA in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the €100,000 minimum denomination is not required.)*<br><br>*(N.B. Pursuant to paragraph 4 of Schedule 1 to the POATRs, Notes with a minimum denomination of £50,000 (or equivalent) benefit from an exception to the general prohibition on offers to the public set out in Regulation 12 of the POATRs. If an issue of Notes is made under other circumstances falling within Part 1 of Schedule 1 to the POATRs, the £50,000 minimum denomination is not required.)* |

| | | |
|---|---|---|
| | | *(N.B. Where Bearer Notes with multiple denominations above U.S.$200,000 or equivalent are being used, the following sample wording should be followed:*<br><br>*"U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof up to and including U.S.$399,000. No Notes in definitive form will be issued with a denomination above U.S.$399,000.")* |
| 7. | (i) Issue Date: | [•] |
| | (ii) Interest Commencement Date: | [•] |
| 8. | Maturity Date: | **[Fixed rate – *specify date*]**<br><br>**Floating rate – Interest Payment Date falling in [*specify months and year*]** |
| 9. | Interest Basis: | **[[•] % Fixed Rate] [[EURIBOR] +/-** [•] **% Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [*specify other*]** (further particulars specified below) |
| 10. | Redemption/Payment Basis: | **[Redemption at par] [Dual Currency Redemption] [Partly Paid] [Installment] [*specify other*]** |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | **[Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]** |
| 12. | Put (other than Condition 8(d)(i))/ Call Options: | **[Investor Put] [Issuer Call] [(further particulars specified below)]** |
| 13. | (a) Status of the Notes: | **[Senior Notes/Senior Guaranteed Notes]** |
| | [(b) Status of the Guarantee:] | **[Senior]** (*delete for direct issues by Korea Mine Rehabilitation and Mineral Resources Corporation*) |
| | [(c) Date of [the Issuer's Board] approval for the issues of Notes obtained:] | [•] *(N.B. Only relevant where Board (or similar) authorization is required for the particular tranche of Notes)* |
| | [(d) Date of [the Guarantor's Board] approval for the making of the Guarantee obtained:] | [•] *(N.B. Only relevant where Board (or similar) authorization is required for the Guarantee for the particular tranche of Notes; delete for direct issues by Korea Mine Rehabilitation and Mineral Resources Corporation)* |

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|---|---|---|
| 14. | Listing: | **[Singapore Exchange Securities Trading Limited[1]/ specify other/None]** |
| 15. | Method of distribution: | **[Syndicated/Non-syndicated]** |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | |
|---|---|---|
| 16. | Fixed Rate Note Provisions: | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) Rate[(s)] of Interest: | [•] % per annum **[payable [annually/semi-annually/ quarterly] in arrears]** ***(If payable other than annually, consider amending Condition 6)*** |
| | (ii) Interest Payment Date(s): | [[•] **in each year up to and including the Maturity Date]/[specify other]** [***N.B.: This will need to be amended in the case of long or short coupons***] |
| | (iii) Fixed Coupon Amount(s): | [•] per [•] in nominal amount |
| | (iv) Broken Amount(s): | [***Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount***] |
| | (v) Day Count Fraction: | **[30/360 or Actual/Actual (ICMA) or [*specify other*]]** |
| | (vi) Determination Date(s): | [•] in each year<br><br>[***Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration. NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)***] |
| | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | **[None/*Give details*]** |
| 17. | Floating Rate Note Provisions: | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) Specified Period(s)/Specified Interest Payment Dates: | [•] |
| | (ii) Business Day Convention: | **[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ [*specify other*]]** |
| | (iii) Business Center(s): | [•] |

[1] For listings on the Singapore Stock Exchange: For drawdowns based on the offering circular dated March 25, 2026, please note that if the Issuer's and Guarantor's (if applicable) audited financials as of and for the year ended December 31, 2026 have since become available, this should be appended in full to the pricing supplement.

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|---|---|---|
| (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | **[Screen Rate Determination/ISDA Determination/ *specify other*]** |
| (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): | [•] |
| (vi) | Screen Rate Determination: | |
| | – Reference Rate: | [•] *(Either EURIBOR, SOFR or other, although additional information is required if other – including fallback provisions in the Agency Agreement)* |
| | – Interest Determination Date(s): | [•] *(Second day on which the TARGET 2 system is open prior to the start of each Interest Period if EURIBOR)* |
| | – Relevant Screen Page: | [•] *(In the case of EURIBOR, if not Telerate Page 248 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)* |
| | – SOFR Benchmark: | **[Not Applicable/Compounded Daily SOFR/SOFR Index]**<br>(Only applicable where the Reference Rate is SOFR) |
| | – Compounded Daily SOFR: | **[Not Applicable/SOFR Lag/SOFR Observation Shift]**<br>(Only applicable in the case of Compounded Daily SOFR) |
| | – Lookback Days: | **[Not Applicable/[•] U.S. Government Securities Business Day(s)]**<br>(Only applicable in the case of SOFR Lag) |
| | – SOFR Observation Shift Days: | **[Not Applicable/[•] U.S. Government Securities Business Day(s)]**<br>(Only applicable in the case of SOFR Observation Shift or SOFR Index) |
| | – SOFR $\text{Index}_{\text{Start}}$: | **[Not Applicable/[•] U.S. Government Securities Business Day(s)]**<br>(Only applicable in the case of SOFR Index) |
| | – SOFR $\text{Index}_{\text{End}}$: | **[Not Applicable/[•] U.S. Government Securities Business Day(s)]**<br>(Only applicable in the case of SOFR Index) |
| (vii) | ISDA Determination: | |
| | – Floating Rate Option: | [•] |
| | – Designated Maturity: | [•] |
| | – Reset Date: | [•] |

| | | |
|---|---|---|
| | (viii) Margin(s): | [+/-][•]% per annum |
| | (ix) Minimum Rate of Interest: | [•]% per annum |
| | (x) Maximum Rate of Interest: | [•]% per annum |
| | (xi) Day Count Fraction: | **[Actual/Actual (ISDA)]**<br><br>**[Actual/365 (Fixed)]**<br><br>**[Actual/365 (Sterling)]**<br><br>**[Actual/360]**<br><br>**[30/360, 360/360 or Bond Basis]**<br><br>**[30E/360 or Eurobond Basis]**<br><br>**[30E/360 (ISDA)]**<br><br>**[Other]**<br><br>***(See Condition 6 for alternatives)*** |
| | (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | **[Benchmark Transition Event]/[Benchmark Discontinuation (SOFR)]/[specify other if different from those set out in the Conditions]** |
| 18. | Zero Coupon Note Provisions: | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) Accrual Yield: | [•]% per annum |
| | (ii) Reference Price: | [•] |
| | (iii) Any other formula/basis of determining amount payable: | [•] *(Consider applicable day count fraction if euro denominated)* |
| | (iv) Day Count Fraction in relation to Early Redemption Amount and Late Payment on Zero Coupon Notes: | **[Condition 8(e)(iii) and Condition 8(j) apply/*specify other*] *(Consider applicable day count fraction if not U.S. dollar denominated)*** |
| 19. | Index Linked Interest Note Provisions: | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) Index/Formula: | [***give or annex details***] |

| | | | |
|---|---|---|---|
| | (ii) | Calculation Agent responsible for calculating the interest due: | [•] |
| | (iii) | Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: | [•] |
| | (iv) | Specified Period(s)/Specified Interest Payment Dates: | [•] |
| | (v) | Business Day Convention: | **[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ *specify other*]** |
| | (vi) | Business Center(s): | [•] |
| | (vii) | Minimum Rate of Interest: | [•]% per annum |
| | (viii) | Maximum Rate of Interest: | [•]% per annum |
| | (ix) | Day Count Fraction: | [•] |
| 20. | Dual Currency Note Provisions: | | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) | Rate of Exchange/method of calculating Rate of Exchange: | **[*give details*]** |
| | (ii) | Calculation Agent, if any, responsible for calculating the principal and/or interest payable: | [•] |
| | (iii) | Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: | [•] |
| | (iv) | Person at whose option Specified Currency(ies) is/are payable: | [•] |

**PROVISIONS RELATING TO REDEMPTION**

| | | | |
|---|---|---|---|
| 21. | Issuer Call: | | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) | Optional Redemption Date(s): | [•] |

| | | |
|---|---|---|
| | (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): | [•] per Note of [•] Specified Denomination |
| | (iii) If redeemable in part: | |
| | (a) Minimum Redemption Amount: | [•] |
| | (b) Higher Redemption Amount: | [•] |
| | (iv) Notice period (if other than as set out in the Conditions): | [•] *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer and the Guarantor (if applicable) are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer, the Guarantor (if applicable) and the Principal Paying Agent)* |
| 22. | Investor Put (other than Condition 8(d)(i)): | **[Applicable/Not Applicable]** ***(If not applicable, delete the remaining sub-paragraphs of this paragraph)*** |
| | (i) Optional Redemption Date(s): | [•] |
| | (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): | [•] per Note of [•] Specified Denomination |
| | (iii) Notice period (if other than as set out in the Conditions): | [•] *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer and the Guarantor (if applicable) are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer, the Guarantor (if applicable) and the Principal Paying Agent)* |
| 23. | Final Redemption Amount of each Note: | [Par/*specify other*/see Appendix] |
| 24. | Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8(e)): | [•] |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 25. | Form of Notes: | **[Bearer Notes:**<br><br>**[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]**<br><br>**[Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]**<br><br>**[Permanent Bearer Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/ only upon an Exchange Event]]**<br><br>**[Registered Notes:**<br><br>**Regulation S Global Note (U.S.$[•] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg]/Rule 144A Global Note (U.S.$[•] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg]/Definitive IAI Registered Notes (specify nominal amounts)]** |
| 26. | Financial Center(s) or other special provisions relating to Payment Dates: | [***Not Applicable/give details***] ***(Note that this item relates to the place of payment and not Interest Period end dates to which items 17(iii) and 19(vi) relate)*** |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature): | **[Yes/No.** ***If yes, give details***] |
| 28. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | **[Not Applicable/***give details. NB: new forms of Global Note(s) may be required for Partly Paid issues.***]** |
| 29. | Details relating to Installment Notes: amount of each installment, date on which each payment is to be made: | **[Not Applicable/***give details***]** |

| | | | |
|---|---|---|---|
| 30. | | Redenomination applicable: | Redenomination **[not]** applicable. **[*(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))] [(if Redenomination is applicable, specify the terms of the redenomination in an Annex to the Pricing Supplement)*]** |
| 31. | | Other terms or special conditions: | **[Not Applicable/give details]** |

**DISTRIBUTION**

| | | | |
|---|---|---|---|
| 32. | (i) | If syndicated, names of Managers: | **[Not Applicable/*give names*]** |
| | (ii) | Stabilization Manager (if any): | **[Not Applicable/*give name*]** |
| 33. | | If non-syndicated, name of relevant Dealer: | **[•]** |
| 34. | | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | **[TEFRA D/TEFRA C/TEFRA not applicable]** |
| 35. | | Prohibition of sales to EEA retail investors: | **[Applicable/Not Applicable]** |
| 36. | | Prohibition of Sales to UK Retail Investors: | **[Applicable/Not Applicable]** |
| 37. | | Additional selling restrictions: | **[Not Applicable/*give details*]**<br><br>(***If Item 34 confirms that either TEFRA C or TEFRA D applies, then specify each of the selling restrictions and representations that should be complied with to ensure that the issuance of Notes is U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (i.e., TEFRA C) or U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (i.e., TEFRA D) compliant, as applicable***) |

**HONG KONG SFC CODE OF CONDUCT**

| | | |
|---|---|---|
| 38. | Rebates: | **[Not Applicable/A rebate of [•] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.]** |
| 39. | Contact email addresses of the Managers where underlying investor information in relation to omnibus orders should be sent: | **[Not Applicable/*give details*]**<br><br>**(*N.B. If applicable, include relevant contact email addresses of the Managers where the underlying investor information should be sent*)** |
| 40. | Marketing and investor target strategies: | **[As indicated in the Offering Circular]** ***(To be specified if different from the Offering Circular)*** |

**OPERATIONAL INFORMATION**

| | | |
|---|---|---|
| 41. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | **[Not Applicable/*give name(s) and number(s)*]** |
| 42. | Delivery: | Delivery **[against/free of]** payment |
| 43. | In the case of Registered Notes, specify the location of the office of the Registrar if other than New York: | **[Not Applicable/give location]** |
| 44. | Additional Paying Agent(s) (if any): | [•] |
| | ISIN: | [•] |
| | Common Code: | [•] |
| | CUSIP: | [•] |
| | *(insert here any other relevant codes such as CINS)* | |

**[LISTING APPLICATION**

**This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.$5,000,000,000 Global Medium Term Note Program of Korea Mine Rehabilitation and Mineral Resources Corporation.]**

**[Application will be made for the Notes to be recognized under the SGX Sustainable Fixed Income initiative on the Singapore Stock Exchange. There is no guarantee that such application for recognition under the SGX Sustainable Fixed Income initiative will be approved. Recognition under the SGX Sustainable Fixed Income initiative does not guarantee that the Notes will satisfy any investor's expectations or requirements on its sustainability-related performance or impact. If approved, the Singapore Stock Exchange may remove the recognition from the Notes at its discretion. The latest list of fixed income securities that have been granted recognition under the SGX Sustainable Fixed Income initiative is available at the Singapore Stock Exchange's website.]** **[*For Singapore Stock Exchange listing: To include this paragraph if the Notes are green/social/ sustainability Notes and the Issuer intends to apply for recognition under SGX's Sustainable Fixed Income initiative.*]**

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement, which, when read together with the Offering Circular **[and the supplemental Offering Circular]** referred to above, contains all information that is material in the context of the issue of the Notes.

Signed on behalf of the Issuer:

By:

*Duly authorized*

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 5, 6, 7, 8 (except Condition 8(b)), 12, 13, 14, 15 (insofar as such Notes are not listed or admitted to trading on any stock exchange) or 17, they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of the Pricing Supplements which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by Korea Mine Rehabilitation and Mineral Resources Corporation (the "Company") or any additional issuer which is a Subsidiary (as defined below) of the Company and has acceded to the Program by executing an accession agreement pursuant to the terms of the Agency Agreement (as defined below) (each of the Company and such additional issuers, in relation to the Notes issued by it, the "Issuer," and each of such additional issuers, excluding the Company, a "Guaranteed Issuer"). Notes issued by a Guaranteed Issuer will be guaranteed by the Company (in such capacity, the "Guarantor"). References to the Guarantor in the Terms and Conditions shall only be relevant in the context of Notes issued by a Guaranteed Issuer.

References herein to the "Notes" shall be references to the Senior Notes or the Senior Guaranteed Notes (each as defined in Condition 3 below), as the case may be, of this Series issued by the Issuer (and in the case of issuance by a Guaranteed Issuer, guaranteed by the Guarantor) and shall mean:

(a) in relation to any Notes represented by a global Note (a "Global Note"), units of the lowest Specified Denomination in the Specified Currency;

(b) any Global Note;

(c) any definitive Notes in bearer form ("Bearer Notes") issued in exchange for a Global Note in bearer form; and

(d) any definitive Notes in registered form ("Registered Notes") (whether or not issued in exchange for a Global Note in registered form).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) are issued pursuant to, and have the benefit of the second amended and restated agency agreement dated March 24, 2023 (as further amended and/or supplemented and/or restated from time to time, the "Agency Agreement"), and made between the Company, Citibank, N.A., London Branch as principal paying agent (the "Principal Paying Agent," which expression shall include any successor principal paying agent), paying agent (the "Paying Agent," which expression shall include any additional or successor paying agent), exchange agent (the "Exchange Agent," which expression shall include any additional or successor exchange agent), registrar (the "Registrar," which expression shall include any successor registrar) and transfer agent (the "Transfer Agent," which expression shall include any additional or successor transfer agent).

Interest-bearing definitive Bearer Notes have (unless otherwise indicated in the applicable Pricing Supplement) interest coupons ("Coupons") and, if indicated in the applicable Pricing Supplement, talons for further Coupons ("Talons") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive

Bearer Notes repayable in installments have receipts ("Receipts") for the payment of the installments of principal (other than the final installment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Pricing Supplement for this Note (or the relevant provisions thereof) is attached to or endorsed on this Note and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the "applicable Pricing Supplement" are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to "Noteholders" or "holders" in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "Receiptholders" shall mean the holders of the Receipts, and any reference herein to "Couponholders" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "Tranche" means Notes which are identical in all respects (including as to listing) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the applicable Pricing Supplement are available for inspection upon prior written request and satisfactory proof of holding during normal business hours (currently between 9:00 a.m. and 3:00 p.m.) on any weekday at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (such agents and the Registrar being together referred to as the "Agents"). The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the Pricing Supplement which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination, and Bearer Notes may not be exchanged for Registered Notes and vice versa. The Notes of one Series may not comprise both Notes in bearer form and Notes in registered form.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an an Installment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. ("Euroclear"), as operator of the Euroclear system, and/or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

For so long as The Depository Trust Company ("DTC") or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes that are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

## 2. TRANSFERS OF REGISTERED NOTES

### *(a) Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorized denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the

Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

***(b) Transfers of Registered Notes in definitive form***

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorized denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 10 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

***(c) Registration of transfer upon partial redemption***

In the event of a partial redemption of Notes under Condition 8, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

***(d) Costs of registration***

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer (or the Guarantor, as applicable) may require the payment of a sum sufficient to cover any stamp duty, tax or other Governmental charge that may be imposed in relation to the registration.

***(e) Transfers of interests in Regulation S Global Notes***

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

(i) upon receipt by the Registrar of a written certification substantially in the form set out in Schedule 8 to the Agency Agreement, amended as appropriate (a "Transfer Certificate"), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:

(A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or

(B) to a person who is an Institutional Accredited Investor, subject to delivery of the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an "IAI Investment Letter"); or

(ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer and the Guarantor of such satisfactory evidence as the Issuer and the Guarantor may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (A) above, such transferee may take delivery through a Legended Note in global or definitive form and, in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

***(f) Transfers of interests in Legended Notes***

Transfers of Legended Notes or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that in the case of a Regulation S Global Note registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or

(ii) to a transferee who takes delivery of such interest through a Legended Note:

(A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer and the Guarantor of such satisfactory evidence as the Issuer and the Guarantor may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC, Euroclear or Clearstream, Luxembourg, as appropriate, and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer and the Guarantor such satisfactory evidence as may reasonably be required by the Issuer and the Guarantor, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

***(g) Exchanges and transfers of Registered Notes generally***

Holders of Registered Notes in definitive form, other than Institutional Accredited Investors, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

***(h) Definitions***

In this Condition, the following expressions shall have the following meanings:

"*Distribution Compliance Period*" means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

"*Institutional Accredited Investor*" means "accredited investors" (as defined in Rule 501(a)(1), (2), (3) or (7)) under the Securities Act that are institutions;

"*Legended Note*" means Registered Notes in definitive form that are issued to Institutional Accredited Investors and Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

"*QIB*" means a "qualified institutional buyer" within the meaning of Rule 144A;

"*Regulation S*" means Regulation S under the Securities Act;

"*Regulation S Global Note*" means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

"*Rule 144A*" means Rule 144A under the Securities Act;

"*Rule 144A Global Note*" means a Registered Global Note representing Notes sold in the United States or to QIBs; and

"*Securities Act*" means the United States Securities Act of 1933, as amended.

## 3. STATUS OF THE NOTES; GUARANTEE

***(a) Senior Notes***

This paragraph (a) is applicable to all Notes which are specified in the applicable Pricing Supplement as being Senior Notes issued by the Company (the "Senior Notes").

The Senior Notes and any Receipts and Coupons relating thereto are direct, senior, unconditional, unsubordinated and (subject to Condition 4) unsecured general obligations of the Company and shall at all times rank *pari passu*, without any preference among themselves and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Company, from time to time outstanding.

***(b) Senior Guaranteed Notes***

This paragraph (b) is applicable to all Notes which are specified in the applicable Pricing Supplement as being Senior Guaranteed Notes issued by a Guaranteed Issuer (the "Senior Guaranteed Notes").

The Senior Guaranteed Notes and any Receipts and Coupons relating thereto are direct, senior, unconditional, unsubordinated and (subject to Condition 4) unsecured general obligations of the relevant Guaranteed Issuer and shall at all times rank *pari passu*, without any preference among themselves and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of such Guaranteed Issuer, from time to time outstanding.

The Senior Guaranteed Notes and any Receipts and Coupons relating thereto are guaranteed as to payment of principal and interest by the Guarantor as set forth in paragraph (c) below.

In relation to each Series of Senior Guaranteed Notes and any Receipts and Coupons relating thereto, claims in respect of the Guarantee (as defined below) shall at all times rank *pari passu* and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Guarantor, from time to time outstanding.

***(c) Guarantee***

The Guarantor unconditionally and irrevocably guarantees to each holder of the Senior Guaranteed Notes and any Receipts and Coupons relating thereto the due payment of all amounts owing from time to time under the Senior Guaranteed Notes and the related Receipts and Coupons (the "Guarantee").

The Guarantee is a guarantee of payment and not a guarantee of collection.

The Guarantee is a direct, senior, unconditional, unsubordinated and (subject to Condition 4) unsecured general obligation of the Guarantor and shall at all times rank *pari passu* and (except for certain obligations required to be preferred by applicable law) equally with all other unsecured and unsubordinated general obligations of the Guarantor, from time to time outstanding.

**4. CERTAIN COVENANTS**

***(a) Negative Pledge***

So long as any of the Notes of this Series remains outstanding, the Company will not itself, and will not permit any Principal Subsidiary (as defined below) to, create or permit to be outstanding any mortgage, charge, lien, pledge or other security interest ("Security") upon the whole or part of its property, assets or revenues, present or future, to secure for the benefit of the holders of any International Investment Securities (as defined below) (i) payment of any sum due in respect of any such International Investment Securities or (ii) any payment under any guarantee of any such International Investment Securities or (iii) any payment under any indemnity or other like obligation relating to any such International Investment Securities, without in any such case at the same time, according to the Notes of this Series and the Receipts and Coupons applicable thereto, either the same security as is granted to or is outstanding in respect of such International

Investment Securities, guarantee, indemnity or other like obligation or such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) passed at a meeting of the holders of Notes of this Series.

The foregoing shall not operate to restrict or prohibit (i) the creation or existence of any Security consisting of a security interest solely in Receivables (as defined below) securing payment of interest or principal of, payment under any guarantee of, or payment under any indemnity relating to, any International Investment Securities issued by a wholly-owned Subsidiary (or another Person in which the Company or any Principal Subsidiary makes an investment and to which the Company or any Principal Subsidiary transfers Receivables and related assets) and (ii) the creation of any Security over the assets of, and/or shareholder interest in, a capital project securing payment of interest or principal of, payment under any guarantee of, or payment under any indemnity relating to, any International Investment Securities issued by the Company or that Principal Subsidiary, where the International Investment Securities are issued to finance such capital project and the financier's rights of recovery are limited to the assets of, and/or shareholder interest in, such capital project.

In this Condition, a "capital project" means a long-term investment project to acquire, develop, improve, and/or maintain mineral resources or mineral resources exploration, development and production related equipment.

***(b) Consolidation, Merger and Sale of Assets***

Each of the Issuers and the Guarantor, without the consent of the Noteholders, may consolidate with, or merge into, or sell, transfer, lease or convey its assets as an entirety or substantially as an entirety to any corporation; provided that (i) any successor corporation expressly assumes the applicable obligations of the Issuer or the Guarantor, as the case may be, under the Notes, the Guarantee (if applicable) and the Agency Agreement, as the case may be, (ii) after giving effect to the transaction, with respect to the Issuer or the Guarantor, as the case may be, or any such successor corporation, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing and (iii) the Issuer or the Guarantor, as the case may be, has delivered to the Principal Paying Agent a certificate executed by a duly authorized officer of the Issuer or the Guarantor, as the case may be, and an opinion of counsel as to matters of law stating that such consolidation, merger, sale, transfer, lease or conveyance and, if a supplemental agency agreement is required in connection with such transaction, such supplemental agency agreement comply with the Agency Agreement and the Notes and that all conditions precedent herein provided for relating to such transaction have been complied with; provided further, however, that for the purposes of this Condition 4(b), a sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets shall not constitute a sale, transfer, lease or conveyance of the Company's assets as an entirety or substantially as an entirety.

***(c) Provision of Information to Noteholders***

Each of the Issuers and the Guarantor covenants that for so long as any of the Notes are "restricted securities" within the meaning of Rule 144 under the Securities Act, it will, at any time when it is not subject to either the periodic reporting requirements of Section 13 or Section 15(d) of the Exchange Act or the requirements of Rule 12g3-2(b) thereunder, provide to any Noteholder or prospective purchaser of Notes designated by such Noteholder, upon the request of such Noteholder or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

***(d) Certain Definitions***

In this Condition, the following expressions shall have the following meanings:

"*International Investment Securities*" means notes, debentures, bonds or investment securities of the Company or any Principal Subsidiary, as the case may be, which:

(A) either are by their terms payable, or confer a right to receive payment, in any currency other than Won or are denominated in Won and more than 50% of the aggregate principal amount thereof is initially distributed outside Korea by or with the authorization of the Company or the relevant Principal Subsidiary, as the case may be; and

(B) are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market outside Korea.

"*Person*" means any individual, corporation, company, firm, tribunal, undertaking, association, organization, partnership, joint venture, trust, limited liability company, unincorporated organization or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity.

"*Principal Subsidiary*" means:

(i) any Subsidiary (as defined below) of the Company:

(x) whose net sales, as shown by the then latest audited financial statements or accounts (consolidated where applicable, but without intercompany adjustments for consolidation with the Company) of such Subsidiary, constitute at least 10% of the consolidated net sales of the Company as shown by the then latest audited consolidated accounts of the Company; or

(y) whose total assets, as shown by the then latest audited financial statements or accounts (consolidated where applicable, but without intercompany adjustments for consolidation with the Company) of such Subsidiary, constitute at least 10% of the total consolidated assets of the Company as shown by the then latest audited consolidated accounts of the Company;

*provided that:*

(1) in the case of a Subsidiary acquired, or a company becoming a Subsidiary, after the end of the financial period to which the latest audited consolidated accounts of the Company relate, the reference to the then latest audited consolidated accounts of the Company for the purposes of the calculation above shall, until audited consolidated accounts of the Company for the financial period in which the acquisition is made or, as the case may be, in which the relevant company becomes a Subsidiary are published, be deemed to be a reference to the then latest audited consolidated accounts of the Company adjusted to consolidate the last audited accounts (consolidated where applicable) of such Subsidiary in such accounts;

(2) if at any relevant time in relation to the Company or any Subsidiary in respect of which financial consolidation is relevant no consolidated accounts are prepared and audited, net sales and total assets of the Company and/or any such Subsidiary shall be determined on the basis of pro-forma consolidated accounts prepared for this purpose by the Company;

(3) if at any relevant time in relation to any Subsidiary no accounts are audited, its net sales and total assets (consolidated where applicable, but without intercompany adjustments for consolidation with the Company) shall be determined on the basis of pro-forma accounts (consolidated where applicable, but without intercompany adjustments for consolidation with the Company) of the relevant Subsidiary prepared for this purpose by the Company; and

(4) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (1) above) are not consolidated with those of the Company, then the determination of whether or not such Subsidiary is a Principal Subsidiary shall be based on a pro-forma consolidation of its accounts (consolidated where applicable, but without intercompany adjustments for consolidation with the Company) with the then latest consolidated audited accounts (determined on the basis of the foregoing) of the Company; or

(ii) any Subsidiary of the Company to which is transferred all or substantially all of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary.

"*Receivable*" means a right to receive payment arising from a sale or lease of goods (including mineral resources reserves and equipment) or the performance of services by a Person pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay for such goods or services under terms that permit the purchase of such goods and services on credit.

"*Relevant GAAP*" shall mean such accounting principles which are generally accepted in Korea at the date or time of any computation.

"*Subsidiary*" means, at any particular time, (i) any person at least 50% of whose issued equity share capital (or equivalent) is then beneficially owned, by the Company, (ii) any person which is then directly or indirectly controlled by the Company or (iii) any subsidiary subject to consolidation with the Company's financial statements under Relevant GAAP. For a person to be "controlled" by another means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove a majority of the members of the board of directors or other governing body of that person or otherwise controls or has the power to control the affairs and policies of that person.

In this Condition 4 and Condition 11:

"*Planned Disposal Assets*" mean the Company's overseas direct investments in the nickel production project in Ambatovy, Madagascar, copper production project in Boleo, Mexico, copper production project in Cobre Panama, Panama, bituminous coal production project in Narrabri, Australia and bituminous coal development project in Wyong, Australia.

## 5. REDENOMINATION

### *(a) Redenomination*

Where redenomination is specified in the applicable Pricing Supplement as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Principal Paying Agent, DTC, Euroclear and Clearstream,

Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 15, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

(i) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of €0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

(ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(iii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the Principal Paying Agent may approve) €0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;

(iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "Exchange Notice") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro check;

(vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction,

and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

(vii) if the Notes are Floating Rate Notes, the applicable Pricing Supplement will specify any relevant changes to the provisions relating to interest; and

(viii) such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

***(b) Definitions***

In the Terms and Conditions, the following expressions have the following meanings:

"*Established Rate*" means the rate for the conversion of the Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

"€" and "*euro*" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

"*Redenomination Date*" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

"*Treaty*" means the Treaty establishing the European Community, as amended.

**6. INTEREST**

***(a) Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in the Conditions, "Fixed Interest Period" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period ending other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"*Day Count Fraction*" means, in respect of the calculation of an amount of interest in accordance with this Condition 6(a):

(i) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement:

(a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "Accrual Period") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if "30/360" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

"*Determination Period*" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such Determination Date); and

"*sub-unit*" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

***(b) Interest on Floating Rate Notes and Index Linked Interest Notes***

*(i) Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

(A) the Specified Interest Payment Date(s) (each an "Interest Payment Date") in each year specified in the applicable Pricing Supplement; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each an "Interest Payment Date") which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 6(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, "Business Day" means a day that is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) the additional Business Center(s) specified in the applicable Pricing Supplement; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial center of the country of the relevant Specified Currency (if other than the additional Business Center(s) and which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (the "TARGET 2 System") is open.

*(ii) Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A),''ISDA Rate'' for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of this Series (the ''ISDA Definitions'') and under which:

(1) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the Euro-zone inter-bank offered rate (''EURIBOR'') or on the Secured Overnight Financing Rate (''SOFR''), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), ''Floating Rate,'' ''Calculation Agent,'' ''Floating Rate Option,'' ''Designated Maturity'' and ''Reset Date'' have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (Brussels time, in the case of EURIBOR or New York City time, in the case of SOFR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations)

shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph; provided, however, that Condition 6(b)(v) shall apply if the Issuer or its designee has determined that a Benchmark Transition Event (as defined in Condition 6(b)(v)) has occurred and Benchmark Transition Event is specified in the applicable Pricing Supplement.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than EURIBOR or SOFR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified as SOFR Benchmark in the applicable Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date.

The "SOFR Benchmark" will be determined based on Compounded Daily SOFR or SOFR Index, as follows (subject in each case to Condition 6(b)(vi) as further specified hereon)

(1) If Compounded Daily SOFR is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Period (where SOFR Lag is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where SOFR Observation Shift is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

(I) SOFR Lag:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_{i-\times USBD}\times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"SOFRi-xUSBD" for any U.S. Government Securities Business Day "i" in the relevant Interest Period is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day "i";

"Lookback Days" means such number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement, which shall not be less than five U.S. Government Securities Business Days;

"d" means the number of calendar days in the relevant Interest Period;

"do" for any Interest Period means the number of U.S. Government Securities Business Days in the relevant Interest Period;

"i" means a series of whole numbers ascending from one to do, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period; and

"ni" for any U.S. Government Securities Business Day "i" in the relevant Interest Period means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which SOFRi-xUSBD applies.

(II) SOFR Observation Shift:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"SOFRi" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period is equal to the SOFR reference rate for that U.S. Government Securities Business Day "i";

"SOFR Observation Period" means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period;

"SOFR Observation Shift Days" means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement, which shall not be less than five U.S. Government Securities Business Days;

"d" means the number of calendar days in the relevant SOFR Observation Period;

"do" for any SOFR Observation Period means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"i" means a series of whole numbers ascending from one to do, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period; and

"ni" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which SOFRi applies.

The following defined terms shall have the meanings set out below for purpose of this Condition 6(b)(ii)(C)(1):

"Bloomberg Screen SOFRRATE Page" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"Reuters Page USDSOFR=" means the Reuters page designated "USDSOFR=" or any successor page or service;

"SOFR" means, in respect of a U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

(a) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website;

(b) if the reference rate specified in (a) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website; or

(c) if the reference rate specified in (a) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 6(b)(vi) shall apply as specified in the applicable Pricing Supplement;

"SOFR Determination Time" means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

(2) If SOFR Index is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"SOFR Index" means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator's Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, provided that:

(i) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the "SOFR Index" shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SOFR formula described above in Condition 6(b)(ii)(C)(1)(II) "SOFR Observation Shift", and the term "SOFR Observation Shift Days" shall mean five U.S. Government Securities Business Days; or

(ii) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 6(b)(vi) shall apply as specified in the applicable Pricing Supplement;

"SOFR IndexEnd" means, in respect of an Interest Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement prior to the Interest Payment Date for such Interest Period (or in the final Interest Period, the Maturity Date), which shall not be less than five U.S. Government Securities Business Days;

"SOFR IndexStart" means, in respect of an Interest Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon prior to the first day of such Interest Period;

"SOFR Index Determination Time" means, in respect of a U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

"SOFR Observation Period" means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period;

"SOFR Observation Shift Days" means the number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement; and

"dc" means the number of calendar days in the applicable SOFR Observation Period.

The following defined terms shall have the meanings set out below for purpose of this Condition 6(b)(ii)(C):

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified, the fifth U.S. Government Securities Business Day prior to the last day of each Interest Period unless otherwise agreed with the Calculation Agent;

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, or any successor source;

"SOFR Benchmark Replacement Date" means the date of occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

"SOFR Benchmark Transition Event" means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark; and

"U.S. Government Securities Business Day" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

*(iii) Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

*(iv) Determination of Rate of Interest and Calculation of Interest Amounts*

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent will calculate the amount of interest (the "Interest Amount") payable on the Floating Rate Notes or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

*(v) Effect of Benchmark Transition Event*

The following provisions shall apply if Benchmark Transition Event is specified in the applicable Pricing Supplement:

(A) Benchmark Replacement

If the Issuer or its designee determines that a Benchmark Transition Event (as defined below) and its related Benchmark Replacement Date (as defined below) have occurred prior to the Reference Time (as defined below) in respect of any determination of the Benchmark (as defined below) on any date, the Benchmark Replacement (as defined below) will replace the then-current Benchmark for all purposes relating to the applicable Notes in respect of such determination on such date and all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes (as defined below) from time to time.

At the request of the Issuer, but subject to receipt by the Agents of a certificate signed by two duly authorized officers of the Issuer pursuant to Condition 6(b)(v)(D) and at least five London banking days' prior notice thereof, the Agents shall (at the expense of the Issuer) be obliged to concur with the Issuer in using their reasonable endeavors to effect any Benchmark Replacement Conforming Changes (including, *inter alia*, by amending or supplementing the Agency Agreement) in the circumstances and as otherwise set out in this Condition 6(b)(v), without the consent of the Noteholders, Receiptholders and Couponholders, provided that the Agents shall not be obliged so to concur if, in the opinion of any of the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agents in these Terms and Conditions or the Agency Agreement (including, for the avoidance of doubt, any supplements thereto) in any way.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 6(b)(v)(B), the Issuer shall comply with the rules of any stock exchange on which the applicable Notes are for the time being listed or admitted to trading.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6(b)(v), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion, and, notwithstanding anything to the contrary in these Terms and Conditions or the Agency Agreement, shall become effective with respect to the applicable Notes without consent from any other party.

(D) Notices, etc.

Any Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes determined under this Condition 6(b)(v) will be notified promptly by the Issuer to the Principal Paying Agent and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.

No later than notifying the Principal Paying Agent of the same, the Issuer shall deliver to the Agents a certificate signed by two duly authorized officers of the Issuer:

(1) confirming (I) that a Benchmark Transition Event has occurred and (II) the Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 6(b)(v); and

(2) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of the Benchmark Replacement.

The Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof.

If, following the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, any Benchmark Replacement is notified to the Agent or any other party specified in the applicable Pricing Supplement as being responsible for determining the Rate of Interest pursuant to this Condition 6(b)(v), and the Agent or such other responsible party (as applicable) is in any way uncertain as to the application of such Benchmark Replacement in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer or its designee shall direct the Agent or such other party (as applicable) in writing as to which course of action to adopt in the application of such Benchmark Replacement in the determination of such Rate of Interest.

(E) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 6(b)(v)(A), (B), (C) and (D), the Benchmark and the fallback provisions provided for in Condition 6(b)(ii)(B) will continue to apply unless and until the Principal Paying Agent has been notified of the Benchmark Replacement (including any Benchmark Replacement Adjustment) and the specific terms of any Benchmark Replacement Conforming Changes, in accordance with Condition 6(b)(v)(D).

(F) Certain Defined Terms

As used in this Condition 6(b)(v):

"*Benchmark*" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; *provided that* if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then ''Benchmark'' means the applicable Benchmark Replacement.

"*Benchmark Replacement*" means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then ''Benchmark Replacement'' means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the sum of: (I) Term SOFR and (II) the Benchmark Replacement Adjustment;

(2) the sum of: (I) Compounded SOFR and (II) the Benchmark Replacement Adjustment;

(3) the sum of: (I) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (II) the Benchmark Replacement Adjustment;

(4) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment;

(5) the sum of: (I) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (II) the Benchmark Replacement Adjustment.

"*Benchmark Replacement Adjustment*" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or

determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

"*Benchmark Replacement Conforming Changes*" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period and other administrative matters) with respect to these Terms and Conditions, the Agency Agreement or otherwise that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

"*Benchmark Replacement Date*" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (I) the date of the public statement or publication of information referenced therein and (II) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"*Benchmark Transition Event*" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"*Compounded SOFR*" means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

(1) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:

(2) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with clause (1) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate notes at such time.

Notwithstanding the foregoing, Compounded SOFR will include a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period.

"*Corresponding Tenor*" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

"*designee*" means a designee as selected and separately appointed by the Issuer in writing.

"*Federal Reserve Bank of New York's Website*" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"*Interpolated Benchmark*" with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

"*ISDA Definitions*" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"*ISDA Fallback Adjustment*" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

"*ISDA Fallback Rate*" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"*Reference Time*" with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable hereon) or SOFR Index Determination Time (where SOFR Index is specified as applicable hereon), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes.

"*Relevant Governmental Body*" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"*SOFR*" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"*Term SOFR*" means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"*Unadjusted Benchmark Replacement*" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

*(vi) Benchmark Discontinuation (SOFR)*

The following provisions shall apply if Benchmark Discontinuation (SOFR) is specified in the applicable Pricing Supplement:

(A) Benchmark Replacement: If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes: In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, any of the Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 6(b)(vi). Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by the Agents (if required). Further, none of the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its

designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations: Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6(b)(vi), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (1) will be conclusive and binding absent manifest error, (2) will be made in the sole discretion of the Issuer or its designee, as applicable, and (3) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(D) Certain Defined Terms: As used in this Condition 6(b)(vi):

"*Benchmark*" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement;

"*Benchmark Event*" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"*Benchmark Replacement*" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the sum of:

(I) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and

(II) the Benchmark Replacement Adjustment;

(2) the sum of:

(I) the ISDA Fallback Rate; and

(II) the Benchmark Replacement Adjustment; or

(3) the sum of:

(I) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and

(II) the Benchmark Replacement Adjustment;

"*Benchmark Replacement Adjustment*" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

"*Benchmark Replacement Conforming Changes*" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters)

the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

"*Benchmark Replacement Date*" means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(1) in the case of sub-paragraph (1) or (2) of the definition of "Benchmark Event", the later of:

(I) the date of the public statement or publication of information referenced therein; and

(II) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(2) in the case of sub-paragraph (3) of the definition of "Benchmark Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"*designee*" means a designee as selected and separately appointed by the Issuer in writing;

"*ISDA Definitions*" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"*ISDA Fallback Adjustment*" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"*ISDA Fallback Rate*" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"*Reference Time*" with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded Daily SOFR is specified as applicable hereon) or SOFR Index Determination Time (where SOFR Index is specified as applicable hereon), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

"*Relevant Governmental Body*" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"*Unadjusted Benchmark Replacement*" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

In these Terms and Conditions,

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 6(b):

(1) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(2) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(3) if "**Actual/365 (Sterling)**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;

(4) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(5) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

$Y_1$ is the year, expressed as a number, in which the first day of the Interest Period falls;

$Y_2$ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$M_1$ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

$M_2$ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$D_1$ is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case $D_1$ will be 30; and

$D_2$ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case $D_2$ will be 30;

(6) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

$Y_1$ is the year, expressed as a number, in which the first day of the Interest Period falls;

$Y_2$ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$M_1$ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

$M_2$ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$D_1$ is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case $D_1$ will be 30; and

$D_2$ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case $D_2$ will be 30;

(7) if "**30E/360 (ISDA)**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

$Y_1$ is the year, expressed as a number, in which the first day of the Interest Period falls;

$Y_2$ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$M_1$ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

$M_2$ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

$D_1$ is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

$D_2$ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and $D_2$ will be 30.

*(vii) Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and the Guarantor and notices to Noteholders will be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

*(viii) Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(b), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor (if applicable), the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

***(c) Interest on Dual Currency Notes***

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

***(d) Interest on Partly Paid Notes***

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

***(e) Accrual of interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid; and

(2) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 15.

## 7. PAYMENTS

### *(a) Method of payment*

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a check in such Specified Currency drawn on, a bank in the principal financial center of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Wellington, respectively); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro check.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9.

### *(b) Presentation of definitive Bearer Notes, Receipts and Coupons*

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of installments of principal (if any) in respect of definitive Bearer Notes, other than the final installment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final installment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant installment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Interest Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same

proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, two years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "Long Maturity Note" is a Fixed Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon, *provided that* such Note shall cease to be a Long Maturity Note on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

***(c) Payments in respect of Bearer Global Notes***

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

***(d) Payments in respect of Registered Notes***

Payments of principal (other than installments of principal prior to the final installment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "Register") at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a check in the Specified Currency drawn on a Designated Bank (as defined below) and mailed by uninsured mail as soon as reasonably practicable after the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Registrar at the close of business on the Record Date (as defined

below). For these purposes, "Designated Account" means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "Designated Bank" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial center of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of installments of principal (other than the final installment) in respect of each Registered Note (whether or not in global form) will be made by a check in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for the purpose a day on which DTC and/or Euroclear and Clearstream, Luxembourg, as applicable, are open for business) and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the "Record Date") at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and installments of principal (other than the final installment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final installment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a check posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer, the Guarantor nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

***(e) General provisions applicable to payments***

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer (and the Guarantor, if applicable) will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such

Global Note must look solely to DTC, Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer and the Guarantor have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

***(f) Payment Day***

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "Payment Day" means any day that (subject to Condition 9) is:

(i) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial center of the country of the relevant Specified Currency (if other than the place of presentation and any additional Financial Center and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET 2 System is open; and

(ii) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation (in the case of Notes in definitive form); and

(B) the additional Financial Center(s) specified in the applicable Pricing Supplement.

***(g) Interpretation of principal and interest***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 9;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Notes redeemable in installments, the Installment Amounts;

(vi) in relation to Zero Coupon Notes, the Amortized Face Amount (as defined in Condition 8(e)); and

(vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9.

## 8. REDEMPTION AND PURCHASE

### *(a) Redemption at maturity*

Unless previously redeemed or purchased and canceled as specified below, each Note (including a Dual Currency Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

### *(b) Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if:

(i) the Issuer or (if the Guarantor is required to make payments under the Guarantee) the Guarantor has or will become obligated to pay additional amounts as provided or referred to in Condition 9 in excess of any additional amounts the Issuer or (if the Guarantor is required to make payments under the Guarantee) the Guarantor would be obligated to pay if payments (including payments of interest) with respect to the Notes or the Guarantee, as applicable, were subject to the applicable tax rate effective on the date the first Tranche of the Notes of the relevant Series are issued as a result of any change in, expiration of or amendment to the laws or regulations of a Tax Jurisdiction (as defined in Condition 9), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes of the relevant Series; and

(ii) such obligation cannot be avoided by the Issuer or the Guarantor, if applicable, taking reasonable measures available to it, *provided that* (1) no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which the Issuer or the Guarantor, if applicable, would be obligated to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, if applicable), then due and (2) at the time of such notice of redemption is given, such obligation to pay such additional amounts remains in effect.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer or the Guarantor, as applicable, shall deliver to the Principal Paying Agent (1) a certificate signed by an authorized officer of the Issuer or the Guarantor, as applicable, stating that the Issuer or the Guarantor, as applicable, is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer or the Guarantor, as applicable, so to redeem have occurred and (2) an opinion of independent legal advisers of recognized standing to the effect that the Issuer or the Guarantor, as applicable, has or will become obligated to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 8(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

***(c) Redemption at the option of the Issuer (Issuer Call)***

If Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 15; and

(ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent and is the case of a redemption of Registered Notes, the Registrar (which notices shall be irrevocable and shall specify the date fixed for redemption),

redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Higher Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed (the "Redeemed Notes") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear, Clearstream, Luxembourg and/or DTC in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, *provided that* such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least five days prior to the Selection Date.

***(d) Change of Control; Redemption of the Notes only at the option of the Noteholders (Investor Put)***

*(i) Change of Control*

Upon the occurrence of a Change of Control (as defined below), each Noteholder will have the right to require the Issuer to redeem all or any part of such Noteholder's Notes at a redemption price equal to 100% of the principal amount thereof plus accrued but unpaid interest, if any, to the date of redemption (the "Change of Control Redemption Price"). Within 30 days following a Change of Control, the Issuer shall cause the Principal Paying Agent to deliver a notice to each holder stating that (i) a Change of Control has occurred and that such holder has the right to require the Issuer to redeem such holder's Notes at the Change of Control Redemption Price; (ii) the redemption date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is delivered); and (iii) the procedures determined by the Issuer, consistent with the Notes and the Agency Agreement, that a Noteholder must follow in order to have its Notes redeemed.

"*Change of Control*" means the central government of Korea ceasing to own and control (directly or indirectly or in combination) at least 51% of the Company's issued and outstanding capital stock.

*(ii) Redemption of the Notes only at the option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Pricing Supplement with respect to any Series of Notes, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Pricing Supplement, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 8(d)(ii) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Note, the holder of this Note must deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be the Registrar (a "Put Notice") and in which the holder must specify a bank account (or, if payment is required to be made by check, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b). If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 11.

***(e) Early Redemption Amounts***

For the purpose of paragraph (b) above and Condition 11, each Note will be redeemed at the Early Redemption Amount calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Note (other than a Zero Coupon Note but including an Installment Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or

(iii) in the case of a Zero Coupon Note, at an amount (the "Amortized Face Amount") calculated in accordance with the following formula:

Early Redemption Amount = RP × (1+AY)y

where:

"RP" means the Reference Price;

"AY" means the Accrual Yield expressed as a decimal; and

"y" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes of the relevant Series to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Pricing Supplement.

***(f) Installments***

Installment Notes will be redeemed in the Installment Amounts and on the Installment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

***(g) Partly Paid Notes***

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

***(h) Purchases***

The Issuer and the Guarantor may at any time purchase Notes by tender (available to all Noteholders alike) or in the open market at any price. If the Issuer or the Guarantor shall acquire any Notes, such acquisition shall not operate as or be deemed for any purpose to be a satisfaction of the indebtedness represented by such Notes unless and until such Notes are delivered to the Principal Paying Agent for cancellation and are canceled and retired by the Principal Paying Agent. Each of the Issuer and the Guarantor will not sell, and will cause its affiliates (as defined in paragraph (a)(1) of Rule 144 of the Securities Act) not to sell, any Notes as to which it or they hold or acquire any beneficial interest; *provided* that affiliates of the Issuer or the Guarantor may

sell Notes to the Issuer or the Guarantor or to other such affiliates. Notes purchased or otherwise acquired by the Issuer or the Guarantor, as applicable, may be held, resold or, at its discretion, surrendered to the Principal Paying Agent for cancellation.

***(i) Cancellation***

All Notes that are redeemed will forthwith be canceled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so canceled and the Notes purchased and canceled pursuant to paragraph (g) above (together with all unmatured Receipts, Coupons and Talons canceled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

***(j) Late payment on Zero Coupon Notes***

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 15.

**9. TAXATION**

All payments of principal and interest in respect of the Notes, Receipts and Coupons or under the Guarantee (if applicable) by or on behalf of the Issuer or the Guarantor (if applicable) will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the relevant Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer (or the Guarantor, if applicable) will pay such additional amounts as shall be necessary in order that the net amounts received by holders of the Notes, Receipts or Coupons after such withholding or deduction will not be less than the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(i) to or on behalf of a holder of such Note, Receipt or Coupon who is subject to such taxes, duties, assessments or governmental charges in respect of such Note by reason of such holder being or having been connected with the relevant Tax Jurisdiction other than merely by holding such Note or receiving principal or interest in respect thereof; or

(ii) to or on behalf of a holder of such Note, Receipt or Coupon who would not be liable for or subject to such deduction or withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority if, after having been requested in writing by the Issuer (or the Guarantor, if applicable) to make such a declaration or claim, such holder fails to do so; or

(iii) to or on behalf of a holder of such Note, Receipt or Coupon who presents a Note (where presentation is required) more than 30 days after the relevant date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such 30-day period; for this purpose the "relevant date" means:

(a) the due date for payment thereof; or

(b) if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Registrar, as the case maybe, on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15; or

(iv) to or on behalf of a holder of such Note, Receipt or Coupon who would have been able to avoid the withholding or deduction by the presentation (where presentation is required) of the relevant Note, Receipt or Coupon to, or otherwise accepting payment from, another paying agent in a Member State of the European Union; or

(v) with respect to an Issuer that is organized under the laws of Mexico, for any amount in excess of the withholding tax rate applicable, pursuant to the Mexican Income Tax Law (*Ley del Impuesto Sobre la Renta*), to interest paid by a Mexican tax resident to a non-Mexican tax resident derived from any securities placed in a country (other than Mexico), through a bank or a broker dealer, with which Mexico has a valid and effective treaty for the avoidance of double taxation, considering that the Issuer has complied with all regulatory and tax requirements related to this placement, and only to the extent that the relevant holder has failed to provide on a timely basis, at the reasonable request of the Issuer or Guarantor (as the case may be), the proper evidence to support such holder's eligibility, if any, for the benefits under an income tax treaty to which Mexico is a party that is in effect, that is necessary to determine the appropriate rate of deduction or withholding of Mexican taxes under such treaty; or

(vii) any combination of (i), (ii), (iii), (iv) or (v) above.

The obligation of the Issuer or the Guarantor, as applicable, to pay additional amounts in respect of taxes, duties, assessments and governmental charges shall not apply to (i) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, assessment or other governmental charge or (ii) any tax, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal and interest in respect of the Notes, Receipts and Coupons; *provided that*, except as otherwise set forth in these Terms and Conditions and in the Agency Agreement, the Issuer or the Guarantor, as applicable, shall pay all stamp or other similar duties, if any, which may be imposed by the relevant Tax Jurisdiction, the United States or any respective political subdivision thereof or any taxing authority of or in the foregoing, with respect to the Notes or the Agency Agreement or as a consequence of the issuance of the first Tranche of the Notes of the relevant Series.

As used herein: "Tax Jurisdiction" means, (i) with respect to the Company, Korea or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Company becomes subject in respect of payments made by it of principal and interest on the Notes, Receipts or Coupons or under the Guarantee, as the case may be, through such jurisdiction, and (ii) with respect to any Guaranteed Issuer, such Guaranteed Issuer's jurisdiction of incorporation or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political

subdivision or any authority thereof or therein having power to tax to which such Guaranteed Issuer becomes subject in respect of payments made by it of principal and interest on the Notes, Receipts or Coupons through such jurisdiction.

**10. PRESCRIPTION**

The Notes (whether in bearer form or registered form), Receipts and Coupons and the Guarantee will become void unless presented for payment within a period of five years (in the case of principal) and two years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7(b) or any Talon that would be void pursuant to Condition 7(b).

**11. EVENTS OF DEFAULT**

The occurrence and continuance of any of the following events will constitute an event of default (''Event of Default''):

(i) default in the payment of any installment of interest upon any of the Notes as and when the same shall become due and payable, and continuance of such default for a period of 30 days;

(ii) default in the payment of all or any part of the principal of any of the Notes as and when the same shall become due and payable, whether at maturity, upon redemption or otherwise;

(iii) breach or failure to observe or perform any other of the covenants or agreements on the part of the Issuer or the Guarantor (if applicable) contained in the Notes of the relevant Series or the Guarantee (if applicable) for a period of 60 days after the date on which written notice specifying such default or breach, stating that such notice is a ''Notice of Default'' under the Notes of the relevant Series or the Guarantee (if applicable) and demanding that the Issuer or the Guarantor (if applicable) remedy the same, shall have been given to the Issuer or the Guarantor (if applicable), with a copy to the Principal Paying Agent and the Registrar, by the Noteholders of at least 10% in aggregate principal amount of the Notes of the relevant Series at the time outstanding;

(iv) any Debt (as defined below) of the Company in the aggregate outstanding principal amount of U.S.$20,000,000 or more either (a) becoming due and payable prior to the due date for payment thereof by reason of acceleration thereof following default by the Company or (b) not being repaid at, and remaining unpaid after, maturity as extended by the period of grace, if any, applicable thereto, or any guarantee given by the Company in respect of Debt of any other person not being honored when, and remaining dishonored after becoming, due and called; *provided* that, in the case of (a) above, if any such default under any such Debt shall be cured or waived, then the default under the Notes by reason thereof shall be deemed to have been cured and waived;

(v) the entry of a decree or order for relief in respect of the Issuer or the Guarantor by a court or administrative or other governmental agency or body having jurisdiction in the premises in an involuntary case under any applicable bankruptcy, insolvency, reorganization, rehabilitation, compulsory composition or other similar law in effect on the date of issuance of the first Tranche of the Notes or thereafter, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Issuer or the Guarantor or for any substantial part of its property or ordering the winding up, dissolution or liquidation of its affairs, or shall otherwise adjudicate or find the Issuer or the Guarantor to be bankrupt or insolvent, and continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(vi) the commencement by the Issuer or the Guarantor of a voluntary case under any applicable bankruptcy, insolvency, reorganization, rehabilitation, compulsory composition or other similar law in effect on the date of issuance of the first Tranche of the Notes or thereafter, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Issuer or the Guarantor or for any substantial part of its property, or cease to carry on the whole or substantially the whole of its business, or make any general assignment for the benefit of creditors, or enter into any composition with its creditors, or take corporate action in furtherance of any such action; provided, however, that any sale, transfer, lease or conveyance of any one or all of the Planned Disposal Assets shall not constitute the ceasing to carry on of the whole or substantially the whole of the Company's business under this Condition 11(vi);

If an Event of Default with respect to the Notes occurs and is continuing, the Noteholders of not less than 25% in aggregate principal amount of the Notes then outstanding may declare the principal amount (and premium, if any) of, and all accrued but unpaid interest on, all the Notes to be due and payable immediately, by a notice in writing to the Issuer and the Guarantor (if applicable) at the office of the Principal Paying Agent, and upon such declaration, any such principal amount (and premium, if any) and interest shall become immediately due and payable. Upon such declaration, the Principal Paying Agent shall give notice thereof to the Issuer and the Guarantor (if applicable) and to the Noteholders in writing. If, after any such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Issuer or the Guarantor, as applicable, pays or deposits with the Principal Paying Agent all amounts then due with respect to the Notes (other than amounts due solely because of such declaration) and cures all other Events of Default with respect to the Notes, such defaults may be waived and such declaration may be annulled and rescinded by the Noteholders of more than 50% in aggregate principal amount of the Notes then outstanding by written notice thereof to the Issuer and the Guarantor (if applicable) at the office of the Principal Paying Agent.

In this Condition, "*Debt*" means, with respect to any person as of any date of determination, without duplication, (i) all obligations, contingent or otherwise, of such person for borrowed money, (ii) all obligations of such person evidenced by bonds, notes or other similar instruments, (iii) all obligations of such person in respect of letters of credit or other similar instruments, (iv) all obligations of such person to pay the unpaid purchase price of any property or service, (v) all obligations secured by any mortgage, charge, pledge, encumbrance or other security interest (a "Lien") on any property or asset of such person, whether or not such obligations are assumed by such person and (vi) all obligations of others guaranteed by such person to the extent of such guarantees and, for clauses (i) through (vi), which are denominated in a currency other than the currency of Korea and which has a final maturity of one year or more. The amount of Debt of any person as of any date of determination shall be the outstanding balance at such date of all unconditional obligations as described above, the maximum liability of such person for any such contingent obligations at such date and, in the case of clause (v), the lesser of the fair market value (as determined in good faith by the board of directors of such person) at such date of the property or asset of such person subject to a Lien securing the obligations of others and the amount of such obligations secured.

## 12. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Coupons or Talons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## 13. PAYING AGENTS

The names of the initial Paying Agents and their initial specified offices are set out below.

The Issuer and the Guarantor are entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, *provided that*:

(a) there will at all times be a Principal Paying Agent;

(b) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or any other relevant authority;

(c) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City, London or Hong Kong; and

(d) so long as the Notes are listed on the Singapore Exchange Securities Trading Limited (the "Singapore Stock Exchange") and the rules of the Singapore Stock Exchange so require, if the Notes are issued in definitive form, there will at all times be a Paying Agent in Singapore.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City, London or Hong Kong in the circumstances described in Condition 7(e). Any variation, termination, appointment or change with respect to any Paying Agent shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## 14. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

## 15. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published (i) in a leading English language daily newspaper of general circulation in London and Asia by the Issuer or the Guarantor, if applicable. It is expected that such publication will be made in the Financial Times in London and the Asian Wall Street Journal. The Issuer or the Guarantor, as applicable, shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have

been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or DTC, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, and/or DTC for communication by them to the Noteholders and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Noteholders one day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or DTC.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). While any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

## 16. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer, the Guarantor or Noteholders holding not less than 10% in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50% in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or canceling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the quorum shall be one or more persons holding or representing in the aggregate not less than 75% in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing in the aggregate a clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Principal Paying Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

(i) any modification (except as mentioned above) of any of the provisions of the Notes, the Receipts, the Coupons, the Conditions, the Agency Agreement or the Guarantee which is not prejudicial to the interests of the Noteholders, including adding co-obligor(s) with respect to the Notes; or

(ii) any modification of the Notes, the Receipts, the Coupons, the Conditions, the Agency Agreement or the Guarantee which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer or the Guarantor (if applicable) is incorporated.

Any determination as to prejudice to the interests of the Noteholders pursuant to this Condition 16 shall be made by the Issuer and the Principal Paying Agent shall not have any responsibility or liability whatsoever with respect to such determinations. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

## 17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## 18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

### *(a) Governing law*

The Agency Agreement, the Notes, the Guarantee, the Receipts and the Coupons are governed by, and shall be construed in accordance with, the law of the State of New York.

### *(b) Submission to jurisdiction*

To the fullest extent permitted by applicable law, the Issuer and the Guarantor irrevocably submit to the non-exclusive jurisdiction of any federal or state court in the Borough of Manhattan, The City of New York, United States of America, in any suit, action or proceeding brought by any Noteholder, Receiptholder or Couponholder arising out of or based upon the Notes, the Guarantee, the Receipts and/or the Coupons, and irrevocably agrees that all claims in respect of any such suit, action or proceeding may be determined in any such court. The Issuer and the Guarantor irrevocably and to the fullest extent they are permitted to do so under applicable law waive any objection they may have to the laying of venue in any such court or the defense of an inconvenient forum to the maintenance of any such suit or proceeding to the extent permitted by applicable law. The Issuer and the Guarantor hereby appoint the CT Corporation System, whose address as of the date hereof is 28 Liberty St., New York, New York 10005 as their authorized agent (the "Authorized Agent," which expression shall include any replacement authorized agent) upon whom process may be served in any such suit or proceeding set forth herein, it being understood that the designation and appointment of the Authorized Agent as such authorized agent shall become effective immediately without any further action on the part of the Issuer or the Guarantor. The Issuer and the Guarantor agree to take any and all action as may be necessary, including the filing of any and all documents that may be necessary, to maintain such designation and appointment of the authorized agent in full force and effect. If for any reason the appointment of the Authorized Agent shall cease to be in force, the Issuer and the Guarantor shall forthwith appoint a new agent to be the Authorized Agent and shall deliver to the Dealers and the Arranger a copy of the new Authorized Agent's acceptance for that appointment within 30 days. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process

upon the Issuer or the Guarantor. The parties hereto each hereby waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating to the Notes, the Guarantee, the Receipts and/or Coupons.

***(c) Waiver of immunity***

The Issuer and the Guarantor hereby irrevocably and unconditionally waive with respect to Notes, the Guarantee, the Receipts and the Coupons any right to claim sovereign or other immunity from jurisdiction or execution and any similar defense and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings.

***(d) Other documents***

In the Agency Agreement, the Issuer and the Guarantor have submitted to the jurisdiction of the courts of the State of New York and appointed an agent for service of process in terms substantially similar to those set out above.

## USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, including working capital, financing investments in overseas mineral resources exploration, development and production projects, financing capital expenditures and repayment of outstanding borrowings, but such proceeds will not be used for any activities relating to the development of coal mines.

## EXCHANGE RATES

The table below sets forth, for the periods and dates indicated, information concerning the Market Average Exchange Rate, announced by Seoul Money Brokerage Services, Ltd., between Won and U.S. dollars and rounded to the nearest tenth of one Won. No representation is made that the Won or dollar amounts referred to herein could have been or could be converted into U.S. dollars or Won, as the case may be, at any particular rate or at all.

| Period | At End of Period | Average Rate[(1)] | High | Low |
|---|---|---|---|---|
| | | (Won per U.S.$1.00) | | |
| 2021 | 1,185.5 | 1,144.4 | 1,199.1 | 1,083.1 |
| 2022 | 1,267.3 | 1,292.0 | 1,436.6 | 1,185.5 |
| 2023 | 1,289.4 | 1,305.4 | 1,360.6 | 1,219.3 |
| 2024 | 1,470.0 | 1,364.0 | 1,474.1 | 1,289.4 |
| 2025 | 1,434.9 | 1,422.2 | 1,483.4 | 1,352.6 |
| October | 1,423.2 | 1,423.4 | 1,436.6 | 1,401.9 |
| November | 1,464.8 | 1,457.8 | 1,473.5 | 1,427.4 |
| December | 1,434.9 | 1,467.4 | 1,483.4 | 1,433.9 |
| 2026 (through March 24) | 1,509.6 | 1,461.5 | 1,509.6 | 1,424.5 |
| January | 1,427.0 | 1,456.5 | 1,477.5 | 1,427.0 |
| February | 1,424.5 | 1,449.3 | 1,470.3 | 1,424.5 |
| March (through March 24) | 1,509.6 | 1,481.1 | 1,509.6 | 1,435.4 |

*Source*: Seoul Money Brokerage Services, Ltd.

*Note:*

(1) The average rate for each year is calculated as the average of the Market Average Exchange Rates on each business day during the relevant year (or portion thereof). The average rate for a month is calculated as the average of the Market Average Exchange Rates on each business day during the relevant month (or portion thereof).

## CAPITALIZATION OF THE COMPANY

The following table sets forth the Company's consolidated long-term debt and capitalization (defined as the sum of long-term debt and total equity) as of December 31, 2025 which is derived from the Company's audited consolidated financial statements as of December 31, 2025. The following table should be read in conjunction with "Selected Consolidated Financial Information of the Company" and the Company's audited consolidated financial statements and accompanying notes included elsewhere in this Offering Circular.

| | As of December 31, 2025 | | | |
|---|---|---|---|---|
| | (in billions of Won and in millions of U.S. dollars[(1)]) | | | |
| Long-term debt: | | | | |
| Long-term borrowings | ₩ | 1,365.0 | U.S.$ | 951.3 |
| Bonds payable, net of discounts | | 4,034.5 | | 2,811.7 |
| Total long-term debt | | 5,399.5 | | 3,763.0 |
| Equity: | | | | |
| Issued capital | ₩ | 2,753.2 | U.S.$ | 1,918.7 |
| Discount on stock issuance | | (11.4) | | (7.9) |
| Undisposed accumulated deficit | | (5,373.2) | | (3,744.7) |
| Other components of equity | | (528.8) | | (368.5) |
| Non-controlling interests | | (1.6) | | (1.1) |
| Total equity | | (3,161.9) | | (2,203.5) |
| Total capitalization[(2)] | ₩ | 2,237.7 | U.S.$ | 1,559.5 |

*Notes:*

(1) For the purpose of this table, the Won amounts have been translated into U.S. dollars at the Market Average Exchange Rate of Won 1,434.9 to U.S.$1.00 on December 31, 2025.

(2) Sum of long-term debt (excluding current portions) and total equity.

(3) Except as set forth herein, there has been no material change in the capitalization of the Company since December 31, 2025.

## SELECTED CONSOLIDATED FINANCIAL INFORMATION OF THE COMPANY

The following tables present selected consolidated financial data of the Company. This data should be read in conjunction with the consolidated financial statements of the Company and the respective notes thereto and other historical financial information included elsewhere in this Offering Circular. The selected financial data of the Company as of and for the years ended December 31, 2025 and 2024 set forth below have been extracted from the audited annual consolidated financial statements of the Company included in this Offering Circular.

### Discontinued Operations

For the year ended December 31, 2025, the Company disposed of its entire equity interests in SARISBURY LIMITED and Minera Metalurgica del Boleo (MMB), and accordingly, classified these projects as discontinued operations. In addition, the Wyong, Togara North and Narrabri projects were classified as assets held-for-sale during the year ended December 31, 2025 and were consequently categorized as discontinued operations. The consolidated statements of financial position as of December 31, 2024 and the consolidated statements of comprehensive loss for the year ended December 31, 2024 have been restated to reflect the classification of discontinued operations as of December 31, 2025. See note 44 of the audited annual consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular.

| | As of December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | (in billions of Won) | |
| **Consolidated Statements of Financial Position Data:** | | |
| Total assets | ₩ 4,821.1 | ₩ 4,903.4 |
| Total liabilities | 8,584.1 | 8,065.3 |
| Total equity | (3,763.0) | (3,161.9) |
| Issued capital | 2,337.8 | 2,753.2 |
| Total liabilities and equity | 4,821.1 | 4,903.4 |
| Working capital deficit [(1)] | (1,218.5) | (1,445.9) |

*Notes:*

(1) Working capital means total current assets minus total current liabilities.

| | For the Years ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | (in billions of Won) | |
| **Consolidated Statements of Comprehensive Loss:** | | |
| **Continued Operations** | | |
| Sales | ₩ 757.9 | ₩ 621.9 |
| Cost of sales | (722.1) | (610.1) |
| Gross profit | 35.8 | 11.8 |
| Selling and administrative expenses | (103.9) | (97.8) |
| Operating loss | (68.1) | (85.9) |
| Other income | 0.3 | 0.1 |
| Other expenses | (260.3) | (115.7) |
| Other gain, net | 3.1 | 20.6 |
| Finance income | 608.2 | 281.8 |
| Finance cost | (695.4) | (346.1) |
| Gain (Loss) on investments in associates and joint ventures | (671.7) | 58.3 |
| Loss before tax | (1,012.0) | (186.9) |
| Income tax benefit (expense) | 36.9 | (5.4) |
| Loss from continuing operations | (975.1) | (192.3) |
| **Discontinued Operations** | | |
| Loss from discontinued operations | (206.6) | (152.1) |
| Loss for the period | ₩ (1,181.7) | ₩ (344.4) |
| Other comprehensive income (loss) for the period | (357.0) | 323.1 |
| Total comprehensive loss | ₩ (1,538.6) | ₩ (21.3) |
| Loss attributable to: | | |
| Equity holders of the parent | (1,128.4) | (306.9) |
| Non-controlling interests | (53.2) | (37.5) |
| Loss for the period | ₩ (1,181.7) | ₩ (344.4) |

| | For the Years ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | (in billions of Won) | |
| Total comprehensive loss attributable to: | | |
| Equity holders of the parent | (1,408.6) | 1.0 |
| Non-controlling interests | (130.0) | (22.2) |
| Total comprehensive loss for the period | ₩ (1,538.6) | ₩ (21.3) |
| **Consolidated Statements of Cash Flows:** | | |
| Net cash flows used in operating activities | ₩ (241.5) | ₩ (566.3) |
| Net cash flows used in investing activities | (102.6) | (350.9) |
| Net cash flows provided by financing activities | 302.2 | 802.6 |

# THE COMPANY

## Business

### Overview

The Company is a wholly state-owned corporation established on September 10, 2021 under the KOMIR Act through a merger between KORES and MIRECO pursuant to which all assets, liabilities, rights and obligations of KORES and MIRECO were automatically transferred by law under universal succession to the Company under the KOMIR Act. KORES was established in 1967 as a wholly state-owned corporation under the KORES Act and was mandated to secure a stable supply of key mineral resources, both domestically and overseas. MIRECO was established in 2006 as a wholly state-owned corporation under the Mining Damage Prevention and Restoration Act and specialized in mine reclamation with a focus on promoting national safety and economic revitalization in mining areas. The Company inherited such purposes and serves as the execution arm of the Government for mineral resources and mine reclamation related policies of Korea with a purpose of revitalizing the economies of mining areas through promoting and supporting the mineral industry while managing mining footprints and contributing to the development of the national economy by securing stable supplies of mineral resources. The Company receives substantial financial support from the Government in the form of capital contributions to undertake the following five main areas of operation:

- direct investment in the exploration, development and production of mineral resources overseas;
- strategic stockpiling of certain rare mineral resources designated by the Government;
- implementing mine reclamation and safety projects, including regional support and promotion projects;
- providing exploration drilling, survey, research, technical and other Government-subsidized support services to Korean companies engaged in mineral resources and mine reclamation activities; and
- low-cost funding to Korean companies that engage or invest in the exploration, development and production of mineral resources and mine reclamation, both in Korea and overseas.

The Company is currently participating, through various consortiums and joint ventures, in exploration, development and production activities in 12 locations in seven countries, including nine production stage projects involving production of bituminous coal, copper, limestone, nickel, rare earth and uranium.

The largest overseas investment made by the Company to date is its 38.17% equity interest in the Ambatovy nickel mining project in Madagascar. The Ambatovy plant commenced commercial production of nickel in January 2014. Ambatovy has proven and probable reserves of 181 million tonnes of 0.92% nickel. The annual production capacity of Ambatovy is 35,000 tonnes (100% basis) of nickel, 3,500 tonnes (100% basis) of cobalt and 190,000 tonnes of ammonium sulphate, an effluent that can be used as fertilizer. The Company's aggregate investment amount in the Ambatovy project was Won 2,613.0 billion as of December 31, 2025, and the Company expects to make additional capital contributions of Won 88.1 billion in 2026, which include amounts already contributed by the Company year to date.

Another large overseas investment made by the Company is its 8.98% equity interest in the Cobre Panama copper and molybdenum project in Panama. The Company's aggregate investment amount in the Cobre Panama project was Won 865.6 billion as of December 31, 2025. Currently, the Company is exploring opportunities for additional investment contingent upon the potential resumption of mining operations. The Cobre Panama project commenced commercial production in 2019 with an annual

production capacity of 350,000 tonnes of copper and 3,500 tonnes of molybdenum. In March 2018, the Company entered into an advance sale contract with Franco-Nevada Corporation, a Canadian mining company, for the sale of gold and silver, which are byproducts of the mines, for Won 136 billion. In November 2023, the Supreme Court of Panama ruled the new Mineral Rights Contract Law No. 406 to be unconstitutional and in December 2023, the Government of Panama ordered mining operations to cease. As a result, mining operations at Cobre Panama have been shut down since December 2023 and the Company and the Government of Panama are currently discussing the status of the project.

In addition, the Company has a long-term strategic mandate to secure a stable supply of rare minerals that have been selected in consultation with the Government from those minerals that are used as industrial raw materials and are strategically important to the growth of the Korean economy. In December 2016, the Company reached the Government's stockpiling target for these minerals, which is equivalent to the estimated domestic consumption of such minerals for 64.5 days. Pursuant to the June 2016 Government Plan, additional minerals which are secured by the Public Procurement Service are in the process of being transferred to the Company. The estimated domestic consumption of all such minerals is 84.9 days as of December 31, 2025 with a target to increase the stockpiles to cover 100 days of consumption.

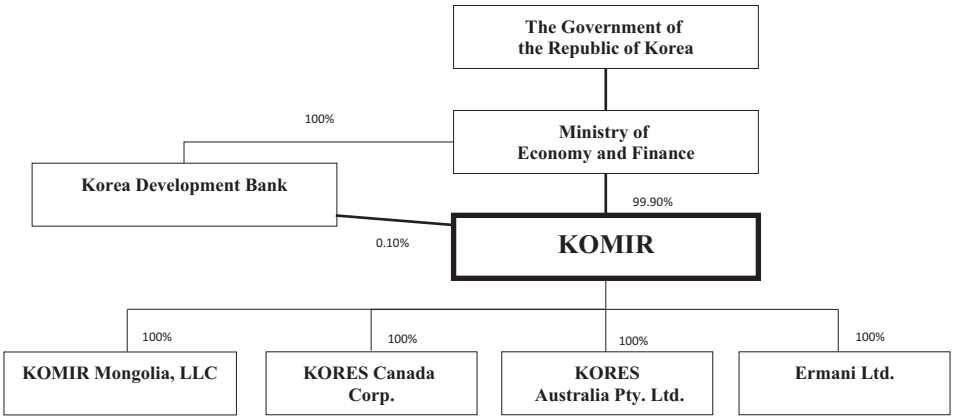
The Company also strives to promote the economic development of mining areas and endeavors to minimize the environmental and social after-effects caused by mine damage. The Company's major tasks with respect to such goals range from the restoration of areas deteriorated by active, suspended or closed mines to the investigation, research and technological development relating to mine damage prevention. As of December 31, 2025, the Company's aggregate investment amount for mine reclamation activities was Won 1,884.3 billion and it had completed environmental restorations at 1,706 sites. In 2024 and 2025, the Company executed mine damage prevention projects at 230 and 231 locations, respectively. In addition, from 2022 to 2026, the Company is planning to invest Won 448.0 billion to complete restorations at 984 deteriorated mine sites.

The Company recorded sales of Won 621.9 billion in 2025 and Won 757.9 billion in 2024, and loss for the period of Won 344.4 billion in 2025 and loss for the period of Won 1,181.7 billion in 2024. The Company recorded total comprehensive loss of Won 21.3 billion in 2025 and total comprehensive loss of Won 1,538.6 billion in 2024. The Company had total assets of Won 4,903.4 billion and Won 4,821.1 billion as of December 31, 2025 and 2024, respectively, and total negative equity of Won 3,161.9 billion and Won 3,763.0 billion as of December 31, 2025 and 2024, respectively.

**Relationship with the Government**

The Company is wholly-owned by the Government. The Government is required under the KOMIR Act to contribute all of the Company's authorized capital of up to Won 3 trillion. The Company had total negative equity of Won 3,161.9 billion as of December 31, 2025. See "Risk Factors—Risks relating to the Company—The Company was established in September 2021 through a consolidation of KORES and MIRECO under the KOMIR Act which was enacted in September 2021 to address KORES's complete equity erosion and liquidity problems. As of December 31, 2025, the Company's equity remains completely eroded and there is no assurance that the Company's complete equity erosion and liquidity problems will be successfully addressed and the failure to do so may have a material adverse effect on the Company's business and financial condition and the Holders." and "Risk Factors—Risks relating to the Company—Although the Government has provided and is expected to continue to provide financial support to the Company, the Government is not legally required to do so." and "Risk Factors—Risks relating to the Company—The Company is restricted in the amount of bonds it can issue relative to the sum of its issued capital and reserves under the KOMIR Act." for disclosure relating to the erosion of the Company's capital and prerequisites for the Government to contribute additional capital and for the Company to issue additional debt.

The Company may only be privatized through an amendment of Article 4 of the KOMIR Act by the National Assembly, which states that the Government shall fund the Company's authorized capital. Pursuant to the KOMIR Act, the Government may also guarantee the repayment of the Company's bonds and provide financial subsidies for the Company's business activities, although it is not obligated to do so. The Notes offered hereby do not have the benefit of a Government guarantee. The following diagram illustrates the Company's ownership structure as of the date hereof.




The Government, through MOTIR, directs and supervises the Company's activities relating to the exploration, development and production of mineral resources in Korea and overseas, the purchase and stockpiling of mineral reserves, the management of stockpile facilities, the execution and management of mine damage and safety projects and the collection and publication of information related to the mineral resources industry. Pursuant to the KOMIR Act and the Act on the Management of Public Institutions, the President of Korea has the authority to appoint and remove the Company's president and the standing directors who are members of the audit committee, while the Minister of Economy and Finance appoints the Company's non-standing directors and the Company's president appoints the standing directors who are not members of the audit committee. Furthermore, the Company is required to publicly disclose certain information relating to its operation and management, including, among other matters, its management objectives, budget and business plan, financial statements, personnel data, articles of incorporation, bond register and the minutes of the board of directors (other than certain confidential information).

The Board of Audit and Inspection, which is an independent Government agency that audits all Governmental agencies and Government-controlled entities, audits the Company from time to time. The audit includes a review of the Company's budget and financial statements and an inspection of the Company's business operations and performance. The Board of Audit and Inspection reports its audit results to the National Assembly of Korea and the President of Korea. The Company must also present mid- to long-term management objectives covering five fiscal years to MOFE and the Minister of MOTIR on an annual basis. The Company is further subject to unscheduled inspections and investigations from time to time by the National Assembly under the Act on the Inspection and Investigation of State Administration of 1988, as amended.

In June 2016, MOFE and MOTIR announced the June 2016 Government Plan to rationalize the overseas natural resource exploration, development and production activities of government-controlled enterprises, including the Company. The June 2016 Government Plans calls for, among other things, the Company's divesture from overseas exploration, development and production operations in phases, while strengthening the Company's support services to private Korean companies engaged in such operations, and the implementation of a hiring freeze and a reduction in the number of employees and overseas offices. The June 2016 Government Plan also calls for the further examination of consolidating the Company's strategic stockpiling and support services roles with other government-controlled enterprises.

***Government Letter of Support***

On March 21, 2018, the Director General for Energy and Resources Policy of MOTIR issued the following letter ("Letter of Support"). In the Letter of Support, the Government pledged to continue to provide legal, financial and institutional support to KORES as well as to the Company. The Letter of Support does not represent a guarantee or a binding obligation of MOTIR or the Government. See "Risk Factors—Risks relating to the Company—Although the Government has provided and is expected to continue to provide financial support to the Company or any merged or consolidated entity, the Government is not legally required to do so."



산업통상자원부

**MINISTRY OF TRADE, INDUSTRY AND ENERGY**
**REPUBLIC OF KOREA**

March 21, 2018

Mr. Young Min Kim
CEO
Korea Resources Corporation

**Re: Letter of Financial support for Korea Resources Corporation**

Dear Mr. Kim,

This letter is intended to confirm the support of the Government of the Republic of Korea (the "Government") through the Ministry of Trade, Industry and Energy (together and on behalf of any successor or other ministry exercising comparable regulatory authority on behalf of the Government of the Republic of Korea, "MOTIE") to Korea Resources Corporation ("KORES").

KORES was established pursuant to the Korea Resources Corporation Act and KORES serves to implement the Government's policy to secure a stable supply of key minerals that are strategically important to Korea's economy and acts as an arm for mineral resources-related policies of Korea. In order to attain a sustainable supply of key metals and minerals, KORES engages in a diverse set of operations including direct investments, lending, strategic stockpiling of key minerals and support services.

KORES has invested in large-scale overseas resources development projects, resulting in a deterioration in KORES' financial condition due to a general decrease in global commodity prices and delayed normalization of production. MOTIE has appointed a task force for overseas resources development (the "Task Force"), centered around civilian experts, to examine the status of overseas resources development projects of government-owned companies including KORES. On March 5, 2018, the Task Force recommended the Government to consider the merger or consolidation of KORES with a similar entity. In addition, the Task Force recommended preparation of measures to resolve KORES' liquidity and liability issues.

In accordance with the Act on the Management of Public Institutions, the Government plans to deliberate and decide on the matters related to KORES' merger or consolidation through the Committee for Management of Public Institutions. Once the Government's plan is finalized, the related legislative procedures will take place at the National Assembly. Once the legislative procedures have been completed and a new corporation, into which KORES would be merged or consolidated, is established, then such new corporation will assume all assets and liabilities of KORES.

The Government will continue to provide legal, financial and institutional support to KORES as well as to the new corporation that would be established following the completion of the legislative procedures.

Yours sincerely,

/s/Ki-Young Park

(Signed on behalf of Ministry of Trade, Industry and Energy)

Ki-Young Park
Director General for Energy and Resources Policy
Ministry of Trade, Industry and Energy
Republic of Korea

***Framework for National Energy Plan***

On July 5, 2022, the Government announced the New Government's Energy Policy Directions following consultations with representatives from civic groups, the energy industry and academia. The New Government's Energy Policy Directions are intended to replace the previous administration's energy policies, namely the Third Basic National Energy Plan adopted in June 2019, and introduces the following five policy directions: (i) re-establishing the energy mix by expanding the nuclear energy ratio to a minimum of 30% by 2030, adjusting the renewable energy ratio in light of feasibility and efficiently redesigning power grids, (ii) ensuring resource security by legislating a special law, strengthening the entire energy supply chain, restoring public companies' abilities to secure resources and promoting government support for revitalizing private overseas resource development investments, (iii) streamlining energy demand and market structure based on market principles by incentivizing efficient innovation in energy-intensive industries and strengthening independence, expertise and governance in the electricity market, (iv) improving growth of new energy industries and facilitating export-industrialization by restoring nuclear power industry ecosystems, establishing a clean hydrogen supply chain and nurturing innovative energy startups and (v) expanding energy welfare along with protecting energy poverty groups through the expansion of essential energy welfares and establishing a reliable energy foundation.

***Overseas Resources Development Master Plan***

Under the Overseas Resources Development Business Act of 1983, as last amended and effective as of October 1, 2025 and the Presidential Decree and regulations thereunder (the "Overseas Resources Development Act"), the Government must establish 10-year master plans, revised every five years, for the development of overseas natural resources. Under the Overseas Resources Development Act, if a Korean national plans to develop overseas natural resources, such person must report his or her plans to the Minister of MOTIR.

Pursuant to the Overseas Resources Development Act, the Government is authorized to provide funds to a Korean resident to conduct research and analysis for an overseas resources development business and to acquire the rights to develop such resources. The Government may also provide funds for the installation and operation of facilities required for the development, and funds for leasing or buying the necessary equipment for the development. To ensure the proper use of Government funds, MOTIR delegated to the Company the authority to inspect the books, documents and materials of businesses to which the Government has provided financial support and to evaluate the feasibility of the Government's financial support for the costs being incurred by such businesses.

MOTIR issued in May 2020 the Sixth Overseas Resources Development Master Plan, covering the period from 2020 to 2029 pursuant to the Overseas Resources Development Act. Objectives of the Sixth Overseas Resources Development Master Plan include the following:

- assist the restructuring of the Company, Korea Gas Corporation and Korea National Oil Corporation and facilitate the Company's task of supporting the private sector;
- select new key mineral resources, including lithium, cobalt and rare-earth elements, reflecting the change in energy policy and establish a comprehensive roadmap to secure such new key mineral resources;
- promote the securing of mineral resources by utilizing the futures market and the over-the-counter trading market in the event of a supply crisis, in which the Company will play a main role;
- instead of focusing on achieving resource development target rates mainly centered on the quantity of resources, establish national resource security policies utilizing target-management indicators for national resource security such as exposure to price fluctuations and resilience to energy supply shortages.

***Administration of the Special Accounts for Energy and Resources***

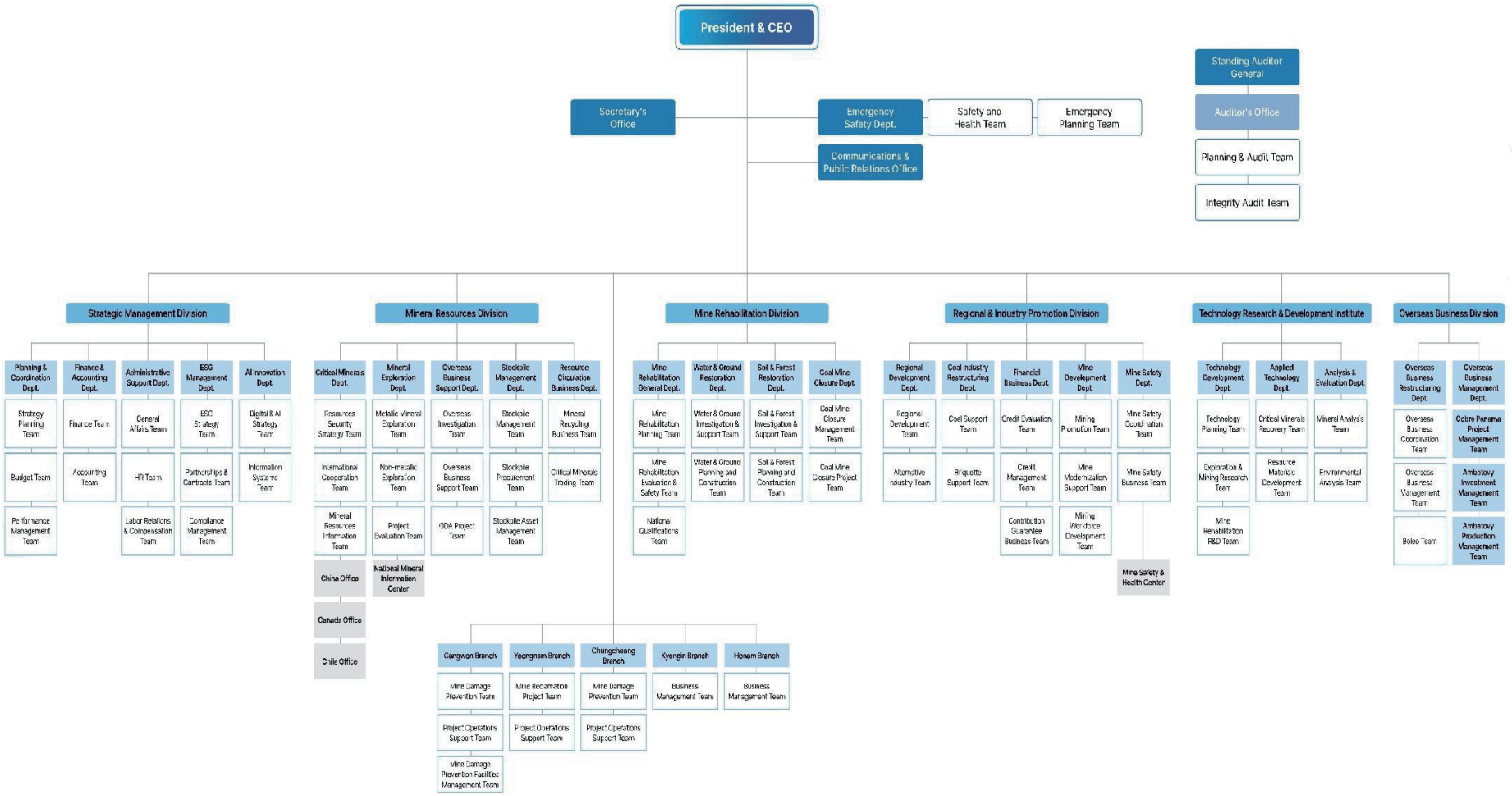
In 1995, the Government established the Special Accounts for Energy and Resources (the "SAER") pursuant to the Energy and Resources Special Account Act (the "SAER Act"), which combines six energy-related funds that were previously operated by the Government. Prior to 1995, to ensure a stable supply of energy and natural resources for the Korean economy and to promote the development of new energy resources, the Government operated six energy- and resources-related funds, namely the Oil Business Fund, the Coal Industry Support Fund, the Coal Industry Stabilization Fund, the Overseas Mineral Resources Development Fund, the Energy Use Rationalization Fund and the Natural Gas Safety Management Fund. These funds were designed to support a variety of public and private projects, including those relating to the exploration and development of mineral resources both domestically and abroad, the stockpiling of mineral resources, the development of deep-sea mineral resources and the development of alternative energy sources and research activities related to the foregoing.

Pursuant to the SAER Act, the Minister of the Climate, Energy and Environment (the "MOCEE") oversees the management and operation of the SAER. The Government's annual budget for the SAER is prepared with input from Government-controlled and private entities engaged in the energy and natural resources business, MOCEE and MOFE, and approved by the National Assembly. A significant portion of the SAER budget consists of loans to be made for various energy and resources-related projects. Previously, the funds for the loans were first provided by Korea National Oil Corporation, as the day-to-day administrator of the entire SAER, to the following six government agencies that managed and on-lent the funds: KORES, MIRECO, Korea National Oil Corporation, Korea Coal Corporation, Korea Energy Management Corporation and Korea Gas Safety Corporation. KORES managed the SAER loans related to the mineral resources industry and MIRECO managed the SAER loans related to the mine reclamation industry, while the other loans were managed by the other four Government agencies for their respective energy fields. Pursuant to the June 2016 Government Plan, MOTIR transferred the responsibility for administrative tasks related to the day-to-day operation of the SAER funds and the administration of SAER loans of KORES and MIRECO to the Korea Energy Agency in July 2017.

**Organizational Structure**

The Company has broadly organized its divisions by function. The Strategic Management Department oversees the overall operations of the Company and includes, among others, the Planning & Coordination Department and the Finance & Accounting Department. The Mine Rehabilitation & Safety Division oversees all mine damage and safety related activities including mine damage inspection,

planning, recovery and post management. The Mineral Resources Division oversees all resource exploration, development and stockpiling activities. The Regional & Industry Promotion Division oversees all regional and industrial promotion activities and includes, among others, the Coal & Briquette Industry Support Department. The Technology Research & Development Institute provides various technical and research and development support to the Korean mining and mineral resources industry. The Overseas Business Division oversees the management of the Company's overseas investments and also includes the Overseas Business Restructuring Department which focuses on the Company's divestiture from its overseas exploration, development and production activities. The following diagram illustrates the Company's organizational structure as of the date hereof.


President & CEO
Secretary's Office
Emergency Safety Dept.
Safety and Health Team
Emergency Planning Team
Communications & Public Relations Office
Standing Auditor General
Auditor's Office
Planning & Audit Team
Integrity Audit Team
Strategic Management Division
Planning & Coordination Dept.
Strategy Planning Team
Budget Team
Performance Management Team
Finance & Accounting Dept.
Finance Team
Accounting Team
Administrative Support Dept.
General Affairs Team
HR Team
Labor Relations & Compensation Team
ESG Management Dept.
ESG Strategy Team
Partnerships & Contracts Team
Compliance Management Team
AI Innovation Dept.
Digital & AI Strategy Team
Information Systems Team
Mineral Resources Division
Critical Minerals Dept.
Resources Security Strategy Team
International Cooperation Team
Mineral Resources Information Team
China Office
Canada Office
Chile Office
Mineral Exploration Dept.
Metallic Mineral Exploration Team
Non-metallic Exploration Team
Project Evaluation Team
National Mineral Information Center
Overseas Business Support Dept.
Overseas Investigation Team
Overseas Business Support Team
ODA Project Team
Stockpile Management Dept.
Stockpile Management Team
Stockpile Procurement Team
Stockpile Asset Management Team
Resource Circulation Business Dept.
Mineral Recycling Business Team
Critical Minerals Trading Team
Gangwon Branch
Mine Damage Prevention Team
Project Operations Support Team
Mine Damage Prevention Facilities Management Team
Yeongnam Branch
Mine Reclamation Project Team
Project Operations Support Team
Chungcheong Branch
Mine Damage Prevention Team
Project Operations Support Team
Kyongin Branch
Business Management Team
Honam Branch
Business Management Team
Mine Rehabilitation Division
Mine Rehabilitation General Dept.
Mine Rehabilitation Planning Team
Mine Rehabilitation Evaluation & Safety Team
National Qualifications Team
Water & Ground Restoration Dept.
Water & Ground Investigation & Support Team
Water & Ground Planning and Construction Team
Soil & Forest Restoration Dept.
Soil & Forest Investigation & Support Team
Soil & Forest Planning and Construction Team
Coal Mine Closure Dept.
Coal Mine Closure Management Team
Coal Mine Closure Project Team
Regional & Industry Promotion Division
Regional Development Dept.
Regional Development Team
Alternative Industry Team
Coal Industry Restructuring Dept.
Coal Support Team
Briquette Support Team
Financial Business Dept.
Credit Evaluation Team
Credit Management Team
Contribution Guarantee Business Team
Mine Development Dept.
Mining Promotion Team
Mine Modernization Support Team
Mining Workforce Development Team
Mine Safety Dept.
Mine Safety Coordination Team
Mine Safety Business Team
Mine Safety & Health Center
Technology Research & Development Institute
Technology Development Dept.
Technology Planning Team
Exploration & Mining Research Team
Mine Rehabilitation R&D Team
Applied Technology Dept.
Critical Minerals Recovery Team
Resource Materials Development Team
Analysis & Evaluation Dept.
Mineral Analysis Team
Environmental Analysis Team
Overseas Business Division
Overseas Business Restructuring Dept.
Overseas Business Coordination Team
Overseas Business Management Team
Bolivia Team
Overseas Business Management Dept.
Cobre Panama Project Management Team
Ambatovy Investment Management Team
Ambatovy Production Management Team

In addition, the Company's ESG Committee oversees the establishment and enforcement of policies and strategies relating to the environment, social responsibility and corporate governance. The ESG Committee also reviews the performances and results of key ESG projects, monitors emerging ESG issues and implements and promotes workable standards.

**Business Operations**

The Company has two main segments: the own assets account, which comprise lending, strategic stockpiling, mine reclamation and Government-subsidized support services, and the overseas assets account, which comprise direct investments. Through these operations, the Company aims to serve as the execution arm of the Government's policy goals in promoting and supporting sustainable development of mining regions and securing stable supplies of mineral resources.

The following table presents a breakdown of the Company's sales by segment for the years ended December 31, 2025 and 2024.

| | For the Years Ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | (in billions of Won) | |
| Own assets account | ₩ 420.7 | ₩ 350.1 |
| Overseas assets account | 337.2 | 271.8 |
| Total sales | ₩ 757.9 | ₩ 621.9 |

For a breakdown of the Company's sales by geographical location, see note 4 of the audited consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular, which provides a segmentation of the Company's sales by the geographic location of the entity generating such sales. Sales generated by the Company on a separate basis are deemed to have originated from Korea, whereas sales generated by each of the Company's overseas consolidated subsidiaries are deemed to have originated from the country where such subsidiary is located. For a breakdown of the Company's sales by revenue source, see note 35 of the audited consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular.

***Direct Investments in Exploration, Development and Production***

While the Company does not engage in any new direct overseas investment projects, the Company continues to directly invest in its existing overseas investment projects to support the exploration, development and production of overseas mineral resources. Since 2008, as part of a consortium or joint venture, the Company has engaged in overseas exploration, development and production in various locations, including Australia, China, Madagascar and South Africa. The Company invested Won 1,064.8 billion and Won 110.3 billion in overseas exploration, development and production projects in 2024 and 2025, respectively. The Company currently expects to invest Won 88.1 billion in its existing overseas investment projects in 2026 for its project in Ambatovy. As of December 31, 2025, the Company had directly invested Won 3,723.2 billion in its existing overseas exploration, development and production activities.

Contractual arrangements among participants in a joint venture are usually governed by an operating agreement, which usually provides that costs, entitlements to production and liabilities are to be shared according to each party's percentage interest in the joint venture. Upon completion of the initial exploration phase, and if the Company and its joint venture partners determine that a project has commercially viable development potential, the project will enter the development phase and join the development portfolio. The joint venture projects are typically structured so that following the initial equity investment by the participants in the joint venture project, a shareholder loan is extended to the project by each joint venture partner in proportion to such partner's percentage interest in the project in

return for the receipt of interest payments that are issued according to the schedule associated with such loan. Interest payments on such shareholder loan are typically deferred for a period of time, allowing the project to reach production stage and generate cash flow.

The KOMIR Act requires the creation of a separate account under the Company to manage the Company's overseas assets and liabilities (the "Overseas Assets Account") and to account for the Overseas Assets Account separately from the Company's business and other accounts, and prohibits the disposal of financial resources relating to abandoned mine areas to operate overseas assets or to manage the assets and liabilities of overseas assets.

The Plan calls for the sale of all of the Company's overseas assets over time. In accordance with the Plan, the Company will examine potential avenues for the sale of its overseas direct investment projects in the Planned Disposal Assets. For example, in furtherance of such Plan, the Company completed the sale of Boleo in November 2025 and is planning to complete the sale of Togara North in the first quarter of 2026. The Company is also discussing the sale of Narrabri and Wyong with potential purchasers. While, as a general matter, all of the Company's overseas assets are to be sold, there will be no timetable for the sale. The Company will not engage in any new direct overseas investment projects and will instead focus on the Company's remaining activities, including support services for overseas resources development activities of the private sector.

**Reserves Data**

"Reserve" is that part of a mineral deposit that could be economically and legally extracted or produced at the time of the reserve determination.

"Proven reserves" are reserves for which quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes and the grade and quality are computed from the results of detailed sampling. The sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that the size, shape, depth and mineral content of reserves are well-established.

"Probable reserves" are reserves for which quantity and grade or quality are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced.

Estimation and evaluation of reserves naturally involve multiple uncertainties. The accuracy of any reserve evaluation depends on the quality of available information and engineering and geological interpretation. Based on the results of drilling, testing and production after the date of this Offering Circular, reserves may be significantly restated upwards or downwards. Significant changes in the Company's mineable reserve amounts could have a material adverse effect on the Company's results of operations and financial condition. See "Risk Factors—Risks relating to the Company—The ore reserve estimates in this Offering Circular are only estimates and may require substantial revisions as a result of future drilling, testing and production, and as such, the Company's actual production, revenues and expenditures may also differ materially from the estimates."

**Production Stage**

The Company deems projects to be in the production stage when they have the needed operational infrastructure to allow for the extraction of resources and generate revenues. The following table sets forth the Company's projects in the production stage by country, resource and the capital investments made by the Company up to 2023 and for the years ended December 31, 2024 and 2025.

| Resource | Project | Country | Company's Stake | Korean Consortium's Stake | Participation Year | Annual Production Capacity[1] | Investment Amount (in billions of Won) | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Up to 2023 | 2024 | 2025 | Total |
| Bituminous Coal | Minerva[2] | Australia | 4.0 | 4.0 | 2006 | 2.5 mtpa | ₩ 7.1 | ₩ – | ₩ – | ₩ 7.1 |
| | Narrabri | Australia | 2.5 | 7.5 | 2009 | 9.5 mtpa | 61.0 | – | – | 61.0 |
| Copper | Rapu-Rapu[3] | Philippines | 28.0 | 70.0 | 2004 | – | 27.1 | – | – | 27.1 |
| | Cobre Panama[4] | Panama | 8.98 | 8.98 | 2009 | 350.0ktpa[5] | 865.6 | – | – | 865.6 |
| Rare Earth | Xian Maxsun | China | 49.0 | 49.0 | 2003 | 5.0 kpta | 13.4 | – | – | 13.4 |
| Limestone | Zhangjiagang | China | 49.0 | 100.0 | 2005 | 100.0 ktpa[6] | 14.3 | – | – | 14.3 |
| Nickel | Ambatovy | Madagascar | 38.17 | 45.82 | 2006 | 35.0 ktpa[7] | 2,445.7 | 129.0 | 38.3 | 2,613.0 |
| **Subtotal** | | | | | | | 3,434.2 | 129.0 | 38.3 | 3,601.5 |
| **Terminated projects** [9] | | | | | | | 2,266.2 | 934.3 | 70.2 | 3,270.7 |
| **Total** | | | | | | | ₩ 5,700.4 | ₩ 1,063.3 | ₩ 108.5 | ₩ 6,872.2 |

*Notes:*

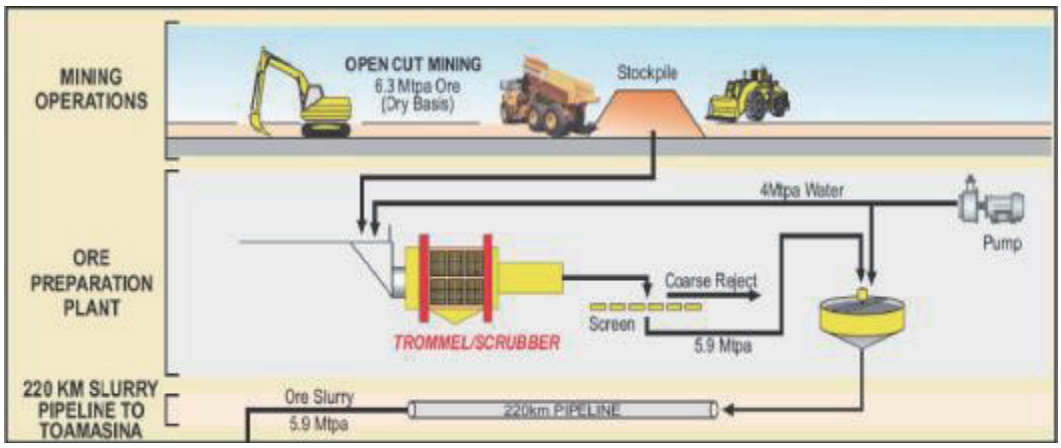
(1) mtpa = million tonnes per annum. ktpa = kilo tonnes per annum.
(2) Production ceased upon exhaustion of reserves in September 2021 and the Company is preparing for the rehabilitation of the closed mine.
(3) Production ceased upon exhaustion of reserves and environmental rehabilitation has been completed with certification received from the Philippines government in August 2025.
(4) Commenced commercial production in September 2019.
(5) In addition, estimated annual production capacity of 3.5 ktpa of molybdenum.
(6) In addition, annual production capacity of 26 ktpa of nickel.
(7) In addition, annual production capacity of 3.5 ktpa of cobalt.
(8) Production ceased in December 2014 until further notice, primarily due to decreases in the market price of uranium and the financial difficulties experienced by the joint venture.
(9) Represents the Company's direct investment amounts in overseas projects in production stage, in which the Company's participation has been terminated, including Won 59.1 billion that the Company had invested in Moolarben, Won 24.9 billion that the Company had invested in Angus Place and Won 23.8 billion that the Company had invested in Springvale, all of which were coal mining projects in Australia, as well as Won 196.1 billion that the Company had invested in Capstone, a copper mining project in the United States and Mexico, Won 1,877.2 billion that the Company had invested in Boleo, a copper mining project in Mexico and Won 17.1 billion that the Company had invested in Tegeidda, a uranium mining project in Niger. The Company's participations in Moolarben, Angus Place, Springvale, Capstone, Boleo and Tegeidda were terminated in January 2020, June 2020, June 2020, May 2021, November 2025 and December 2025, respectively.

The following is a summary description of some of the Company's major projects in the production stage.

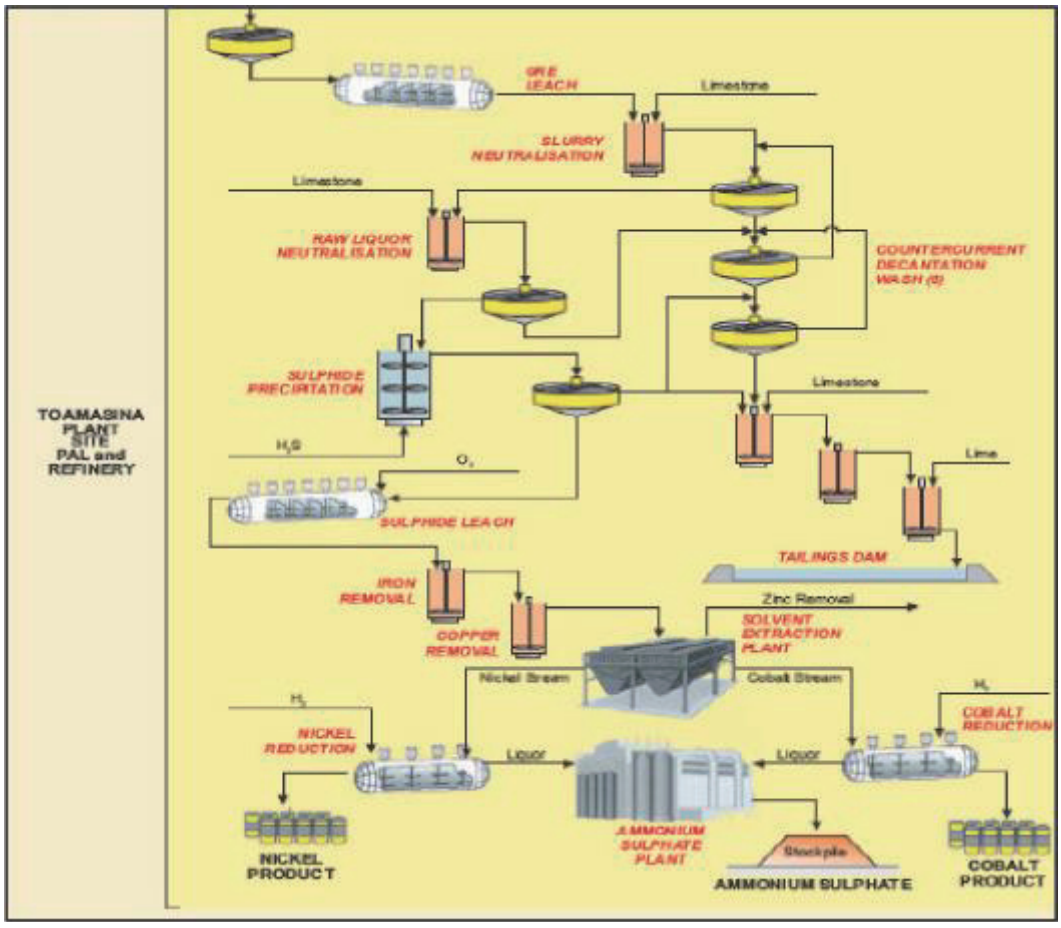
***Ambatovy.*** Ambatovy is a large tonnage nickel project located 80 kilometers east of Antananarivo, the capital of Madagascar. As of December 31, 2025, the Company's equity interest in the project is 38.17%, and a consortium of Korean investors, including the Company, collectively holds a 45.82% equity interest in the project. Sumitomo Corporation, a Japanese company, holds a 54.18% equity interest in the project. The Korean consortium of investors, which is led by the Company, holds purchase rights for 50% of future production. Ambatovy has proven and probable reserves of 181 million tonnes of 0.92% nickel. The annual production capacity of Ambatovy is 35,000 tonnes (100% basis) of nickel, 3,500 tonnes (100% basis) of cobalt and 190,000 tonnes of ammonium sulphate, an effluent that can be used as fertilizer.

Construction of the project began in 2007, and initial production of nickel commenced in the second half of 2012. Slurried laterite ore from the mines is delivered via a 220 kilometers-long pipeline to a processing plant and refinery located near the Port of Toamasina, where the slurry is refined into high-grade nickel and cobalt briquettes, which are then shipped to customers around the world. Commercial production of nickel began in January 2014 and Ambatovy produced 27,690 tonnes and 29,313 tonnes of nickel in 2024 and 2025, respectively. Production from Ambatovy has been suspended since February 2026 due to damages caused by Cyclone Gezani and the Company expects production to resume in May 2026.

The following diagram shows the mining operations and the ore preparation process used in Ambatovy.




The following diagram shows the hydrometallurgical process used in Ambatovy to produce finished nickel and cobalt briquettes.




Ambatovy is primarily funded by U.S.$2.1 billion of senior project financing through a number of loan agreements with certain export credit agencies, development banks and commercial lenders. The Company, Sherritt, Sumitomo and SNC-Lavalin Group Inc. (previously a project sponsor) provided completion guarantees, subject to a carve-out for political risk, for the financing until Ambatovy satisfied the required completion tests. While such completion tests were satisfied by Ambatovy in September 2015, the project sponsors, including the Company, have continued to provide their interest

as collateral in exchange for deferred repayment on the loans. In October 2017, the project sponsors restructured the project in order to address Sherritt's shortfall in contributions to the project. Sherritt reduced its interest from 40% to 12%, transferring 15.2% to Sumitomo Corporation and 12.8% to Ambatovy Holdings Limited, a newly established special purpose vehicle holding company (over which the Company exerts substantial control), which allowed Sherritt to fund its 12% interest retroactively to the end of 2015 and reduce the amount of outstanding partner loans previously provided by the Company and the other project sponsors. In August 2020, the project was further restructured to transfer 5.49% of Sherritt's interest to Ambatovy Holdings II Limited and 6.51% of Sherritt's interest to Sumitomo Corporation. In November 2024, the High Court of England and Wales sanctioned a restructuring plan for Ambatovy, pursuant to which U.S.$46.1 million was paid to the lenders by the shareholders and the remaining secured debt of approximately U.S.$1.6 billion was discharged. The Company's aggregate investment amount in Ambatovy was Won 2,613.0 billion as of December 31, 2025 and the Company expects to make additional capital contributions of approximately Won 88.1 billion in 2026, which include amounts already contributed by the Company year to date.

***Cobre Panama.*** The Cobre Panama copper and molybdenum deposit is located in Donoso in Panama, approximately 120 kilometers west of Panama City. The Company holds an 8.98% equity interest in the project. First Quantum Minerals Ltd., a Canadian company, holds the remaining 91.02% interest. The proven and probable reserves of Cobre Panama is 2,768 million tonnes of copper. Commercial production commenced in September 2019 with an annual production capacity of 350,000 tonnes of copper and 3,500 tonnes of molybdenum. In March 2018, the Company also entered into an advance sale contract with Franco-Nevada Corporation, a Canadian mining company, for the sale of gold and silver, which are byproducts of the mines, for Won 136 billion. Currently, the Company is exploring opportunities for additional investment contingent upon the potential resumption of mining operations.

In February 2023, ore processing operations were suspended for approximately two weeks as a result of the Panama Maritime Authority's refusal to permit copper concentrate loading operations at the project's port, Punta Rincon. The suspension was lifted in March 2023. See "Risk Factors—Risks relating to the Company—The Company is subject to concentration risk in its direct investment operation, which increases the Company's exposure to market, political and other risks."

In November 2023, the Supreme Court of Panama ruled the new Mineral Rights Contract Law No. 406 to be unconstitutional and in December 2023, the Government of Panama ordered mining operations to cease. As a result, mining operations at Cobre Panama have been shut down since December 2023 and the Company and the Government of Panama are currently discussing the status of the project.

***Narrabri.*** The Narrabri bituminous coal mine is located in Gunnedah basin in Australia, approximately 28 kilometers south of Narrabri. The Company holds a 2.5% equity interest in the project, while Whitehaven Coal Pty Ltd. holds a 77.5% interest and each of J-Power Australia Pty Ltd. and Upper Horn Investment Pty Ltd. holds a 7.5% equity interest. POSCO International Corporation ("POSCO International"), a Korean company, holds the remaining 5.0% interest. The proven and probable reserves of Narrabri is 138 million tonnes with an annual production capacity of 8 million tonnes. Production commenced in October 2012. Narrabri produced 5.1 million tonnes and 4.4 million tonnes of coal in 2024 and 2025, respectively. The Company is currently discussing the sale of Narrabri with potential purchasers.

### Development Stage

Projects in the development stage are those that are undergoing preparation for production and for which the proven and probable reserve amounts have been identified and are undergoing a quality assessment of the minerals. The following table sets forth the Company's projects in the development stage by country, resource and the capital investments made by the Company up to 2023 and for the years ended December 31, 2024 and 2025.

| Resource | Project | Country | Company's Stake | Korean Consortium's Stake | Participation Year | Estimated Annual Production Capacity[1] | Investment Amount (in billions of Won) | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Up to 2023 | 2024 | 2025 | Total |
| Bituminous Coal | Togara North | Australia | 8.33% | 25.00% | 1994 | 6.0 mtpa | ₩ 14.3 | ₩ 0.1 | ₩ 0.1 | ₩ 14.5 |
| | Wyong | Australia | 82.25 | 86.50 | 1995 | 4.7 mtpa | 70.4 | 1.4 | 1.7 | 73.5 |
| **Subtotal** | | | | | | | 84.7 | 1.5 | 1.8 | 88.0 |
| **Terminated projects** [2] | | | | | | | 376.6 | – | – | 376.6 |
| **Total** | | | | | | | ₩ 461.3 | ₩ 1.5 | ₩ 1.8 | ₩ 464.6 |

*Notes:*

(1) mtpa = million tonnes per annum. ktpa = kilo tonnes per annum.

(2) Represents the Company's direct investment amounts in overseas projects in development stage, including Won 45.6 billion invested in Marcona, a copper mining project in Peru, Won 2.5 billion invested in Shakespeare, a copper mining project in Canada, Won 18.3 billion invested in NX Uno, a lithium mining project in Chile, Won 39.5 billion invested in Rosemont, a copper mining project in the United States and Won 262.3 billion invested in Santo Domingo, a copper mining project in Chile, in which the Company's participation has been terminated. The Company's participations in Marcona and Shakespeare were terminated in 2017. The Company's participation in NX Uno and Rosemont were terminated in 2019. The Company's participation in Santo Domingo was terminated in April 2021.

The following is a summary description of the Company's major project in the development stage.

***Wyong.*** The Wyong bituminous coal deposit is located in Newcastle in Australia, approximately 100 kilometers northeast of Sydney, on a site covering an area of approximately 213 square kilometers. The Company holds an 82.25% equity interest in the project, while Kyung Dong Industrial Co., Ltd., a Korean company, holds a 4.25% interest. Banpu Corporation, a Thai company, holds the remaining 13.5% interest. The proven and probable reserves of Wyong is 155 million tonnes. In June 2019, the development of the Wyong project was granted two mining leases by the New South Wales government and was granted mining rights in March 2020 by the Australian government. The Company's aggregate investment amount in Wyong was Won 73.5 billion as of December 31, 2025, and the Company does not intend to make additional contributions in 2026. The Company is currently discussing the sale of Wyong with potential purchasers.

### Exploration Stage

The Company's exploration program is focused on identifying and expanding its commercially viable production projects. The process of discovery runs from early-stage mapping through to drilling and evaluation. The Company prioritizes target sites based on its assessment of the relative attractiveness of each mineral. As exploring for mineral resources is a time-consuming and capital-intensive process, the Company's Mineral Resources Division carefully analyzes each prospective location along with its partners and third party technical experts to determine the proper scope of each project, as well as consult an internal committee composed of heads of relevant departments and technical experts before making investment decisions.

The following table sets forth the Company's projects in the exploration stage by country, resource and the capital investments made by the Company up to 2023 and for the years ended December 31, 2024 and 2025.

| Resource | Project | Country | Company's Stake | Korean Consortium's Stake | Participation Year | Status | Investment Amount (in billions of Won) | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Up to 2023 | 2024 | 2025 | Total |
| Coal | Athena | Australia | 4.00% | 4.00% | 2006 | Termination in process | ₩ 1.8 | ₩ – | ₩ – | ₩ 1.8 |
| Uranium | Mkuju | Tanzania | 28.00 | 28.00 | 2012 | Termination in process | 2.3 | – | – | 2.3 |
| Rare Earth | Zandkopsdrift | South Africa | 8.91 | 8.91 | 2011 | Project under review | 29.5 | – | – | 29.5 |
| **Subtotal** | | | | | | | 33.6 | – | – | 33.6 |
| **Terminated projects** [(1)] | | | | | | | 78.5 | – | – | 78.5 |
| **Total** | | | | | | | ₩ 112.1 | ₩ – | ₩ – | ₩ 112.1 |

*Notes:*

(1) Represents the Company's direct investment amounts in overseas projects in exploration stage, in which the Company's participation has been terminated, including Won 5.1 billion invested in Cree East, a uranium mining project in Canada, Won 2.8 billion invested in Marree, a uranium mining project in Australia, Won 6.3 billion invested in Sal de Vida, a lithium mining project in Argentina, Won 0.8 billion invested in Houaphanh, a lead and zinc mining project in Laos and Won 18.7 billion invested in Vlakplaats, a coal mining project in South Africa. The Company's participations in Cree East and Marree were terminated in 2017. The Company's participations in Sal de Vida and Houaphanh were terminated in 2019. The Company's participation in Vlakplaats was terminated in 2020. The Company's participation in Kapuas was terminated in 2022.

The following is a summary description of the Company's major project in the exploration stage.

***Zandkopsdrift.*** The Zandkopsdrift rare earth project is located in the Namaqualand region of the Northern Cape Province of South Africa, approximately 450 kilometers north of Cape Town. Frontier Rare Earths Limited, a Canadian company and operator of the project, holds a 65.1% equity interest in the project, while the Black Economic Empowerment shareholders hold a 26% interest in the project pursuant to the relevant South African Black Economic Empowerment legislation. The Company holds a 8.91% interest in the project. The estimated reserves of Zandkopsdrift is 41.1 million tonnes of rare earth. A preliminary feasibility study on the project was completed in November 2015. In May 2018, the Company announced its decision to cease additional investments in the project, and in February 2021, completed an equity adjustment and debt-for-equity conversion relating to its equity interest in the project. The Company is also reviewing the possibility of terminating the project due to concerns over economic feasibility.

### Types of Exploration, Development and Production Agreements Entered into by the Company

The Company participates in the exploration, development and production of mineral resources in a number of countries and geographic regions and is therefore subject to a broad range of rules and regulations which cover many aspects of exploration, development and production activities, including lease tenure, pricing, environmental protection, export taxes and foreign exchange. The Company enters into a wide range of contractual arrangements governing the Company's projects and its interest in mineral resources from those projects. Depending on the type of project, the Company enters into off-take agreements, exclusive sales contracts, or permits and licenses from a government-controlled entity or a national mineral resources company of the country in which such project is located.

For most of its projects, the Company does not engage in the actual operation of a project but enters into joint ventures with industry-leading operators and engineering contractors or teams up as a minority investor with an already established consortium. The terms of the joint venture agreements, off-take agreements and sales agreements and other contractual arrangements vary substantially among different countries and geographic regions, project types and the time the agreements were entered into.

**Investment Criteria**

The Company takes a systematic approach in making an investment decision. The Company begins by collecting publicly-available information, correspondence with diplomatic officers based overseas and Korea Trade-Investment Promotion Agency trade officials and governments of countries with relevant resources, as well as information obtained from investment partners after conclusion of a confidentiality agreement. After such information has been compiled, it is reviewed by a team that specializes in the particular resource in question. A comparative analysis is conducted with nearby projects that are undergoing production while evaluating the data against the Company's internal investment criteria. A preliminary decision is then made on the investment after a review is conducted by the Preliminary Investment Committee. On-site due diligence may also be conducted by technical specialists. If the Preliminary Investment Committee has approved of the investment, negotiations will commence, during which basic investment terms will be discussed among the Company's technicians, consortium members and external advisers, among others. Feedback on the participation terms will be given by analyzing investment research and input from the Company's legal, financial and accounting teams. A technical and business review will be conducted on the ore reserve, quality, mining, method, mineral processing method, market outlook and distribution strategy. Once the basic terms have been agreed upon, detailed due diligence will be conducted by the Company's technical specialists, consortium members and external professionals. If the Preliminary Investment Committee decides to invest, it will escalate its decision to the Investment Advisory Committee composed of independent consultants, which will then escalate its decision to the board of directors. If the board of directors approves, the Company will sign the relevant agreement and begin pursuing the relevant regulatory approvals from governments. For overseas investments, additional approval from the steering committee, which was established in September 2021 to lead the implementation of the second stage of the Plan, is required. After such approvals are received, a joint venture corporation will be established, as may be necessary.

In terms of making investment decisions, the Company has certain technical criteria based on reserve size, reserve quality and production capacity adequacy. Based on Taylor's rule, a methodology employed to estimate mine life, the Company will determine whether a given project has an adequate number of mining years based on the reserve size and production capacity. The Company will also examine marketing factors in making an investment decision. Such factors include the potential for market development and distribution price adequacy. In examining the potential for market development, the Company will examine the quality of the product, the expected purchasers and distribution strategy.

***Domestic Lending***

The Company provides low-cost funding to domestic resources developers, researchers and other similar parties in order to facilitate the efficient development of domestic private mines and to provide financial support for mining development to ensure stable procurement of industrial raw materials. The Company also provides financial support to quarriers to strengthen the competitiveness of the quarrying industry and extend financial support for quarrying development to induce the environmentally-friendly development of construction raw materials. The table below sets forth the basic terms for domestic resources development funds.

| Term | Mining Fund | Quarrying Fund |
|---|---|---|
| Borrower . . . . . | Mine Operator | Quarrier |
| Use of Proceeds . . . . . | Facility-related | Facility-related |
| | Operation | Operation |

| Term | Mining Fund | Quarrying Fund |
|---|---|---|
| Lending Period | Facilities: deferment – 2 years<br>repayment – 6 years | Facilities: deferment – 2 years<br>repayment – 6 years |
| | Operations: deferment – 1 year<br>repayment – 3 years | Operations: deferment – 1 year<br>repayment – 3 years |
| Collateral | Mining concession | Processing facilities |
| | Mining facilities | Real estate |
| | Real estate | |
| Source of Fund | KOMIR capital from government contribution | KOMIR capital from government contribution |

The Company's lending rate is based on the sum of the three-year sovereign bond rate of Korea, which was 2.95% as of December 31, 2025, and a spread that varies depending on the credit quality of the borrower and various other factors that are analyzed by the Company.

As of December 31, 2025, the Company's ten largest domestic lending exposures totaled Won 163.8 billion and accounted for 73.0% of the Company's total outstanding domestic loans. The following table sets forth, as of December 31, 2025, the Company's total exposures to these top ten borrowers.

| Borrower | Outstanding (in billions of Won) | % of Total Outstanding Domestic Loans |
|---|---|---|
| Choongmoo Chemical Co., Ltd. | ₩ 23.2 | 10.3% |
| Hanil Cement Co., Ltd. | 22.2 | 9.9 |
| Daesung Mining Development Inc. | 20.0 | 8.9 |
| Ssangyong C&E Co., Ltd. | 17.3 | 7.7 |
| Sampyo Cement Co., Ltd. | 16.3 | 7.3 |
| Wooryong Co., Ltd. | 16.1 | 7.2 |
| Sampyo Industry Co., Ltd. | 15.2 | 6.8 |
| Tae Young EMC Co., Ltd. | 14.4 | 6.4 |
| Sampyo Resources Development Co., Ltd. | 10.4 | 4.6 |
| Sambo Mining Co., Ltd. | 8.7 | 3.9 |
| **Total** | ₩ 163.8 | 73.0% |

### Non-Performing Loans

Non-performing loans are defined as loans that are past due by 90 days or more. These loans are generally classified as "substandard" or below. As of December 31, 2025, the Company's four largest non-performing loans accounted for 100.0% of the Company's total non-performing loan portfolio. The following table sets forth, as of December 31, 2025, certain information regarding the Company's four largest non-performing loans.

| Borrower | Gross Principal Outstanding (in billions of Won) | % of Total Non-Performing Loans |
|---|---|---|
| Borrower A | ₩ 0.01 | 0.8% |
| Borrower B | 0.81 | 52.4 |
| Borrower C | 0.32 | 21.0 |
| Borrower D | 0.40 | 25.8 |
| **Total** | ₩ 1.54 | 100.0% |

Loans are charged off if they are deemed to be uncollectible by falling under any of the following categories:

- loans for which collection is not foreseeable due to insolvency, bankruptcy, compulsory execution, disorganization, dissolution or the shutting down of the business of the debtor;
- loans for which collection is not foreseeable due to the death or disappearance of the debtor;
- loans for which expenses of collection exceed the collectable amount; and
- loans on which collection is not possible through legal or any other means.

One of the Company's primary objectives with respect to its lending operation is to prevent its loans from becoming non-performing. The Company attempts to minimize loans to be charged off by adhering to a sound credit approval process based on credit risk analyses prior to extending loans and a systematic management of outstanding loans. In addition, there is a limit on the maximum amount of loans that may be lent by the Company to a single borrower or in connection with a single project. With respect to domestic lending, different criteria apply depending on the need for funding. For example, the maximum amount that may be lent to a borrower financing its working capital is determined based on the borrower's sales revenues, whereas the maximum amount that may be lent to a borrower financing its capital expenditures is determined based on the reasonable capital expenditure amount. Borrowers are generally required to pledge collateral.

**Financial Support for Companies**

The Company also provides loans to foster alternative industries through its Alternative Industry Loan Assistance program and has financed manufacturing, tourism, leisure and start-up businesses under such program. The Company provides loans to companies, such as startups, to relocate to abandoned mine area promotion districts, to local mining rights holders and mineral processors to support the national mining industry and to promote abandoned mine areas. The table below sets forth the basic terms for the Company's Alternative Industry Loan Assistance.

| Purpose | Duration (Deferment/ Repayment) | Limit | Loan Ratio | Interest Rate (%) (Rental/Loan) |
|---|---|---|---|---|
| Facilities | 5 years/5 years | Won 3 billion | Below 80% of required funds | Annually 0.25/1.75 (Quarterly Variable Rate) |
| Operations | 2 years/3 years | Won 1 billion | Below 100% of required funds | |

***Strategic Stockpiling***

The Company has a long-term strategic mandate to secure a stable supply of rare minerals that have been selected in consultation with the Government from those minerals that are used as industrial raw materials and are strategically important to the growth of the Korean economy but whose global supply is largely dependent upon the top five producing and exporting nations. In December 2016, the Company reached the Government's stockpiling target for these minerals, which is equivalent to the estimated domestic consumption of such minerals for 64.5 days. In May 2017, the Company began to make excess stockpile available to Korean companies on a commercial basis. Pursuant to the June 2016 Government Plan, additional minerals which are secured by the Public Procurement Service are in the process of being transferred to the Company. The estimated domestic consumption of all such minerals is 84.9 days as of December 31, 2025 with a target to increase the stockpiles to cover 100 days of consumption.

The Company leases two stockpiling facilities from the Public Procurement Service of Korea. The aggregate stockpiling capacity of the two leased facilities is 80,800 tonnes. In addition, in order to facilitate the Government's goals of mineral transfer and stockpile increase, the Company is planning to construct additional stockpiling facilities.

***Mine Damage & Safety***

MIRECO was established in 2006 as a quasi-governmental institution under the Mining Damage Prevention and Restoration Act and specialized in mine reclamation with a focus on promoting national safety and economic revitalization in mining areas. The Company has inherited such purpose and has continued to foster the economic development of mining areas while minimizing the environmental and social after-effects caused by mine damage. The Company's major tasks with respect to such goals range from the restoration of areas deteriorated by active, suspended or closed mines to the investigation, research and technological development relating to mine damage prevention.

Pursuant to the Mining Damage Prevention and Restoration Act, the MOTIR establishes a "Mining Damage Prevention Master Plan" every five years and provides a framework for a systematic and comprehensive mine damage prevention policy. The last Mining Damage Prevention Master Plan was established in February 2022. In accordance with such Mining Damage Prevention Master Plan, the Company establishes and executes annual mine damage prevention plans with an aim to preserve and promote a sustainable environment.

As of December 31, 2025, the Company's aggregate investment amount for mine reclamation activities was Won 1,884.3 billion and it had completed environmental restorations at 1,706 sites. In 2024 and 2025, the Company executed mine damage prevention projects at 230 and 231 locations, respectively. In addition, from 2022 to 2026, the Company is planning to invest Won 448.0 billion to complete restorations at 984 deteriorated mine sites.

**Mine Damage Inspection and Planning**

The Company conducts site surveys on suspended and closed mines every five years for the systematic implementation of mine damage prevention projects. For example, in 2021, which is the date of the last site survey, the site surveys revealed mine damages at 3,300 mines out of 5,475 suspended and closed mines. The Company incorporates such site survey results into its mine damage prevention framework and implementation plans.

**Mine Damage Recovery and Post Management**

Mine related hazards generated in the course of mine development pose a threat to the natural environment and public lives. The Company is actively dedicated to the systematic management and post-management of each project and endeavors to reduce mine damage that jeopardize the environment and its residents. The Company approaches its mine damage prevention and reclamation projects with an economic, eco-friendly and semi-permanent focus, and uses systematic post-management methods even after the termination of such projects to ensure the prevention of secondary damages. Furthermore, the Company actively cooperates with various related institutions in order to secure financial stability and advance mine hazard restoration technologies. Its major projects include:

- mine drainage treatment projects;
- soil improvement and restoration projects;
- reforestation projects;
- waste rock loss prevention projects;
- abandoned facility removal projects;

- tailing loss prevention projects;
- mine subsidence prevention projects; and
- noise, vibration and dust prevention projects.

**Mine Safety Business**

The Company supports the development and expansion of safety facilities, equipment and technology to prevent and minimize accidents related to mines. In accordance with such objective and pursuant to the Mine Safety Act, which was enacted in 2017, for each mine, the Company carries out due diligence on the adequacy levels of the respective safety policies annually. In addition, the Company operates the Mine Safety Committee under the MOTIR and also operates rescue squads for mine disasters. The Company also conducts safety promotion activities to raise safety awareness of mine workers and analyzes safety statistics on mine disasters.

***Regional and Industry Promotion***

The Company provides various types of support to abandoned mine areas to minimize the after-effects of abandoned mines. For example, the Company develops and fosters alternative industries suitable for abandoned mine areas and actively attracts companies in related industries to help create a self-reliant environment for such regions. The Company strives to contribute to new jobs and income improvement by means of attracting new projects in line with Government policies, such as the Urban Regeneration New Deal Projects and the Green New Deal Projects.

**Regional Promotion**

Following the Government's measures to rationalize the coal industry, abandoned mine areas have been experiencing social difficulties due to economic contraction and rapid declines in population. Against this backdrop, the Government enacted the Special Act on the Assistance to the Development of Coal Industry Transition Areas and designated cities such as Taebaek, Jeongseon, Samcheok and Yeongwol in Gangwon province, Mungyeong in Gyeongsang province, Boryeong in Chungcheong province and Hwasun in Cheolla province as the beneficiary zones for local economic revitalization projects. As a supporting organization for the promotion of such abandoned mine areas, the Company executes local community promotion projects to facilitate the economy in closed mine areas and to improve residential conditions in such areas which suffer from deindustrialization.

***Urban Regeneration New Deal Projects.*** The Company cooperates with local governments to promote Urban Regeneration New Deal Projects with an aim to attract private and public investments, create local jobs and strengthen the economic self-reliance and sustainability of such closed mine areas. Some of the major projects include:

- UNKRA Mungyeong Factoria (Gyeongsang province, 2021-2026): construction of a business center for sports, culture and arts in a large-scale cement factory site and the construction of hydrogen fuel cell power plants; and
- ECO JOB CITY Taebaek (Gangwon province, 2020-2023): renovation of aged apartments into smart farms and education centers, construction of a wood chip power plant for district heating using unused forest resources, and transformation of mine related facilities for recreational use.

***Green New Deal Projects.*** The Company supports low carbon green growth by developing clean energy in mine areas while cooperating with related organizations, such as biomass development with forest resources, solar power development in mine damage restoration areas and smart farm development using hydrothermal energy from mine drainage. For example, since 2013, the Company has participated in zero-energy village projects in abandoned mine areas and has strived to improve living conditions in

such projects by providing renewable energy. As of December 31, 2025, the Company had installed renewable energy facilities in 1,056 residential and 105 public facilities in such zero-energy village projects.

**Industrial Promotion**

The Company promotes various coal and briquettes support projects by implementing policies to stabilize coal and briquette prices, conducting quality inspections on coal and coal products to monitor fair trade, supporting countermeasures for abandoned mines and establishing briquette-sharing programs for low-income families.

***Coal Price Stabilization Measures.*** In compliance with the Coal Industry Law, the Company sets price caps on coal and briquettes and covers the price differentials. The Company has provided a total of Won 64.3 billion and Won 51.4 billion as coal and briquette stabilization support funds, mine drilling support funds and production reduction support funds to coal mining business operators, briquette manufacturers and briquette transportation businesses in 2024 and 2025, respectively.

***Support Services***

The Company provides various services to Korean companies engaged in domestic and overseas mining exploration, such as training and education, research and analysis, drilling, boring and other technical services designed to promote the mining industry. Certain of such services are subsidized by Government grants and provided by the Company at no cost. Other services are provided by the Company for a fee.

**Mining Exploration Services**

The Company supports domestic mining exploration companies in its mining and exploration efforts to increase the overall supply of mineral resources in Korea. Its support services include:

- conducting technical feasibility studies of the mining site and quantifying proven and probable reserves;
- conducting detailed site surveys of potential mineral reserve sites, and producing mining evaluations as well as geology and reserve valuations; and
- estimating the quality and quantity of reserves through drilling and boring, assessing hydrogeology and developing conceptual mine exploration plans.

**Mine Safety Training and Equipment Purchase**

The Company provides mine safety training and education programs on safety procedures to Korean corporations and offers technical consultations and education programs to small- and medium-sized enterprises in resource development and mine reclamation sectors to facilitate efficient mine damage prevention techniques. The Company also subsidizes the purchase of mine safety equipment by domestic companies. The Company expects to continue to provide mining safety-related training and education programs to employees of Korean corporations engaged in mining exploration.

**Overseas Information Gathering and Analysis**

Due to Korea's heavy dependence on mineral resources, efficient and accurate collection of information related to the global mineral resources market is essential to Korea's ability to promptly respond to international market developments. In furtherance of its position as the execution arm of Korea's mineral resources-related policies and operations, the Company also engages in the collection, compilation, analysis and publication of domestic and international mineral resources-related information. The information provided by the Company is used widely not only in the mineral

resources industry, but also in the decision-making process for mineral resources policies by the Government. The Company is currently certified by the Government to provide the official domestic mineral resources usage and pricing data.

The Company currently publishes mineral resource-related information through the following media:

| Publication Title | Content | Medium | Language |
|---|---|---|---|
| Company website (www.komir.or.kr). . . . | Multimedia Internet website with comprehensive mineral resources information, including a comprehensive database on Korean mineral resource-related information. Free subscriptions are available. | Internet | Korean/English |
| Korea Mineral Resources Information Service (www.komis.or.kr). . . . | Multimedia Internet website with news and developments, price trends, bidding information, and various legislative developments and statistical information related to mineral resources. Free subscriptions are available. | Internet | Korean |
| Korea Mineral Resource GIS (www.kmrgis.net) . | Multimedia Internet website with geographical information related to mineral resources, including a comprehensive database of reports on geological and geographical information of mines and deposits throughout Korea. Both paid and free subscriptions are available. | Printed/Internet | Korean |
| Korea Mine Rehabilitation GIS (miregis.komir.or.kr) . . | Multimedia Internet website with geographical information related to mine rehabilitation, including a comprehensive database of reports on Korean mineral mine site information and rehabilitation sites. Free subscriptions are available. | Internet | Korean |

### Other Investments and Relationships

Pursuant to the Special Act on the Assistance to the Development of Abandoned Mine Areas and the Investment Plan for Coal Industry Transition Areas by MOTIR, the Company has established and supported associated companies to help revive the local economies of the affected areas. The Company's principal investment includes its investment in Kangwon Land.

#### *Kangwon Land*

As of December 31, 2025, the Company held a 36.27% equity interest in Kangwon Land, a resort company which operates the only casino in Korea that is open to Korean nationals and is listed on the KRX KOSPI Market. Kangwon Land holds an exclusive license to operate casinos to Korean nationals until 2045.

As of December 31, 2025, the carrying amount of the Company's holding in Kangwon Land was Won 1,503.9 billion. The Company received dividend payments of Won 72.2 billion in 2024 and Won 90.8 billion in 2025 related to such shareholding and the Company recognized share of profit of Won 174.6 billion in 2024 and Won 123.4 billion in 2025 related to such shareholding. For a more detailed discussion of the risks relating to our shareholding in Kangwon Land, see "Risk Factors—Risks Relating to the Company—Declines in the market value of the Company's equity holdings in Kangwon Land Inc. ("Kangwon Land"), and the results of operations of Kangwon Land could have a material adverse effect on the Company's results of operation."

### Properties

The Company's headquarters and principal offices are located at 199 Hyeoksin-ro, Wonju-si, Gangwon-do 26464, Korea. The Company has title over several of its facilities including its annex building at its headquarters in Wonju, branch offices in Gangwon, Gyeongin and Honam, its human resources development center in Iksan and its research center in Cheonan.

**Environment, Health and Safety Matters**

The Company is subject to numerous international, national, regional and local environmental laws and regulations concerning its natural resources exploration and production operations, mine rehabilitation operations, stockpiling operation and other activities. In particular, these laws and regulations:

- require an environmental evaluation report to be submitted and approved prior to the commencement of exploration, development and production activities;
- restrict the type, quantities and concentration of various substances that can be released into the environment in connection with drilling and production activities;
- limit or prohibit drilling activities on certain lands lying within protected areas and certain other areas; and
- impose penalties for pollution resulting from mineral resources operations, including criminal and civil liabilities for serious pollution.

These laws and regulations may also restrict air emissions and discharge to surface and subsurface water resulting from the operation of mineral resources processing plants, pipeline systems and other facilities that the Company and its joint venture partners own or operate. In addition, the Company's operations may be subject to laws and regulations relating to the generation, handling, storage, transportation, disposal and treatment of waste materials. Moreover, since exploration and production activities may take place on sites that are ecologically sensitive (tropical forest, marine environment, etc.), each site may require a specific approach to minimize the impact on the related ecosystem, biodiversity and human health.

International and national commitments to reduce greenhouse gas emissions and counteract climate change may lead to increased costs for the Company. Carbon tax proposals in various jurisdictions as well as consumer preference changes in response to growing concerns of climate change could stimulate the emergence of alternative technologies and renewable energy availability, which may impact demand for oil and gas while increasing corporate expenses. The Company's coal mining activities in Australia could be particularly affected by international and national carbon emissions reduction targets, taxes, and other carbon emissions oriented regulations.

The Company anticipates that the environmental laws and regulations to which it is subject will become increasingly strict and therefore likely to have an increasing impact on its operations. For example, the Glasgow Climate Pact which was agreed to at COP26 includes commitments to phase down the use of unabated coal power and inefficient fossil fuel subsidies. The Government also announced its commitment to reduce greenhouse gas emissions by 40% by 2030 at COP26 and such commitments were reconfirmed at COP27 in Egypt in November 2022. In addition, COP28 in Dubai in December 2023 resulted in an agreement to transition away from fossil fuels to achieve net-zero emissions by 2050 as well as to triple renewable energy capacity globally by 2030. Furthermore, at COP30 in Brazil in November 2025, the Government committed to strengthen its efforts to reduce greenhouse gas emissions by 53% to 61% from 2018 levels by 2035. It is impossible, however, to predict accurately the effect of future developments in such laws and regulations on the Company's future earnings and operations. Some risk of environmental costs and liabilities is inherent in certain of the Company's operations and products, as it is with other companies engaged in similar businesses, and there can be no assurance that material costs and liabilities will not be incurred. The Company does not currently expect any material adverse effect on its financial conditions or results of operations as a result of compliance with such laws and regulations. In addition to complying with laws, regulations and standards to which the Company is subject, it is the Company's policy to exercise maximum due care

with respect to environmental matters in the course of its operations, and to maintain adequate insurance coverage. The Company invests in companies that operate in accordance with both locally and internationally accepted standards of good environmental and social practice.

In addition, the Company's ESG Committee oversees the establishment and enforcement of policies and strategies relating to the environment, social responsibility and corporate governance. The ESG Committee, which reports directly to the Company's President & CEO, also reviews the performances and results of key ESG projects, monitors emerging ESG issues and implements and promotes workable standards. The Company has also received ISO 14001 (Environment Management), ISO 45001 (Occupational Safety and Health Management), ISO 37301 (Anti-Bribery Management and Compliance Management) and HRMS (Human Rights Management) certifications. Furthermore, in December 2024, the Company received the Minister of Climate, Energy and Environment Award at the Korea ESG Management Innovation Awards.

The Company also conducts regular environmental checks on its operations and facilities by a third-party consultant, to identify any potential areas of problem and to assess ways of improving its compliance with environmental laws.

**Insurance**

The Company's operations are subject to hazards and risks inherent in the drilling, production and storage of mineral products and in mine reclamation activities. Insurance against certain of these risks with respect to the Company's overseas direct investment operations is typically maintained by the operator of the project, and the Company typically does not itself maintain any insurance against any of these risks.

The Company maintains fire insurance policies with respect to its headquarters, branch offices and employee accommodations. In addition, the Company maintains fire and gas accident liability insurance policies, automobile insurance policies, directors' and officers' liability insurance, group accident insurance policies, fidelity insurance policies and travel insurance policies. The Company incurred insurance expenses in the aggregate of Won 0.5 billion in 2024 and Won 0.5 billion in 2025. The Company is not delinquent on any of its insurance payments. The Company does not anticipate having any significant difficulties in renewing any of its material insurance policies and considers its insurance coverage to be adequate and consistent with other companies engaged in similar businesses.

**Employees**

As of December 31, 2025, the Company had 768 regular employees and four contract employees. The following table describes the total number of employees by division as of the date indicated.

| Division | As of December 31, 2025 |
|---|---|
| Strategic Management Division | 117 |
| Mine Rehabilitation & Safety Division | 131 |
| Mineral Resources Division | 144 |
| Regional & Industry Promotion Division | 91 |
| Technology Research & Development Institute | 49 |
| Overseas Business Division | 66 |
| Auditor's Office | 13 |
| Others | 161 |
| Total | 772 |

All of the Company's employees that meet the requisite criteria are eligible to join the labor union and most of the Company's employees are members of the labor union. The Company negotiates collective bargaining agreements every three years as well as wage agreements on an annual basis with its labor unions. The latest collective bargaining agreement for the labor union came into effect in July 2024 for a three-year term. The collective bargaining agreement is automatically renewed every two years unless a proposal for the revision of the agreement is submitted 45 days in advance of the

expiration of the latest collective bargaining agreement. The collective bargaining agreement provides for, among other things, various employment benefits, the scope of union activities and negotiation procedures. The Company has not experienced any strikes, work stoppages, labor disputes or actions which affected the operation of any of the Company's businesses, and the Company considers its relations with its workforce to be generally good.

The Company last entered into a wage agreement with the labor union in December 2025. The Company, like most Korean companies, grants annual increases in basic wages and pays periodic bonuses. As an incentive, discretionary bonuses are paid to employees on a periodic basis depending on their and the Company's performance. The Company also provides a wide range of fringe benefits to its full-time as well as contract employees, including medical insurance, workers compensation and periodic medical examinations. The Company also provides loans to certain of its directors and employees pursuant to its internal policy in order to allow them to obtain housing and to stabilize livelihood. As of December 31, 2025, the Company had provided such loans in the aggregate amount of Won 30.0 billion to its directors and employees.

In accordance with the National Pension Act of Korea, the Company contributes an amount equal to 4.5% of an employee's standard monthly wages, and each employee contributes 4.5% of his or her standard monthly wages to the national pension plan. The Company's employees, including executive officers as well as non-executive employees, are subject to a pension insurance system. Prior to October 2010, executive and non-executive employees of the Company were subject to a lump-sum severance payment system, under which they were entitled to receive a lump-sum severance payment upon termination of their employment, based on their length of service and salary level at the time of termination. Starting in October 2010, in accordance with the Korean Employee Retirement Income Security Act, the Company replaced such lump-sum severance payment system with its current pension insurance system in the form of either a defined benefit plan or a defined contribution plan. The Company's employees have the option of choosing either the defined benefit plan or the defined contribution plan. Lump-sum severance amounts previously accrued prior to the adoption of the current pension insurance system by the Company continue to remain payable.

**Research and Development**

In November 1977, KORES opened its Technology Research Institute at its headquarters. Since January 2016, the Technology Research Institute became part of KORES's Resource Based Division. As of December 31, 2025, the Company employed 49 researchers (including six researchers with doctorate degrees and 22 researchers with master's degrees). The Company incurred research and development costs of Won 3.2 billion in 2024 and Won 3.1 billion in 2025.

The Company's overall strategy with respect to research and development is to develop technologies that (i) are likely to be utilized by its activities and help generate revenues or increase its operating efficiencies, (ii) will help revitalize the domestic mining industry, (iii) are environmentally friendly and (iv) provide the Company with a competitive advantage in its mineral resources and mine reclamation activities.

Current core projects focus on the development of technology for practical application in the Company's direct investment operation, the reduction in production costs and enhancement of mineral separation processes and other production and reclamation technologies. In particular, an emphasis is placed on identifying and securing core technologies that the Company can utilize on site as the operator of a project rather than solely as an equity investor.

The Company had 200 intellectual property rights, including 122 patents, as of December 31, 2025. The Company does not believe that any individual property right or related group of intellectual property rights is of such importance that its expiration or termination would materially affect the business of the Company.

## Legal Matters

The Company is involved from time to time in legal proceedings and governmental investigations arising in the ordinary course of its business, including claims and pending actions against the Company seeking damages or clarification of legal rights and regulatory inquiries regarding business practices.

Other than as disclosed above and in "Risk Factors—Risks relating to the Company—The Company's business may be materially and adversely affected by legal claims and regulatory actions against us," the Company is not a party to any legal or administrative proceedings and no proceedings are known by the Company to be contemplated by governmental authorities or third parties, which, if adversely determined, may have a material adverse effect on the Company's results of operations or financial condition.

## Consolidated Subsidiaries and Associates

The Company operates its business globally through a number of overseas subsidiaries. As of December 31, 2025, the Company had five consolidated subsidiaries operating in as many countries outside Korea. The Company's consolidated subsidiaries are mainly engaged in the management of the Company's overseas investment projects located in the same region as the subsidiary as well as the gathering and analysis of regional mineral resources information. The Company also employs its subsidiaries to explore new investment opportunities overseas.

The following table sets forth certain information relating to the Company's consolidated subsidiaries as of and for the year ended December 31, 2025.

| | As of and for the year ended December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| Name | Country[1] | Percentage Ownership | Total Assets | Total Liabilities | Sales | Net Profit (Loss) for the Year |
| | | | (in billions of Won, except for percentages) | | | |
| KORES Australia Pty. Ltd. and its subsidiaries. | Australia | 100.00% | ₩ 128.7 | ₩ 7.5 | ₩ 0.5 | ₩ (41.6) |
| KORES Canada Corp. and its subsidiaries. | Canada | 100.00 | 18.6 | – | – | 1.1 |
| Ermani Ltd. | Tanzania | 100.00 | – | 0.1 | – | (0.0) |
| Korea Boleo Corporation on S.A. de C.V. [2] | Mexico | 76.28 | 1.9 | 496.8 | – | (1,039.9) |
| KOMIR Mongolia, LLC. | Mongolia | 100.00 | 1.4 | 0.0 | 0.1 | (0.0) |

*Notes:*

(1) Indicates the country of incorporation and/or operation.

(2) For the year ended December 31, 2025, the Company acquired additional 29.36% interests in Korean Boleo Corporation S.A. de C.V., a former associate. As the Company obtained control through this transaction, the entity has been included in the scope of consolidation as a subsidiary. See notes 16 and 17 of the audited annual consolidated financial statements as of and for the years ended December 31, 2025 and 2024 of the Company appearing elsewhere in this Offering Circular.

As of December 31, 2025, the Company had 14 associates. The following table sets forth certain information relating to the Company's associates as of and for the year ended December 31, 2025.

| | As of and for the year ended December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| Name | Country[1] | Percentage Ownership | Total Assets | Total Liabilities | Revenue | Profit (Loss) for the Year |
| | | (in billions of Won, except for percentages) | | | | |
| Philco Resources Ltd. | Malaysia | 40.00% | ₩ 0.1 | ₩ 9.8 | ₩ – | ₩ (0.4) |
| Xian Maxsun KORES New Material Corporation, Ltd. | China | 49.00 | 26.5 | 26.8 | 0.5 | (1.7) |
| AMSA/DMSA (Ambatovy) | Madagascar | 38.17 | 903.0 | 642.3 | 814.6 | (118.3) |
| Zhangjiagang Wonjin-KORES Industrial Material Corporation Ltd. | China | – | – | – | 0.9 | (0.1) |
| Zhangjiagang Wonjin-KORES Resources Recovery Reutilization Corporation Ltd. | China | 49.00 | 16.0 | 3.5 | 29.7 | (0.0) |
| Kangwon Land, Inc. | Korea | 36.27 | 4,856.0 | 893.0 | 1,476.7 | 316.5 |
| Mungyeong Leisure Town Co., Ltd. | Korea | 36.36 | 84.1 | 0.9 | 12.9 | 1.6 |
| Black Valley Country Club Co., Ltd. | Korea | 11.03 | 104.2 | 0.5 | 7.8 | 0.6 |
| Kidslala, Inc. | Korea | 38.17 | 44.1 | 0.3 | 1.8 | (4.3) |

*Note:*

(1) Indicates the country of incorporation and/or operation.

## Management

The Company's articles of incorporation currently provide for a board of directors of eleven directors, consisting of five standing directors (including the president of the Company who also serves as the chief executive officer of the Company, and the standing member of the audit committee of the Company) and six non-standing directors as the Act on the Management of Public Institutions requires that more than half of the directors must be non-standing directors. All non-standing directors are independent. The directors have terms of two years, with the exception of the president of the Company, whose term is for three years. The activities within the discretion of the board of directors are subject to applicable Korean laws, including the Act on the Management of Public Institutions and the KOMIR Act, as well as the Company's articles of incorporation and its internal regulations, and include establishing the budget, issuing debentures and amending the Company's articles of incorporation when necessary.

The president of the Company is deemed to have the capacity of a representative director where the Korean Commercial Code applies and thus administers most of the day-to-day business that is not specifically designated as a responsibility of the board of directors. The Company's president must enter into a management contract with the Company pursuant to which the Company's president must meet a certain minimum level of performance each year. Under the current management contract with the Company's president and the articles of incorporation of the Company, if the board of directors of the Company determines that the president's ability to perform its duties have been seriously impaired (due to reasons such as the president's violation of applicable laws or the Company's articles of incorporation, or the president's failure to diligently perform its duties), the board of directors may pass a resolution to propose dismissal of the Company's president to the Minister of MOTIR.

Under the KOMIR Act, the Act on the Management of Public Institutions and the articles of incorporation of the Company, the Committee for Recommendation of Executive Officers recommends a pool of presidential candidates, which is then deliberated by the Steering Committee established pursuant to the Act on the Management of Public Institutions. After such deliberations, the Company's president is, upon recommendation of the Minister of MOTIR, appointed by the President of Korea.

Standing directors who are members of the audit committee of the Company are recommended by the Minister of Economy and Finance and appointed by the President of Korea. The standing directors assist the president and serve as executive officers of the Company. The non-standing directors are appointed by the Minister of Economy and Finance, after being selected by the Steering Committee from

a pool of candidates recommended by the Committee for Recommendation or Executive Officers. Any standing directors that are not members of the audit committee are appointed by the Company's president. Each director is responsible for reviewing the proposed agenda and participating in the voting process.

Pursuant to the articles of incorporation of the Company or, if applicable, as mandated by applicable laws, the board of directors may establish by resolution committees to facilitate its efficient operation in carrying out various management functions. The Committee for Recommendation of Executive Officers has been established pursuant to applicable laws. As permitted by law in Korea, the Company's board of directors does not currently maintain a remuneration committee.

The articles of incorporation of the Company require that the board of directors of the Company establish the audit committee and such audit committee be composed of three or more directors, and that not less than two-thirds of the audit committee consist of non-standing directors. At least one of the audit committee members must be an accounting or financial expert as defined under Article 37(2) of the Presidential Decree of the Commercial Code of Korea. Under the articles of incorporation of the Company, the audit committee has the duty to review the accounting records and business affairs of the Company.

The Committee for Recommendation of Executive Officers is responsible for the selection and recommendation of candidates to serve as the president or as non-standing directors of the Company. The Committee for Recommendation of Executive Officers is composed of non-standing directors and private citizens appointed by the board of directors. The Company's articles of incorporation provide for the Officer and Executive Recommendation Committee of five to eleven members, more than half of whom must be non-standing directors.

The Company's address is 199 Hyeoksin-ro, Wonju-si, Gangwon-do 26464, Korea. Summary biographical information regarding the Company's directors is set out below.

| Name | Age | Title | Outside Occupation | Position Held Since |
|---|---|---|---|---|
| Hwang, Young Sik | 68 | President, Chief Executive Officer | None | April 15, 2025 |
| Lee, Eui Sin | 65 | Standing Auditor General | None | September 10, 2021 |
| Song, Byung Chul | 60 | Standing Director, Head of the Strategic Management Division | None | February 26, 2024 |
| Kang, Chul Joon | 64 | Standing Director, Head of the Mine Rehabilitation & Safety Division | None | December 6, 2021 |
| Kwon, Sun Jin | 59 | Standing Director, Head of the Mineral Resources Division | None | December 6, 2021 |
| Hong, Bong Ja | 73 | Non-Standing Director, Audit Committee Member | Senior Director, Korea Women's Center; Member, Gangwon State Municipal Council | November 6, 2024 |
| Doh, Lee Hoi | 54 | Non-Standing Director, Audit Committee Member | Non-Executive Auditor, GS Ventures Co., Ltd.; Executive Director, Hanmi Accounting Firm 2nd Division | March 10, 2025 |
| Park, Dong Hoon | 66 | Non-Standing Director, Chairman of the Board of Directors | None | July 23, 2024 |
| Kim, Nam Hyuk | 48 | Non-Standing Director, Labor Director | None | November 5, 2024 |
| Son, Jin Young | 70 | Non-Standing Director | Vice Chairman, Legislative Policy Research Association of the National Assembly; Visiting Professor, Korea Welfare Cyber University | November 6, 2024 |
| Jeon, Byong Seon | 69 | Non-Standing Director | Chairman, Gangwon State Municipal Council Subcommittee on Safety and Construction | November 6, 2024 |

*Hwang, Young Sik* has served as the president and chief executive officer of the Company since April 2025. Mr. Hwang previously served as a non-standing director of MIRECO and as an editor-in-chief of Hankook Ilbo. Mr. Hwang holds a bachelor's degree in political science from Seoul National University and a master's degree in business administration from Sejong University.

*Lee, Eui Sin* has served as the standing auditor general of the Company since September 2021. Mr. Lee previously served as the department head of Gangwon Provincial Police Agency and Chungbuk Provincial Police Agency. Mr. Lee holds a bachelor's degree in international trade from Chungnam National University.

*Song, Byung Chul* has served as a standing director since February 2024. Mr. Song currently serves as the head of the Strategic Management Division of the Company. He previously served as the deputy director of the MOTIR. Mr. Song holds a bachelor's degree in public administration from Chungnam National University and a master's degree in public affairs from the Korea Development Institute.

*Kang, Chul Joon* has served as a standing director since December 2021. Mr. Kang currently serves as the head of the Mine Rehabilitation & Safety Division of the Company. He previously served as the head of the Mine Reclamation Business Division of MIRECO. Mr. Kang has a bachelor's degree and a master's degree in energy resource engineering from Inha University.

*Kwon, Sun Jin* has served as a standing director since December 2021. Mr. Kwon currently serves as the head of the Mineral Resources Division of the Company. He previously served as the head of the Overseas Business Administration Division of KORES. Mr. Kwon has a bachelor's degree in geology, a master's degree in geochemistry and a doctorate in applied geology from Yonsei University.

*Hong, Bong Ja* has served as a non-standing director since November 2024. Ms. Hong currently serves as a senior director at the Korea Women's Center and as a member of the Gangwon State Municipal Council. She previously served as a member of the Donghae City Council and an administrative officer for the Local Education Department at the Gangwon Provincial Office of Education. Ms. Hong has a bachelor's degree in public administration from Samcheok National University and a master's degree in public administration from Hanzhong University.

*Doh, Lee Hoi* has served as a non-standing director since March 2025. Mr. Doh currently serves as a non-executive auditor of GS Ventures Co., Ltd., and the executive director of the 2nd division at Hanmi Accounting Firm. He previously served as the managing director of the Global Division at Samil PricewaterhouseCoopers and as an advisor to the National Energy Committee. Mr. Doh holds a bachelor's degree in business administration from Sogang University.

*Park, Dong Hoon* has served as a non-standing director since July 2024. Mr. Park currently serves as the chairman of the Company's board of directors. He previously served as the secretary of the Administration and Home Affairs at the Office of the President, the director of the National Archives of Korea, the president of the Evaluation Institute of Regional Public Corporation and as the vice chairman of the National Association for Korean Government Studies. Mr. Park holds a bachelor's degree in public administration from Sungkyunkwan University, a master's degree in public administration from Seoul National University, a master's degree in public administration from Syracuse University and a doctorate in IT convergence from Hansei University.

*Kim, Nam Hyuk* has served as a non-standing director since November 2024. Mr. Kim currently serves as the labor director of the Company. He previously served as the deputy director of the National Mineral Information Center, Overseas Support Department and Strategic Investigation Office of the Company. Mr. Kim holds a bachelor's degree in earth and environmental science from Korea University.

*Son, Jin Young* has served as a non-standing director since November 2024. Mr. Son currently serves as the vice chairman of the Legislative and Policy Research Association of the National Assembly and as a visiting professor at Korea Welfare Cyber University. He previously served as a member of the Gyeongsangbuk-do Provincial Assembly, an adjunct professor at the Graduate School of Politics at Kookmin University and as a legislative aide to a member of the National Assembly. Mr. Son holds a master's degree in political science from Kookmin University.

*Jeon, Byong Seon* has served as a non-standing director since November 2024. Mr. Jeon currently serves as the chairman of the Subcommittee on Safety and Construction of the Gangwon State Municipal Council. He previously served as an advisory member of the Peaceful Unification Advisory Council and as a member of the Wonju City Council (for three terms). Mr. Jeon holds a bachelor's degree in civil engineering from Dankook University and a master's in public administration from Hanyang University.

**Compensation of Directors and Executive Officers**

The aggregate remuneration paid and benefits in kind granted to the Company's directors and executive officers was Won 0.7 billion in 2025. As of December 31, 2025, the Company did not grant any loans to its directors and executive officers.

## GUARANTEED ISSUERS

A subsidiary of the Company may become a Guaranteed Issuer by executing an accession agreement pursuant to the terms of the Agency Agreement. By executing the accession agreement, such subsidiary agrees to be bound by all the terms of the Program.

# REGULATION

The Company was established as a statutory juridical entity under the KOMIR Act and is subject to the KOMIR Act and the rules and regulations thereunder. The Company is also subject to all general rules and regulations applicable to corporations under the Act on the Management of Public Institutions, unless otherwise provided for in the KOMIR Act.

**The KOMIR Act**

Under the KOMIR Act, the Company was established as a statutory juridical entity for the purpose of preventing mining damage, improving the performance of businesses engaged in the development of domestic and overseas mineral resources, and promoting and supporting Korea's mineral resources business in general. In order to achieve these objectives, the KOMIR Act allows the Company to undertake, among others, the following activities:

- Mining damage prevention projects in accordance with the Mining Damage Prevention and Restoration Act;
- Formulate mining damage prevention plans for each mine and promote mining damage prevention policies;
- Indemnify for mining damage;
- Exploration and development of mineral resources (including stone and aggregate resources), and investments in corporations (including foreign entities) performing businesses related thereto;
- Finance the exploration, development, refinement and stockpiling of mineral resources;
- Stockpiling, trading and renting of mineral products;
- Trading and renting of devices, machinery and facilities related to mineral resources;
- Training, technology support and provision of devices for mine securities;
- Management, collection and utilization of mine exploration data; and
- Development of mine resources in South Korea and North Korea and cooperative businesses in the mineral resources business sector.

The Company's authorized capital is Won 3 trillion which is to be funded solely by the Government. Under the KOMIR Act, the Minister of MOTIR is granted the power to direct and supervise the Company's activities relating to its business.

In addition, the Company may issue bonds for its business to the extent not exceeding 200% of the sum of the Company's capital and reserve, by a resolution of its board of directors in accordance with the KOMIR Act. The Government may guarantee the repayment of the principal and interest amount of the Company's bonds, and provide subsidies in respect of the Company's business activities. However, the Notes are not guaranteed by the Government.

The Company's annual net losses for each fiscal year shall be debited to the business extension reserve funds. If such business extension reserve funds are not sufficient, such remaining losses shall be debited to the earned surplus reserve funds. If the earned surplus reserve funds are not sufficient, the Government may assume the remaining losses.

**Overseas Resources Development Business Act**

Under the Overseas Resources Development Business Act, the development of overseas resources may be conducted in one of the following manners:

- a Korean national developing overseas resources individually or jointly with foreigners (including development through local companies established overseas);
- a Korean national providing technical services to foreigners that are developing overseas resources; or
- a Korean national providing funding to foreigners that are developing overseas resources and importing all or part of the overseas resources they develop.

The Government must establish and execute a master plan for the development of overseas resources. If a Korean national desires to operate an overseas mineral resources development business, such person must report the plan for overseas resources development to the Minister of MOTIR.

The Government may provide funds to an overseas resource developer to conduct the necessary research and analysis for starting an overseas resources development business and to acquire the right to develop such resources. The Government may also provide funds for the installation and operation of facilities required for an overseas resources development business, and funds for leasing or buying land necessary to conduct an overseas resources development business.

If the stability and normal functioning of the national economy are harmed or feared to be harmed when a serious disruption to the supply and demand of resources occurs due to an imbalance of supply and demand of resources in Korea and abroad, or there are concerns over such occurrence, the Minister of MOTIR may order overseas resources developers to bring to Korea the whole or part of the overseas resources developed by such developer under appropriate and reasonable terms and conditions to stabilize the supply and demand of resources, and the overseas resources developers subject to such an order must comply with the order in the absence of special circumstances.

The Company has been delegated by the Minister of MOTIR to inspect or investigate matters necessary for the operation of overseas mineral resources (excluding petroleum) development businesses.

**Submarine Mineral Resources Development Act**

The Submarine Mineral Resources Development Act aims to contribute to the growth of the Korean industry by developing, in a reasonable manner, submarine resources in (i) the ocean adjacent to the coastlines of the Korean peninsula and the islands belonging to Korea and (ii) the continental shelf under Korea's control to the greatest extent possible. Submarine mining concession rights are the rights authorized by the Minister of MOTIR to explore, gather and acquire submarine resources from submarine mining areas owned by Korea, and such rights are categorized into exploration rights and gathering rights. The exploration rights cannot be granted for a period greater than 10 years from the date of the issuance unless there are special circumstances. The gathering rights cannot be granted for a period exceeding 30 years from the date of the issuance unless there are special circumstances. This period with regard to the gathering rights may be extended by up to two times of 5 years each, pursuant to the authorization by the Minister of MOTIR. A holder of a submarine mining concession right must pay a mining fee to the Minister of MOTIR in accordance with the standard stipulated in the Presidential Decree when producing submarine resources in the submarine mining areas.

**Mining Industry Act**

Under the Mining Industry Act, no one can explore and gather mineral resources without mining rights authorized by the Government. Mining rights consist of (i) exploration rights and (ii) extraction rights. While the period of exploration rights shall not exceed seven years, the period of extraction

rights shall not exceed 20 years and can be extended under the authorization of the Minister of MOTIR within a 20 year period at each time of such extension. A holder of an exploration right should file a report on the exploration plan to the Minister of MOTIR within one year from the registration date of the exploration right. A holder of an extraction right should file a report on the extraction plan prior to commencing extraction of mineral resources and obtain permission from the Minister of MOTIR. A person who causes significant losses to another person during the course of exploration and gathering of mineral resources shall compensate for damages arising therefrom. However, the right to claim damages lapses by prescription if it is not exercised within three years commencing from the date on which the injured party becomes aware of such damages and the identity of the person who caused it or ten years have elapsed from the date on which the damages have occurred.

**Energy Act**

Under the Energy Act, the Government prescribes and enforces energy policies and energy related plans to ensure a stable, efficient and environmentally-friendly structure of energy supply. Energy consumers are expected to comply with such policies, as well as, cooperating with the Government to maximize the safety, efficiency and environmental friendliness in the production, conversion, delivery, storage and use of energy. The relevant minister can recommend energy related businesses to invest in for the purpose of developing energy technology.

**Legislation Relating to the Operation and Management of the Company**

***Act on the Management of Public Institutions***

The KOMIR Act prescribes that the affairs regarding the Company's structure and management must be governed by the Act on the Management of Public Institutions, unless otherwise provided for in the KOMIR Act. Under the Act on the Management of Public Institutions, the Company is required to publicly disclose many aspects of its affairs including, among others, its business goals, budget and management plan, statements on settlement of accounts, current status of executive officers and operating personnel, articles of incorporation, bond register, internal regulations and the minutes of the directors' meeting and the audit report of its Audit Committee (but information subject to non-disclosure under Article 9 of the Official Information Disclosure Act, or matters that are deemed necessary for national security and consulted between the head of a competent agency and the MOFE, need not be disclosed to the public). Full-time officers and employees may not be engaged in activities having purposes of commercial advantage. The Company's fiscal year must be the same as the Korean government's fiscal year. The Company must present mid- to long-term management objectives covering five fiscal years to the Minister of MOTIR and the MOFE on an annual basis. The Company may be audited by the Board of Audit and Inspection of Korea based on its business activities and accounting.

***The SAER Act***

The SAER Act has been enacted to implement certain special accounts for energy and resources-related projects so as to manage demand and supply of energy, stabilize prices and efficiently promote resources-related projects. The SAER Act is managed and supervised by the Minister of MOTIR. Those accounts may be categorized into investment accounts and loan accounts.

Revenue from the investment account is composed of surcharges and additional dues arising out of the energy and resources related laws, including, but not limited to, the Petroleum and Petroleum Substitute Fuel Business Act, the Urban Gas Business Act and the Mining Industry Act. Expenditure from the investment account is primarily composed of operating expenses needed for energy and resources related businesses and contributions or subsidies for such businesses as well as contributions or investments to institutions or groups engaged in the energy and resources-related businesses.

Revenue from the loan account is primarily composed of income from the principal and interest amount arising out of the loan amount. Expenditure is primarily composed of loans to the subject institutions to support energy and resources-related businesses.

If there are insufficient funds to meet the expenditure, long term loans may be arranged within the limits set by the resolution of the National Assembly. Temporary loans may also be arranged if there is a temporary shortage of funds, provided that repayment on the principal amount of the temporary loan must be made within the relevant accounting year. Any expenditure not made within the relevant accounting year may be carried over to the following accounting year notwithstanding any provisions in the State Finance Act.

***Regulations on Contractual Business of Public Enterprises and Semi-Government Institutions***

Contracts entered into by the Company must conform to the Regulations on Contractual Business of Public Enterprises and Semi-Governmental Institutions (the "Regulations on Contractual Business") determined by MOFE in accordance with the Act on the Management of Public Institutions. According to the Regulations on Contractual Business, if it is deemed necessary for the business characteristics of public enterprises and semi-government entities or for fairness and transparency, or if there are any other inevitable reasons, a standard or procedure different from those set forth in the Regulations on Contractual Business may be newly established with the approval of the Minister of MOFE. For those matters not specified in the Regulations on Contractual Business, the laws relating to contracts entered into by the Government will be applied. In principle, contracts must be made through open bids, but if it is deemed necessary, nominated competitive bids or private contracts may also be made.

**Environmental Legislation**

***Clean Air Conservation Act***

The purpose of the Clean Air Conservation Act is to allow Korean citizens to live in a healthy and comfortable environment by preventing potential danger or injury to public health or environment arising from air pollution and managing and preserving the atmosphere in a proper and sustainable manner. The Clean Air Conservation Act provides for the Ministry of Climate, Energy and Environment to determine standards for the sulphur content of fuel. The Minister of Climate, Energy and Environment can determine the supply area and range of facilities to use the respective fuels and may in some circumstances prohibit or restrict the production, sale or use of certain fuels. According to the Clean Air Conservation Act, the Minister of Climate, Energy and Environment or mayor or *Do* (provincial) governor may prohibit the use of fuels other than gaseous fuel such as liquefied natural gas and liquefied petroleum gas which release relatively smaller amounts of pollutants in an area or facility designated by the Enforcement Decree of the Clean Air Conservation Act as a place where these permitted fuels should be used, regardless of the restriction measures on the use of fuel under the Clean Air Conservation Act.

***Water Environment Conservation Act***

The purpose of the Water Environment Conservation Act is to prevent people's health and environment from being exposed to harm and danger caused by water pollution and to properly manage and preserve water environment of the public waters, including rivers, lakes and marshes, to enable people to enjoy and inherit benefits from such measures. Under the Water Environment Conservation Act and its Presidential Decree, anyone who intends to undertake (i) businesses in the development of underwater mining under the Submarine Mineral Resources Development Act which have the objective of energy development, (ii) businesses in the mining industry under the Mining Industry Act having the objective of energy development (limited to those equal to or exceeding 300,000 square meters of mining area) and (iii) any other certain stone or aggregate mining businesses that are subject to the River Act, the Management of Mountainous District Act, Mining Industry Act and the Aggregate Picking Act shall report to the Minister of Climate, Energy and Environment. In cases where a company of such report on installment of non-point pollution source intends to operate a business or install and operate facilities, such company must observe following matters:

- The company must execute the contents of the reduction plan for non-point pollution;
- The company must operate the reduction facilities for non-point pollution; and

- Other matters prescribed by Ordinance of the Ministry of Climate, Energy and Environment in order to properly manage non-point pollutants.

The Minister of Climate, Energy and Environment may issue and order for the company that has failed to observe such matters to implement a reduction plan for non-point pollution or to install or improve reduction facilities for non-point pollution.

***Soil Environment Conservation Act***

The purpose of the Soil Environment Conservation Act is to conserve the soil ecosystem, increase the value of the soil as resources to allow all Korean citizens to enjoy healthy and comfortable lives by preventing potential danger or injury to public health and the environment due to soil contamination and by properly maintaining and preserving soil, including by restoring contaminated soil.

The level of soil contamination, which is likely to damage the health and property of persons or to hinder the growth of animals and plants, is determined by the Ordinance of the Ministry of Climate, Energy and Environment. A person who causes soil contamination must, where any damages occur due to such soil contamination, compensate for the damages caused and restore the contaminated soil. In the event that two or more persons cause soil contamination, and it is impossible to determine which one has caused the damages, each of them must jointly and severally compensate for such damages and restore the contaminated soil.

If anyone who produces, transports, stores, handles, processes or treats soil contaminants discharges or leaks them in the process, such person must report such fact without delay to the competent administrative agency. The competent administrative agency that receives such a report may survey the cause and the level of soil contamination. If the competent administrative agency determines that the soil has been contaminated, then the person who causes such soil contamination may be ordered to restore the contaminated soil and, if such order is not complied with, such person will become subject to criminal liabilities.

***Environmental Impact Assessment Act***

The purpose of the Environmental Impact Assessment Act is to promote the environmentally friendly and sustainable development of business and the healthy and comfortable lives of Korean citizens by assessing in advance the impact on the environment of the business which is subject to the environmental impact assessment and letting an environment preservation plan be prepared when the business plan is established and implemented. Anyone who desires to operate a business that is subject to the environmental impact assessment must prepare such assessment which will be reviewed by the Minister of Climate, Energy and Environment. The Minister of Climate, Energy and Environment may request to supplement or adjust the business plan according to its review.

To avoid damage to the environment from the operation of a business, its impact on the environment must be investigated according to the assessment items agreed in advance and the result must be notified to the approval institution and the Minister of Climate, Energy and Environment (the "Follow-up Survey of Environmental Impacts"). An energy development business and a mineral resources, stone and aggregate mining business are businesses that are subject to the environmental impact assessment and the Follow-up Survey of Environmental Impacts. Among other things, the following businesses are subject to the environmental impact assessment and the Follow-up Survey of Environmental Impacts:

- Businesses in the development of underwater mining under the Submarine Mineral Resources Development Act which have the objectives of energy development;

- Businesses in the mining industry under the Mining Industry Act having the objectives of energy development (limited to those equal to or exceeding 300,000 square meters of mining area); and

- Any other stone or aggregate mining businesses that are subject to the River Act, the Management of Mountainous District Act, the Mining Industry Act and the Aggregate Picking Act.

# TAXATION

## Korean Taxation

The information provided below does not purport to be a complete summary of currently applicable Korean tax law and practice. Prospective investors who are in any doubt as to their tax position should consult with their own professional advisers.

The taxation of non-resident individuals and non-Korean corporations (“Non-Residents”) depends on whether they have a “permanent establishment” (as defined under Korean law and applicable tax treaties) in Korea to which the relevant Korean source income is attributable or with which such income is effectively connected. Non-Residents without a permanent establishment in Korea are taxed in the manner described below. Non-Residents with permanent establishments in Korea are taxed in accordance with different rules.

### *Tax on Interest*

Interest on the Notes (other than the Senior Guaranteed Notes) paid to Non-Residents, being foreign currency denominated bonds issued outside of Korea, is exempt from income tax and corporation tax (whether payable by withholding or otherwise) pursuant to the Special Tax Treatment Control Law (the “STTCL”). The term “foreign currency denominated bonds issued outside of Korea” in this context is not defined under the STTCL. However, an authoritative interpretation in 2019 by the Korean tax authority defined “overseas issuance” under the STTCL as a series of actions, including filing and acceptance of investment reports, payment procedures, investment recommendations, public offerings, private placements, public sales, subscriptions, solicitations of bonds and execution of agreements, taken overseas with regard to issuance of foreign currency denominated bonds, where the investors of the bond are Non-Residents. The aforementioned regulation is only applicable to bonds issued by Korea, local governments, or domestic corporations. Therefore, in the case of interest on the Senior Guaranteed Notes paid by the Company in its capacity as the Guarantor, (1) if the Guaranteed Issuer is a non-Korean subsidiary, then the STTCL does not apply to such interest, and accordingly, such interest shall be treated as Korean source income subject to withholding tax and (2) if the Guaranteed Issuer is a Korean subsidiary, according to the recent authoritative interpretation by Korean tax authority, it is likely that STTCL will apply and hence, such interest will be exempt from income tax and corporation tax thereunder.

If the tax exemption under the STTCL referred to above were to cease to be in effect, the rate of income tax or corporation tax applicable to interest on the Notes for a Non-Resident without a permanent establishment in Korea would be 14% of income. In addition, a local income tax would be imposed at the rate of 10% of the income or corporation tax (raising the total tax rate to 15.4%).

The tax rates may be reduced or exempted by an applicable tax treaty, convention or agreement between Korea and the residence country of the recipient of the income. The relevant tax treaties are discussed below.

In order to obtain the benefit of a reduced rate available under applicable tax treaties, a Non-Resident holder must submit an application for the reduced rate to the party liable for the withholding before the receipt of the relevant interest payment (if there is no change in the contents of such application, the Non-Resident holder is not required to submit such application again within 3 years thereafter), together with evidence of tax residence (including a certificate of the Non-Resident holder’s tax residence issued by a competent authority of the Non-Resident holder’s resident country). The withholding agent is required to submit the application (together with the applicable Overseas Investment Vehicle (“OIV”) report in the case of income paid to an OIV) to the relevant district tax office by the end of February of the year following the date of payment of such income (or, in the case of a temporary suspension or permanent closure of business, by the end of the month following the second month after the month in which such suspension or closure occurs).

If the Non-Resident holder was unable to receive the benefit of a reduced rate due to his or her failure to timely submit the aforementioned application, the Non-Resident holder may still receive a tax return if a claim for tax return is made within 5 years thereafter. If interest is paid to an overseas investment vehicle, the overseas investment vehicle (subject to certain exceptions) must obtain an application for the reduced rate from the beneficial owner of the interest and submit a report of overseas investment vehicle, together with a schedule of beneficial owners, in order to benefit from the reduced rate available under the applicable tax treaties. An "overseas investment vehicle" is defined as an organization established in a foreign jurisdiction that (i) manages funds collected through investment solicitation by way of acquiring, disposing or otherwise investing in proprietary targets and (ii) subsequently distributes the proceeds of such management to investors.

Furthermore, in order to obtain the benefit of a tax exemption available under applicable tax treaties, a Non-Resident holder of the interest should submit to the party responsible for withholding taxes an application for exemption (if there is no change in the contents of such application, it is not required to submit such application again within 3 years thereafter), together with a certificate of the tax residence issued by a competent authority of the Non-Resident holder's residence country. If the amount of tax exemption (including the amount of exemption within the period of one year retroactively from the last day of the month in which the interest payment date falls) for a non-resident corporation is 1 billion Won or more (excluding cases where the domestic source income is paid through a foreign investment scheme or where the real beneficiary of domestic source income is a governmental organisation of the other country to a tax treaty prescribed by the MOFE, including the government of the signatory state to the relevant tax treaty, local government, or the central bank), such non-resident corporation must additionally submit (i) the names and addresses of the members of its board of directors, (ii) personal details and current equity holdings of its shareholders, (iii) its audit reports, tax returns or financial statements (including detailed statements) submitted to a relevant tax authority of the Non-Resident's country of residence for the past three years, together with their Korean translations. The party responsible for withholding tax on payments of interest is required to submit the application for exemption to its district tax office no later than the ninth day of the month following the month in which the interest is paid. If the Non-Resident holder was unable to receive the benefit of such exemption due to his or her failure to timely submit the aforementioned application, the Non-Resident holder may still receive a tax refund if a claim for tax refund is made within 5 years thereafter. Subject to certain exceptions, the Korean tax laws also require an overseas investment vehicle to obtain an application for exemption from the beneficial owner, together with a certificate of tax residence of the beneficial owner, and submit a report of overseas investment vehicle, together with a schedule of beneficial owners and its beneficial owners' application for exemption, to avail itself of the exemption available under the applicable tax treaties. However, this requirement does not apply to exemptions under Korean tax law.

***Tax on Capital Gains***

**The below paragraphs are applicable only to the Notes other than Senior Guaranteed Notes issued by a non-Korean subsidiary. Any capital gain in respect of the Senior Guaranteed Notes issued by a non-Korean subsidiary is non-Korean source income, and therefore is not subject to Korean taxation.**

Korean tax laws currently exclude from Korean taxation gains made by a Non-Resident without a permanent establishment in Korea from the sale of the Notes to other Non-Residents (other than to their permanent establishments in Korea). In addition, capital gains earned by a Non-Resident from a transfer taking place outside Korea of the Notes are currently exempt from taxation by virtue of STTCL, provided that the issuance of the Notes is in the form of foreign currency denominated bonds and deemed to be an overseas issuance under the STTCL.

If the exclusion or exemption from Korean taxation referred to above were to cease to be in effect, in the absence of an applicable treaty reducing or eliminating tax on capital gains, the applicable rate of tax would be the lower of 11% (including local income tax) of the gross realization proceeds or (subject

to the production of satisfactory evidence of the acquisition cost and certain direct transaction costs of the relevant Note) 22% (including local income tax) of the realized gain (i.e., the excess of the gross realization proceeds over the acquisition cost and certain direct transaction costs) made. If such evidence shows that no gain (or a loss) was made on the sale, no Korean tax is payable. There is no provision under relevant Korean law to allow offsetting of gains and losses or otherwise aggregating transactions for the purpose of computing the net gain attributable to sales of Notes issued by Korean corporations. The purchaser or any other designated withholding agent of Notes is obliged under Korean law to withhold the applicable amount of Korean tax and make payment thereof to the relevant Korean tax authority. Unless the seller can claim the benefit of an exemption from tax under an applicable tax treaty or on the failure of the seller to produce satisfactory evidence of his acquisition cost and certain direct transaction costs in relation to the instruments being sold, the purchaser or such withholding agent must withhold an amount equal to 11% of the gross realization proceeds. Any amounts withheld by the purchaser or such withholding agent must be paid to the competent Korean tax office. The purchaser or withholding agent must pay any withholding tax no later than the tenth day of the month following the month in which the payment for the purchase of the relevant instruments occurred. Failure to transmit the withheld tax to the Korean tax authorities in time subjects the purchaser or such withholding agent to penalties under Korean tax laws. The Korean tax authorities may attempt to collect such tax from a Non-Resident who is liable for payment of any Korean tax on gains, as a purchaser or withholding agent who is obliged to withhold such tax, through proceedings against payments due to the Non-Resident from its Korean investments and the assets or revenues of any of the Non-Resident's branch or representative offices in Korea.

In order to obtain the benefit of a tax exemption available under applicable tax treaties, a Non-Resident seller should submit to the party responsible for withholding taxes an application for exemption. For a more detailed discussion, see "Tax on Interest."

***Inheritance Tax and Gift Tax***

Korean inheritance tax is imposed upon (a) all assets (wherever located) of the deceased if at the time of his death he was domiciled in Korea or had resided in Korea continuously for at least 183 days immediately prior to his death and (b) all property located in Korea that passes on death (irrespective of the domicile or residence of the deceased). Gift tax is imposed in similar circumstances to the above. The taxes are imposed if the value of the relevant property is above a certain limit and the rate varies from 10% to 50%. At present, Korea has not entered into any tax treaties regarding its inheritance or gift taxes.

Under the Korean inheritance and gift tax laws, bonds issued by Korean corporations are deemed to be located in Korea irrespective of where they are physically located or by whom they are owned, and, consequently, the Korean inheritance and gift taxes will be imposed on transfers of the Notes by inheritance or gift. Prospective purchasers should consult their personal tax advisers regarding the consequences of the imposition of the Korean inheritance or gift tax.

***Stamp Duty and Securities Transaction Tax***

No stamp, issue or registration duties will be payable in Korea by the holders of the Notes in connection with the issue of the Notes except for a nominal amount of stamp duty on certain documents executed in Korea which will be paid by the Company. No securities transaction tax will be imposed upon the transfer of the Notes.

***Tax Treaties***

At the date of this Offering Circular, Korea has tax treaties with, *inter alia*, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Norway, Singapore, Sweden, Switzerland, the UK and the United States of America, under which the rate of withholding tax on interest is reduced, generally to between 5 and 16.5% (including local income tax), and the tax on capital gains is often eliminated.

A special withholding tax system took effect on July 1, 2006. Under the system, there is a special procedure to apply the Korea-Malaysia tax treaty on certain Korean source income. Payments made to the residents of Labuan, Malaysia will be subject to the default Korean withholding tax rates (generally 15.4% for interest and the lower of 11% of gross realization proceeds or 22% of capital gains (including local income tax)) rather than the reduced or exempted rate available under the Korea-Malaysia tax treaty. A Labuan taxpayer, however, will be given an opportunity to obtain a refund by proving within 5 years that it is entitled to the tax treaty benefits as a beneficial owner of the income and is an actual resident of Labuan, Malaysia. A Labuan taxpayer may also file an application with the National Tax Service (the "NTS") for confirmation that it is entitled to the tax treaty benefits and obtain an advance confirmation from the NTS prior to receiving Korean source income.

***Withholding and Gross Up***

As mentioned above, interest on the Notes is exempt from any withholding or deduction on account of income tax or corporation tax pursuant to STTCL (with the exception mentioned above). However, in the event that the payer or the Company is required by law to make any withholding or deduction for or on account of any Korean taxes (as more fully described in "Terms and Conditions of the Notes—Taxation") the Company has agreed to pay (subject to the customary exceptions as set out in "Terms and Conditions of the Notes—Taxation") such additional amounts as may be necessary in order that the net amounts received by the holder of any Note after such withholding or deduction shall equal the respective amounts which would have been received by such holder in the absence of such withholding or deduction.

## INDEPENDENT AUDITORS

The consolidated financial statements of the Company as of and for the years ended December 31, 2025 and 2024 contained in this Offering Circular have been audited by Ernst & Young Han Young, independent auditors, as stated in their report appearing herein, which contains an explanatory paragraph regarding material uncertainty on the Company's ability to continue as a going concern and an emphasis of matter paragraph regarding the basis of preparation of the consolidated financial statements in accordance with Government Accounting Standards.

## SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in the second amended and restated program agreement dated March 24, 2023, as further amended, supplemented and/or restated from time to time (the "Program Agreement"), agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes or, in the case of Definitive IAI Registered Notes, procure purchasers of Notes. Any such agreement will extend to those matters stated under "Form of the Notes" and "Terms and Conditions of the Notes" above. In the Program Agreement, the Company and the Guaranteed Issuers have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Program and the issue of Notes under the Program and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may to the extent permitted by applicable laws and regulations engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically, such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilize or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilizing or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilization activities are subject to certain prescribed time limits in certain jurisdictions.

**Important Notice to CMIs (including private banks) pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct**

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e., two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes

(except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code); and
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus orders should be sent to the Managers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by

the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Dealers that it is not a Sanctions Restricted Person. A "Sanctions Restricted Person" means an individual or entity (a "Person"): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/sdnlist.pdf) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/fse/fselist.pdf) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of the following (i) – (vi) to the extent that it will not result in violation of any sanctions by the CMIs: (i) their inclusion in the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf) (the "SSI List"), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the "EU Annexes"), (iii) their inclusion in any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled "Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China" (known as the Non-SDN Chinese Military- Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled "Addressing the threat from Securities Investments that Finance Chinese Military Companies"; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons; or (c) that is located, organized or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk's People's Republic or Luhansk People's Republic. "Sanctions Authority" means: (a) the United Nations; (b) the United States; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) the People's Republic of China; (f) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (g) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

**Certain Relationships**

Certain of the Dealers and their affiliates may from time to time perform various investment banking, commercial banking or advisory services for the Issuer, the Guarantor and their respective affiliates, for which they have received and may in the future receive customary compensation. The Dealers or their affiliates may own securities issued by the Issuer or the Guarantor. The Dealers or their affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes).

**Transfer Restrictions**

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) will be deemed to have acknowledged, represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (ii) it is an Institutional Accredited Investor, that, prior to its purchase of the Notes has delivered to the Registrar an IAI Investment Letter in the form as set forth below or (iii) it is outside the United States and is not a U.S. person;

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(c) that, unless it holds an interest in a Regulation S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;

(d) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (c) above, if then applicable;

(e) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, that Notes offered to Institutional Accredited Investors will be in the form of Definitive IAI Registered Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;

(f) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer and the Guarantor:

"THIS SECURITY [AND THE RELATED GUARANTEE] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (I) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THIS SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS OR (II) IT IS AN INSTITUTIONAL ''ACCREDITED INVESTOR'' (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN "INSTITUTIONAL ACCREDITED INVESTOR''); (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER, [THE GUARANTOR] OR [ITS]/[THEIR RESPECTIVE] AFFILIATE[S] WAS THE OWNER OF SUCH SECURITIES OTHER THAN (I) TO THE ISSUER, [THE GUARANTOR] OR [ITS]/[THEIR RESPECTIVE] AFFILIATE[S], (II) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (III) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (V) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

BY ITS ACQUISITION OF THIS SECURITY, THE HOLDER THEREOF WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (''ERISA''), OF A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE''), OR PROVISIONS UNDER ANY OTHER FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE (''SIMILAR LAWS''), OR OF AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT, OR (2) THE ACQUISITION AND HOLDING OF THIS SECURITY WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS.

THIS SECURITY, [THE RELATED GUARANTEE] AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED

FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF THIS SECURITY SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).";

(g) that either (i) no portion of the assets used by it to acquire or hold the Notes constitutes assets of any employee benefit plan subject to Title I of ERISA, of any plan, account or other arrangement that is subject to Section 4975 of the Code, or provisions under any Similar Laws, or of an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement or (ii) the acquisition and holding of the Notes by it will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Law;

(h) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (i)(A) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act or (B) to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable U.S. state securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY [AND THE RELATED GUARANTEE] ([COLLECTIVELY,] THE "SECURITIES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS A PART"; and

(i) that the Issuer, the Guarantor and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer and the Guarantor; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Persons wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa will be required to deliver a transfer certificate in the form attached to the Agency Agreement.

Institutional Accredited Investors who purchase Registered Notes in definitive form offered and sold in the United States in reliance upon the exemption from registration provided by Regulation D of the Securities Act are required to execute and deliver to the Registrar an IAI Investment Letter. Upon execution and delivery of an IAI Investment Letter by an Institutional Accredited Investor, Notes will be issued in definitive registered form, see "Form of the Notes."

The IAI Investment Letter will state, among other things, the following:

(a) that the Institutional Accredited Investor has received a copy of this Offering Circular and such other information as it deems necessary in order to make its investment decision;

(b) that the Institutional Accredited Investor understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in this Offering Circular and the Notes (including those set out above) and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the Securities Act;

(c) that, in the normal course of its business, the Institutional Accredited Investor invests in or purchases securities similar to the Notes;

(d) that the Institutional Accredited Investor is an Institutional Accredited Investor within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act that is an institution and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts' investment for an indefinite period of time;

(e) that the Institutional Accredited Investor is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and

(f) that, in the event that the Institutional Accredited Investor purchases Notes, it will acquire Notes having a minimum purchase price of at least U.S.$500,000 (or the approximate equivalent in another Specified Currency).

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.$200,000 (or its foreign currency equivalent) principal amount or, in the case of sales to Institutional Accredited Investors, U.S.$500,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.$200,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.$500,000 (or its foreign currency equivalent) principal amount of Registered Notes.

**Selling Restrictions**

***United States of America***

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except (i) to QIBs in reliance on Rule 144A, (ii) to Institutional Accredited Investors, that, prior to their purchase of the Notes have furnished an IAI Investment Letter and (iii) in accordance with Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (''Regulation S Notes''), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it will not offer, sell or deliver such Regulations S Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Program will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S.$200,000 (or the approximate equivalent thereof in any other currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospectus purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Each issuance of Index Linked Interest Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer, the Guarantor and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

***European Economic Area***

The final terms (or the Pricing Supplement, as the case may be) in respect of any Series of Notes may include a legend entitled ''MiFID II Product Governance,'' which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. If such information is included, any person subsequently offering, selling or recommending the Notes (a ''distributor'') should take into consideration the target market assessment; however, a distributor subject to MiFID II will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance Rules, each of the Arranger and Dealers subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Unless the final terms (or the Pricing Supplement, as the case may be) in respect of any Series of Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision: (a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation; and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the final terms (or the Pricing Supplement, as the case may be) in respect of any Notes specifies the "Prohibition of sales to EEA retail investors" as "Not Applicable", in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular, as completed by the final terms in relation thereto, to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(c) subject to any other restriction and obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer, at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended).

The EEA selling restrictions described above are in addition to any other applicable selling restriction set out below.

***United Kingdom***

The final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. If such information is included, any person subsequently offering, selling or recommending the Notes (a "UK MiFIR distributor") should take into consideration the target market assessment; however, a UK MiFIR distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") will be responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining the appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, each of the Arranger and Dealers subscribing for any Notes is a UK MiFIR manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a UK MiFIR manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Unless the final terms (or Pricing Supplement, as the case may be) in respect of any Series of Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable," each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the UK. For the purposes of this provision: (a) the expression "retail investor" means a person who is neither: (i) a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; nor (ii) a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 ("POATRs"); and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the final terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies the "Prohibition of sales to UK retail investors" as "Not Applicable," in relation to the UK, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular, as completed by the final terms in relation thereto, to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(a) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(b) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree that:

(a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer; and

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

The UK selling restrictions described above are in addition to any other applicable selling restriction set out below.

***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948, as amended) (the "FIEA"). Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Program will be required to represent, warrant and agree that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other applicable laws, regulations and ministerial guidelines of Japan.

***Hong Kong***

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Program will be required to represent, warrant and agree that:

(a) it has not offered or sold and will not offer or sell in Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes

which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.

The Dealers may offer and sell Notes through certain of their affiliates. One or more of the Dealers may use affiliates or other appropriately licensed entities for sales of the Notes in jurisdictions in which such Dealers are not otherwise permitted.

***Singapore***

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

***Korea***

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Program will be required to represent, warrant and agree that:

(a) it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, any Notes in Korea, or to, or for the account or benefit of, any resident of Korea (as defined in the Foreign Exchange Transaction Law), except as otherwise permitted by applicable Korean laws and regulations; and

(b) any securities dealer to whom each Dealer and each further dealer may sell the Notes will agree that it will not offer, sell or deliver any Notes, directly or indirectly, in Korea, or to any resident of Korea, except as otherwise permitted by applicable Korean laws and regulations, or to any other dealer who does not so represent and agree.

Furthermore, each issuance of Senior Guaranteed Notes may be subject to additional selling restrictions as the Issuer, the Guarantor and the relevant Dealer may agree as a term of the issuance and purchase of such Senior Guaranteed Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement and Subscription Agreement.

***Switzerland***

This Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified prospectus or a prospectus as such term is defined in the Swiss Collective Investment Scheme Act, and neither this Offering Circular nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Offering Circular nor any other offering or marketing material relating to the offering, nor the Company nor the Notes have been or will be filed with or approved by any Swiss regulatory authority. The Notes are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority ("FINMA"), and investors in the Notes will not benefit from protection or supervision by such authority.

***General***

Each Dealer has agreed and each further Dealer appointed under the Program will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

If a jurisdiction requires that any offering of Notes under the Program be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

Neither the Company, the Guaranteed Issuers nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer, the Guarantor and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (each a "Clearing System" and together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer and the Guarantor believe to be reliable, but none of the Company, the Guaranteed Issuers nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Company, the Guaranteed Issuers, the Arranger, any Dealer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.*

### Book-entry Systems

#### *DTC*

DTC has advised the Company and the Guaranteed Issuers that it is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC System is also available to others such as securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "Rules"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("DTC Notes") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the United States Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("Owners") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the

DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorized representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer and the Guarantor as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer, the Guarantor or the Principal Paying Agent on the due date for payment in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Issuer or the Guarantor, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer (and failing whom, the Guarantor), disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "Subscription and Sale and Transfer and Selling Restrictions."

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

***Euroclear and Clearstream, Luxembourg***

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

***Book-entry Ownership of and Payments in respect of DTC Notes***

The Issuer and the Guarantor may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer and the Guarantor expect DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer and the Guarantor also expect that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar, the Issuer or the Guarantor. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer (and failing whom, the Guarantor).

***Transfers of Notes Represented by Registered Global Notes***

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to

exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "Subscription and Sale and Transfer and Selling Restrictions," cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian ("Custodian") with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## INDEX TO FINANCIAL STATEMENTS

## CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY

**Audited Annual Consolidated Financial Statements of the Company as of and for the Years Ended December 31, 2025 and 2024**


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Ernst & Young Han Young
2-3F, 7-8F, Taeyoung Building, 111, Yeouigongwon-ro,
Yeongdeungpo-gu, Seoul 07241 Korea

Tel: +82 2 3787 6600
Fax: + 82 2 783 5890
ey.com/kr

**Independent auditor's report**
(English translation of a report originally issued in Korean)

**The Shareholders and Board of Directors**
**Korea Mine Rehabilitation and Mineral Resources Corporation**

## Opinion

We have audited the consolidated financial statements of Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the consolidated statements of comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for each of the two years in the period ended December 31, 2025, and the notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the two years in the period ended December 31, 2025 in accordance with Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions in the Republic of Korea.

## Basis for opinion

We conducted our audit in accordance with Korean Standards on Auditing ("KSA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material uncertainty related to going concern

Without qualifying our opinion, we draw attention to Note 52 to the consolidated financial statements. As of December 31, 2025, the Group's current liabilities exceed its current assets by ₩1,445.9 billion and its net asset amounts to (-)₩3,161.9 billion, resulting in capital impairments. As described in Note 52, these events or conditions, along with other matters, indicate the existence of material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

## Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements. As described in Note 2, the consolidated financial statements have been prepared in accordance with the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions in the Republic of Korea. Pursuant to Article 2-5 of the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions, the Group applies International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS") where specific accounting treatments are not prescribed by the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions. There are no accounts of which accounting treatment is materially different compared to KIFRS in order for the Group to be in full compliance with the Rules for Accounting Affairs of Public Corporations and Quasi-

governmental Institutions.

**Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions in the Republic of Korea, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 KSA 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.



February 27, 2025

This audit report is effective as of February 27, 2025, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying consolidated financial statements and may result in modification to this report.

## Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries
## Consolidated statements of financial position
## as of December 31, 2025 and 2024

(Korean won)

| | Notes | | December 31, 2025 | | December 31, 2024 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| **Current assets** | | | | | |
| Cash and cash equivalents | 5,6,28,29,45,46 | ₩ | 344,246,118,949 | ₩ | 462,681,855,160 |
| Current financial assets, net | 6,10,11,12,45,46 | | 490,350,241,372 | | 175,362,924,400 |
| Trade and other receivables, net | 8,45,46 | | 29,868,974,087 | | 20,949,948,036 |
| Inventories, net | 13 | | 163,760,508,231 | | 145,787,910,007 |
| Other current assets | 14 | | 17,363,376,826 | | 23,779,247,422 |
| Current tax assets | | | 2,515,691,080 | | 3,077,989,740 |
| Assets held-for-sale | 44 | | 55,005,666,521 | | 646,793,189 |
| | | | 1,103,110,577,066 | | 832,286,667,954 |
| **Non-current assets** | | | | | |
| Non-current financial assets, net | 7,9,10,12,45,46 | | 1,273,571,323,795 | | 1,268,271,370,381 |
| Long-term other receivables, net | 8,45,46 | | 5,359,521,904 | | 6,806,502,484 |
| Property, plant and equipment, net | 19,25,28,29 | | 279,005,881,321 | | 514,434,488,770 |
| Investment properties | 20 | | 19,115,789,295 | | 19,601,103,099 |
| Intangible assets other than goodwill | 21,28 | | 3,820,450,349 | | 44,736,745,802 |
| Investments in associates and joint ventures | 4,15 | | 1,631,035,954,200 | | 1,752,989,829,827 |
| Investments in joint operations | | | - | | 26,199,487,296 |
| Defined benefit asset | 26 | | 1,378,792,113 | | 2,708,645,110 |
| Other non-current assets | 14 | | 587,035,201,587 | | 353,018,035,287 |
| | | | 3,800,322,914,564 | | 3,988,766,208,056 |
| **Total assets** | | **₩** | **4,903,433,491,630** | **₩** | **4,821,052,876,010** |
| **Liabilities** | | | | | |
| **Current liabilities** | | | | | |
| Current trade and other payables | 24,25,45,46 | ₩ | 74,353,575,911 | ₩ | 96,929,080,644 |
| Current financial liabilities | 7,22,23,45,46 | | 2,462,166,911,709 | | 1,929,950,860,590 |
| Current provisions | 27 | | 6,403,468,440 | | 8,384,923,981 |
| Current tax liabilities | | | - | | 6,265,894 |
| Other current liabilities | 30 | | 3,379,250,635 | | 15,500,145,516 |
| Liabilities related to assets held for sale | | | 2,681,482,096 | | - |
| | | | 2,548,984,688,791 | | 2,050,771,276,625 |
| **Non-current liabilities** | | | | | |
| Non-current other payables | 24,25,45,46 | | 1,334,166,283 | | 1,000,600,595 |
| Non-current financial liabilities | 7,22,23,45,46 | | 5,460,209,318,529 | | 6,367,478,170,508 |
| Other non-current liabilities | 30 | | 1,546,473,384 | | 2,231,756,166 |
| Deferred tax liabilities | 42 | | 34,017,647,322 | | 28,636,545,630 |
| Non-current provisions | 27 | | 19,226,930,470 | | 133,945,710,185 |
| | | | 5,516,334,535,988 | | 6,533,292,783,084 |
| **Total liabilities** | | **₩** | **8,065,319,224,779** | **₩** | **8,584,064,059,709** |
| **Equity** | | | | | |
| Issued capital | 1,31 | ₩ | 2,753,202,200,000 | ₩ | 2,337,755,200,000 |
| Discount on stock issuance | | | (11,407,613,740) | | (10,410,540,960) |
| | | | 2,741,794,586,260 | | 2,327,344,659,040 |
| Accumulated deficits | 32 | | | | |
| Undisposed accumulated deficit | | | (5,373,241,800,964) | | (5,069,099,434,204) |
| | | | (5,373,241,800,964) | | (5,069,099,434,204) |
| Other components of equity | 34 | | (528,790,135,855) | | (696,405,442,703) |
| Equity attributable to equity holders of the parent | | | (3,160,237,350,559) | | (3,438,160,217,867) |
| Non-controlling interests | | | (1,648,382,590) | | (324,850,965,832) |
| **Total equity** | | | **(3,161,885,733,149)** | | **(3,763,011,183,699)** |
| **Total liabilities and equity** | | **₩** | **4,903,433,491,630** | **₩** | **4,821,052,876,010** |

*The accompanying notes are an integral part of the consolidated financial statements.*

## Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries
## Consolidated statements of comprehensive loss
## for each of the two years in the period ended December 31, 2025

(Korean won)

| | Notes | | 2025 | | 2024 |
|---|---|---|---|---|---|
| Sales | 4,28,29,35 | ₩ | 621,903,107,584 | ₩ | 757,918,982,200 |
| Cost of sales | 29,43 | | (610,073,384,026) | | (722,071,600,411) |
| **Gross profit** | | | **11,829,723,558** | | **35,847,381,789** |
| Selling and administrative expenses | 36,43 | | (97,774,911,137) | | (103,934,870,550) |
| **Operating loss** | 4,52 | | **(85,945,187,579)** | | **(68,087,488,761)** |
| Other income | 37 | | 118,210,635 | | 319,301,141 |
| Other expenses | 38 | | (115,674,960,301) | | (260,336,268,910) |
| Other gain, net | 39 | | 20,586,879,273 | | 3,089,555,268 |
| Finance income | 7,9,40,45 | | 281,765,610,419 | | 680,158,742,623 |
| Finance costs | 7,9,41,45 | | (346,067,276,093) | | (695,410,296,355) |
| Gain (Loss) on investments in associates and joint ventures | 15 | | 58,333,352,891 | | (671,734,372,128) |
| **Loss before tax** | | | **(186,883,370,755)** | | **(1,012,000,827,122)** |
| Income tax benefit(expense) | 42 | | (5,378,480,128) | | 36,897,722,724 |
| Loss from continuing operations | | ₩ | (192,261,850,883) | ₩ | (975,103,104,398) |
| Loss from discontinued operations | | | (152,118,438,241) | | (206,564,906,588) |
| **Loss for the period** | | | **(344,380,289,124)** | | **(1,181,668,010,986)** |
| Attributable to: | | | | | |
| Equity holders of the parent | | | (306,872,229,245) | | (1,128,433,797,850) |
| Loss from continuing operations | | | (190,594,995,931) | | (975,099,385,152) |
| Loss from discontinued operations | | | (116,277,233,314) | | (153,334,412,698) |
| Non-controlling interests | | | (37,508,059,879) | | (53,234,213,136) |
| Loss from continuing operations for the period | | | (1,666,854,952) | | (3,719,246) |
| Loss from discontinued operations for the period | | | (35,841,204,927) | | (53,230,493,890) |
| | | ₩ | **(344,380,289,124)** | ₩ | **(1,181,668,010,986)** |
| **Other comprehensive income (loss)** | | | | | |
| *Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | |
| Re-measurement gain (loss) on defined benefit plan | | ₩ | 326,025,582 | ₩ | (2,525,956,626) |
| Share of other comprehensive income (loss) of associates and joint ventures | | | 2,403,836,903 | | (5,080,504,618) |
| *Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | |
| Exchange differences on translation of foreign operations | | | 398,274,697,313 | | (401,610,724,219) |
| Changes in equity-method investment | | | (77,901,240,881) | | 52,258,463,461 |
| Other comprehensive income (loss) for the period | | | 323,103,318,917 | | (356,958,722,002) |
| **Total comprehensive loss** | | ₩ | **(21,276,970,207)** | ₩ | **(1,538,626,732,988)** |
| Attributable to: | | | | | |
| Equity holders of the parent | | | 961,329,579 | | (1,408,620,284,028) |
| Non-controlling interests | | | (22,238,299,786) | | (130,006,448,960) |
| | | ₩ | **(21,276,970,207)** | ₩ | **(1,538,626,732,988)** |

*The accompanying notes are an integral part of the consolidated financial statements.*

## Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries
## Consolidated statements of changes in equity
## for each of the two years in the period ended December 31, 2025

(Korean won)

| | Notes | Attributable to equity holders of the parent | | | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|
| | | Issued capital | Accumulated deficits | Other components of equity | | |
| **As of January 1, 2024** | | **₩ 2,076,186,887,840** | **₩ (3,933,059,175,110)** | **₩ 13,461,923,729** | **₩ (634,359,646,237)** | **₩ (2,477,770,009,778)** |
| Profit (loss) for the period | | - | (1,128,433,797,850) | - | (53,234,213,136) | (1,181,668,010,986) |
| Other comprehensive income (loss) | | - | (7,606,461,244) | (272,580,024,934) | (76,772,235,824) | (356,958,722,002) |
| *Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | | |
| Re-measurement loss on defined benefit plans | | - | (2,525,956,626) | - | - | (2,525,956,626) |
| Share of other comprehensive income of associates and joint joint ventures | | | (5,080,504,618) | - | - | (5,080,504,618) |
| *Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | | |
| Share of other comprehensive income of associates and joint joint ventures | | - | - | 52,258,463,461 | - | 52,258,463,461 |
| Exchange differences on translation of foreign operations | | - | - | (324,838,488,395) | (76,772,235,824) | (401,610,724,219) |
| **Total comprehensive income (loss)** | | **-** | **(1,136,040,259,094)** | **(272,580,024,934)** | **(130,006,448,960)** | **(1,538,626,732,988)** |
| Issuance of share capital | | 251,157,771,200 | - | - | - | 251,157,771,200 |
| Increase(decrease) due to changes in interest in subsidiaries without loss of control | | - | - | (437,287,341,498) | 439,515,129,365 | 2,227,787,867 |
| **As of December 31, 2024** | | **₩ 2,327,344,659,040** | **₩ (5,069,099,434,204)** | **₩ (696,405,442,703)** | **₩ (324,850,965,832)** | **₩ (3,763,011,183,699)** |
| **As of January 1, 2025** | | **₩ 2,327,344,659,040** | **₩ (5,069,099,434,204)** | **₩ (696,405,442,703)** | **₩ (324,850,965,832)** | **₩ (3,763,011,183,699)** |
| Profit (loss) for the period | | - | (306,872,229,245) | - | (37,508,059,879) | (344,380,289,124) |
| Other comprehensive income (loss) | | - | 2,729,862,485 | 305,103,696,339 | 15,269,760,093 | 323,103,318,917 |
| *Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | | |
| Re-measurement loss on defined benefit plans | | - | 326,025,582 | - | - | 326,025,582 |
| Share of other comprehensive income of associates and joint joint ventures | | - | 2,403,836,903 | - | - | 2,403,836,903 |
| *Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods, net of tax:* | | | | | | |
| Share of other comprehensive income of associates and joint joint ventures | | - | - | (77,901,240,881) | - | (77,901,240,881) |
| Exchange differences on translation of foreign operations | | - | - | 383,004,937,220 | 15,269,760,093 | 398,274,697,313 |
| **Total comprehensive income (loss)** | | **-** | **(304,142,366,760)** | **305,103,696,339** | **(22,238,299,786)** | **(21,276,970,207)** |
| Issuance of share capital | | 414,449,927,220 | - | - | - | 414,449,927,220 |
| Changes in consolidated entities | | - | - | (137,488,389,491) | 345,440,883,028 | 207,952,493,537 |
| **As of December 31, 2025** | | **₩ 2,741,794,586,260** | **₩ (5,373,241,800,964)** | **₩ (528,790,135,855)** | **₩ (1,648,382,590)** | **₩ (3,161,885,733,149)** |

*The accompanying notes are an integral part of the consolidated financial statements.*

**Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries**
**Consolidated statements of cash flows**
**for each of the two years in the period ended December 31, 2025**

(Korean won)

| | 2025 | 2024 |
|---|---|---|
| **Operating activities** | | |
| Loss for the period | ₩ (344,380,289,124) | ₩ (1,181,668,010,986) |
| Adjustments for : | | |
| operating activities for the year to net cash: | | |
| Additional costs on loans | 7,904,461,869 | 7,221,611,234 |
| Depreciation | 46,384,799,761 | 62,741,297,305 |
| Depreciation of investment property | 485,313,804 | 725,841,259 |
| Amortization of intangible assets | 2,185,737,968 | 2,902,541,603 |
| Loss on disposal of investments in associates | 5,697,876 | - |
| Loss on impairment of investment in associates | - | 1,782,438,122 |
| Severance and retirement benefits | 1,799,135,904 | 1,430,189,161 |
| Employee benefits | (1,981,455,541) | (1,209,245,099) |
| Bad debt expense | 117,877,554,328 | 266,102,764,355 |
| Income tax expense | 5,181,682,777 | (35,692,777,607) |
| Loss on disposal of property, plant and equipment | 778,828 | 32,933,816 |
| Impairment loss on assets held-for-sale | 35,143,826,874 | - |
| Provision for litigation | - | 4,000,000 |
| Cost of services provided | 7,689,662,920 | - |
| Loss on impairment of tangible assets | 107,716,985,394 | 109,798,363,108 |
| Loss on valuation of equity method investments | 144,361,437,209 | 850,285,942,926 |
| Loss on foreign currency translation | 54,177,239,746 | 379,572,676,406 |
| Loss on foreign exchange | 951,815,700 | 2,084,018,547 |
| Loss on valuation of financial assets at fair value | 280,941,269 | - |
| Loss on valuation of financial liabilities at fair value | 1,904,007,594 | 35,150,063,576 |
| Loss on dislposal of financial liabilities at fair value | 6,698,066,155 | 8,072,655,066 |
| Interest expenses | 313,283,279,700 | 320,714,493,694 |
| Other expenses | - | 1,450,000 |
| Reversal of allowance for doubtful accounts | (6,516,270,630) | (1,991,596,982) |
| Gain on bargain purchase | (1,902,384,293) | - |
| Reversal of provisions for decommissioning cost | - | (8,604,431,563) |
| Gain on disposal of property, plant and equipment | (1,456,097,998) | (5,300,000) |
| Gain on disposal of assets held for sale | (274,969,311) | (293,404,566) |
| Gain on disposal of subsidiaries | (111,758,521,347) | (3,826,986,128) |
| Gain on valuation of equtiy method investments | (124,569,574,739) | (176,507,022,792) |
| Gain on foreign currency translation | (81,592,459,793) | (479,164,932,781) |
| Gain on foreign exchange | (15,481,087,854) | (28,762,237,530) |
| Gain on valuation of financial assets at fair value | (1,968,858,748) | (50,827,600) |
| Gain on valuation of financial liabilities at fair value | (2,942,086,990) | (1,161,369,119) |
| Gain on dislposal of financial liabilities at fair value | (7,915,866,611) | (1,310,994,518) |
| Gain on disposal of investments in associates and joint ventures | (78,130,913,237) | - |
| Interest income | (182,018,117,456) | (193,303,431,193) |
| Other income | (15,271,684,716) | (54,828) |
| | 220,252,076,412 | 1,116,738,667,872 |

*(Continued)*

**Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries**
**Consolidated statements of cash flows**
**for each of the two years in the period ended December 31, 2025**

(Korean won)

| | 2025 | 2024 |
|---|---|---|
| Changes in operating assets and liabilities: | | |
| Trade receivables | ₩ (1,288,810,963) | ₩ 21,742,196,888 |
| Other receivables | (41,826,444,633) | 15,718,121,942 |
| Inventories | (39,325,903,313) | 12,761,072,793 |
| Government grants | 1,182,211,338 | 397,760,000 |
| Entrusted business funds | 1,186,576,569 | 283,730,793 |
| Advanced payments | 6,132,873,378 | (2,705,158,725) |
| Prepaid expenses | 248,812,604 | 1,558,198,643 |
| Other current financial assets | (2,853,027) | - |
| Minerals held in reserve | (233,815,920,025) | (61,024,950,892) |
| Other payables | 1,253,555,342 | (2,423,173,608) |
| Accrued expenses | 909,868,183 | (1,538,677,876) |
| Trade payables | (2,728,980,487) | (17,085,640,558) |
| Advance receipts | (901,833,205) | (812,612,703) |
| Withholdings | 1,710,096,588 | (10,656,890,876) |
| Provisions for litigations | (4,000,000) | - |
| Provisions for decommissioning cost | - | (155,147,000) |
| Plan assets | 2,802,319,062 | 4,620,264,038 |
| Payment of severance and retirement benefits | (2,905,281,090) | (4,756,676,120) |
| | (307,373,713,679) | (44,077,583,261) |
| Interest received | 30,061,036,927 | 34,676,349,535 |
| Interest paid | (256,199,015,213) | (243,192,031,636) |
| Dividends received | 90,777,709,620 | 72,735,037,785 |
| Income tax paid | 543,139,636 | 3,317,201,421 |
| **Net cash flows used in operating activities** | **(566,319,055,421)** | **(241,470,369,270)** |

*(Continued)*

**Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries**
**Consolidated statements of cash flows**
**for each of the two years in the period ended December 31, 2025**

(Korean won)

| | 2025 | 2024 |
|---|---|---|
| **Investing activities** | | |
| Disposal of land | ₩ 1,885,519,737 | ₩ - |
| Disposal of buildings | 11,086,397 | - |
| Disposal of vehicles | ₩ 27,325,213 | ₩ 5,300,000 |
| Disposal of other property, plant and equipment | - | 23,367,230 |
| Disposal of construction in progress | 191,724,176 | - |
| Disposal of investments in associates | 6,937,014,711 | 1,360,000,074 |
| Disposal of investments in subsidiaris | 1,463,048 | - |
| Net cash inflow from acquisition of subsidiaries | 1,902,384,293 | - |
| Disposition of assets held-for-sale | 921,762,500 | 1,190,197,750 |
| Decrease in short-term financial instruments | 383,345,748,341 | 157,395,450,658 |
| Decrease in long-term financial instruments | 268,750,000 | - |
| Decrease in financial assets measured at amortized cost | 48,540,462,637 | 18,901,815,306 |
| Cash inflow from settlement of financial liabilities at fair value | 224,614,506,963 | 5,505,109,705 |
| Decrease in short-term loans | 100,922,787,510 | 99,426,593,410 |
| Decrease in long-term loans | 9,876,304,340 | 4,910,090,940 |
| Decrease in long-term deposits | 758,712,497 | 1,117,181,534 |
| Decrease in investments in joint ventures | 3,409,382,051 | 3,173,161,026 |
| Acquisition of land | (14,769,685,419) | (965,407,512) |
| Acquisition of buildings | (472,749,196) | (25,234,640) |
| Acquisition of structures | (162,627,890) | (9,905,546) |
| Acquisition of machinery | (1,461,310,621) | (2,418,193,350) |
| Acquisition of vehicles | (154,511,459) | (308,170,448) |
| Increase in construction in progress | (23,436,291,530) | (31,250,032,847) |
| Acquisition of other property, plant and equipment | (1,095,524,675) | (1,323,911,907) |
| Acquisition of investment properties | - | (266,765,360) |
| Acquisition of exploration and evaluation assets | (1,151,627,373) | (1,019,539,593) |
| Acquisition of software | (590,078,269) | (1,022,647,456) |
| Acquisition of intangible assets under development | (252,000,000) | - |
| Acquisition of investments in joint operations | (4,029,833,863) | (2,223,592,417) |
| Government grant | 21,494,578,911 | 18,869,926,192 |
| Entrusted business funds | 3,803,800 | 5,069,910 |
| Increase in long-term loans | (170,091,354,380) | (224,471,458,502) |
| Increase in short-term financial instruments | (683,931,344,290) | (136,498,200,000) |
| Increase in short-term deposits | (2,940,000,000) | - |
| Net cash outflow from disposal of subsidiaries | (496,928,311) | - |
| Cash outflow from settlement of financial liabilities at fair value | (250,111,318,786) | (12,247,129,819) |
| Increase in long-term deposits | (834,634,689) | (457,270,344) |
| **Net cash flows provided by (used in) investing activities** | **(350,868,503,626)** | **(102,624,196,006)** |
| **Financing activities** | | |
| Increase in short-term borrowings | 570,000,000,000 | 600,000,000,000 |
| Increase in long-term borrowings | 599,300,000,000 | 438,885,589,060 |
| Issuance of bonds | 899,259,800,299 | 933,647,873,000 |
| Issuance of share capital | 415,447,000,000 | 251,157,771,200 |
| Increase in rental deposits | 410,449,240 | 116,869,000 |
| Decrease in rental deposits | (432,475,650) | (113,498,800) |
| Repayment of short-term borrowings | (600,000,000,000) | (65,000,000,000) |
| Repayment of current portion of long-term borrowings | (826,318,393,300) | (1,000,000,000,000) |
| Repayment of current portion of long-term bonds | (252,745,000,000) | (855,592,000,000) |
| Repayment of lease liabilities | (1,285,391,859) | (864,242,351) |
| Stock issuance expense | (997,072,780) | - |
| **Net cash flows provided by financing activities** | **802,638,915,950** | **302,238,361,109** |

*(Continued)*

**Korea Mine Rehabilitation and Mineral Resources Corporation and its subsidiaries**
**Consolidated statements of cash flows**
**for each of the two years in the period ended December 31, 2025**

(Korean won)

| | 2025 | 2024 |
|---|---|---|
| **Net increase in cash and cash equivalents before effect of foreign exchange difference** | (114,548,643,097) | (41,856,204,167) |
| **Net foreign exchange difference** | 1,242,467,987 | 5,507,585,472 |
| **Net increase in cash and cash equivalents** | (113,306,175,110) | (36,348,618,695) |
| **Cash and cash equivalents at beginning of period** | 473,415,947,578 | 509,764,566,273 |
| **Cash and cash equivalents included in assets held-for-sale** | (2,760,773,194) | - |
| **Cash and cash equivalents at end of the period** | 357,348,999,274 | 473,415,947,578 |
| **Government grant** | (1,579,971,338) | (397,760,000) |
| **Entrusted business funds** | (11,522,908,987) | (10,336,332,418) |
| **Cash and cash equivalents at end of the period after deducting entrusted business funds** | **₩ 344,246,118,949** | **₩ 462,681,855,160** |

*The accompanying notes are an integral part of the consolidated financial statements.*

## 1. Corporate information

Korea Mine Rehabilitation and Mineral Resources Corporation (the "Company" or "KOMIR") was incorporated on September 10, 2021 under the *Korea Mine Rehabilitation and Mineral Resources Corporation Act* enacted on March 9, 2021. The Company has comprehensively succeeded all assets, liabilities, and other rights and obligations of those of the Korea Resources Corporation and the Mine Reclamation Corporation. The Company is established for the purposes of contributing to the development of the national economy by appropriately managing mine damage, nurturing and supporting the mineral resource industry, thereby promoting the economic revitalization of the mining areas and stabilizing the supply and demand of mineral resources.

The Company's issued capital as of December 31, 2025 amounts to ₩2,753,202,200,000 and the shareholders of the Company and their equity interest are as follows (Korean won):

| Shareholders | Issued capital | Equity interest (%) |
|---|---|---|
| The Government of the Republic of Korea | ₩ 2,750,502,200,000 | 99.90 |
| Korea Development Bank | 2,700,000,000 | 0.10 |
| | ₩ 2,753,202,200,000 | 100.00 |

(1) The Company's consolidated subsidiaries as of December 31, 2025 are as follows:

| Subsidiary | Equity interest (%) | Major business | Country of domicile |
|---|---|---|---|
| KORES Australia Pty. Ltd. and its subsidiaries | 100.00 | Mining | Australia |
| KORES Canada Corp. and its subsidiaries | 100.00 | Mining | Canada |
| SARISBURY LIMITED(*1) | - | Mining | Niger |
| Ermani Ltd. | 100.00 | Mining | Tanzania |
| Minera Metalurgica del Boleo(MMB)(*1) | - | Mining | Mexico |
| Korean Boleo Corporation on S.A. de C.V.(*2) | 76.28 | Mining | Mexico |
| KOMIR Mongolia, LLC | 100.00 | Mine reclamation management | Mongolia |

(*1) For the year ended December 31, 2025, the Group disposed of its entire equity interests in SARISBURY LIMITED and Minera Metalurgica del Boleo (MMB), resulting in the loss of control over these entities. Accordingly, these entities were excluded from the scope of consolidation as of December 31, 2025.

(*2) For the year ended December 31, 2025, the Group acquired additional 29.36% interests in Korean Boleo Corporation S.A. de C.V., a former associate. As the Group obtained control through this transaction, the entity has been included in the scope of consolidation as a subsidiary.

## 1. Corporate information (cont'd)

(2) The significant financial information on the consolidated subsidiaries as of and for the year ended December 31, 2025 is as follows (Korean won):

| | 2025 | | | | |
|---|---|---|---|---|---|
| Subsidiary(*1) | Total assets | Total liabilities | Sales | Profit (loss) before tax | Net profit (loss) for the year |
| KORES Australia Pty. Ltd. and its subsidiaries(*2) | ₩ 128,735,781,135 | ₩ 7,509,381,055 | ₩ 489,451,077 | ₩ 1,737,320,643 | ₩ (41,613,462,221) |
| KORES Canada Corp. and its subsidiaries | 18,558,763,873 | - | - | 1,098,823,271 | 1,098,823,271 |
| SARISBURY LIMITED(*3) | - | - | - | (5,890,253) | (5,890,253) |
| Ermani Ltd. | - | 124,009,798 | - | (13,452,899) | (13,452,899) |
| Minera Metalurgica del Boleo(MMB) (*3) | - | - | 100,175,134,495 | (300,195,158,338) | (300,195,158,338) |
| Korean Boleo Corporation on S.A. de C.V. | 1,946,751,745 | 496,788,248,647 | - | (1,039,940,680,270) | (1,039,940,680,270) |
| KOMIR Mongolia, LLC | 1,384,087,784 | 7,789,862 | 64,346,439 | (33,535,720) | (46,866,005) |

(*1) The financial information presented above is before the elimination of intra-group transactions.
(*2) The comparative profit or loss for the prior period has been restated to reflect the classification of discontinued operations as of December 31, 2025.
(*3) It represents the financial information (profit or loss) on the subsidiary over which the Company lost control for the year ended December 31, 2025, covering the period up to the date of disposal.

| | 2024 | | | | |
|---|---|---|---|---|---|
| Subsidiary(*1) | Total assets | Total liabilities | Sales | Profit (loss) before tax | Net profit (loss) for the year |
| KORES Australia Pty. Ltd. and its subsidiaries | ₩ 163,376,483,424 | ₩ 6,657,558,601 | ₩ 90,123,632 | ₩ 2,012,362,449 | ₩ 12,652,716,610 |
| KORES Canada Corp. and its subsidiaries | 72,433,914,017 | 170,989,592 | - | 378,663,025 | 378,663,025 |
| SARISBURY LIMITED | - | 76,245,936 | - | (18,596,231) | (18,596,231) |
| Prime Asia Resources(*2) | - | - | - | 542,690,578 | 542,690,578 |
| Ermani Ltd. | 15,202,740 | 128,341,290 | - | (26,801,765) | (26,801,765) |
| Minera Metalurgica del Boleo(MMB) | 298,565,180,258 | 3,038,886,910,713 | 198,199,074,329 | (304,591,539,822) | (304,591,539,822) |
| KOMIR Mongolia, LLC | 1,541,720,082 | 11,818,864 | 97,348,198 | (32,791,778) | (46,477,800) |

(*1) The financial information presented above is before the elimination of intra-group transactions.
(*2) It was liquidated for the year ended December 31, 2024 and the amounts stated above present the entity's profit or loss incurred before the date of liquidation.

(3) Changes in the scope of consolidation for the year ended December 31, 2025 are as follows:

| Subsidiary | Status of Change | Reason for Change |
|---|---|---|
| SARISBURY LIMITED | Excluded | Disposal of interests |
| Minera Metalurgica del Boleo(MMB) | Excluded | Disposal of interests |
| Korean Boleo Corporation on S.A. de C.V. | Included | Acquisition of additional interests |

## 2. Basis of preparation and accounting policies

### 2.1 Basis of preparation

The Company and its subsidiaries (collectively referred to as the "Group") maintain the official accounting records in Korean won (presented as "Korean Won," "KRW" or "₩") and prepare its statutory financial statements in Korean language in accordance with Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions in the Republic of Korea. In accordance with Article 2-5 of the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions, International Financing Reporting Standards as adopted by the Republic of Korea ("KIFRS") shall be applied where accounting provisions are not specified in Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions. There are no significant matters applied differently from KIFRS in the financial statements under the standards.

(1) Accounting policies applied by the Group that are specified by Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions are as follows:

**Government grants (Article 44)**
Government grants used for the acquisition of assets are recognized as a deduction from the assets and are recognized in profit or loss over the useful life of the assets as a reduction to depreciation. Government grants received by the Group to fulfil government-mandated specific purposes through entrusted operations or specific laws and regulations, or as a compensation for government price controls, are recognized in operating income. Among the grants and consignment management services designated by Article 48, the unused amounts can be accounted for as a deduction to the related assets.

**Recognition of revenue and expenses related to consignment and management services (Article 48)**
The Group recognizes funds received from the government for consignment and management services as revenue and expenses as the associated project progresses, or as assets and liabilities without offsetting them.

**Contribution to the Employee Welfare Fund (Article 49)**
The Group contributes to the employee welfare fund and contributions are recognized as selling, general and administrative expenses in accordance with *Framework Act on Labor Welfare* of the Republic of Korea.

(2) Other than those mentioned in 2.1(1), the standards in KIFRS are applied.

### 2.2 New standards and interpretations not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below.

**Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures* – *Classification and Measurement of Financial Instruments***
The amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures* regarding the classification and measurement of financial instruments include the following:

- clarification that financial liabilities are derecognized on the settlement date, and the introduction of an accounting policy choice to derecognize financial liabilities settled via electronic payment systems prior to the settlement date, provided specific criteria are met;
- additional guidance on assessing the contractual cash flow characteristics of financial assets with ESG-linked or similar features;
- clarification on what constitutes non-recourse features and the characteristics of contractually linked instruments; and
- introduction of disclosure requirements for financial instruments with contingent features and additional disclosure requirements for equity instruments measured at fair value through other comprehensive income (FVOCI).

These amendments are effective for annual periods beginning on or after January 1, 2026. Early application is permitted, and entities may choose to early adopt only the amendments related to the classification of financial assets and the associated disclosures. The Group does not currently plan to early adopt these amendments.

**2.2 New standards and interpretations not yet effective (cont'd)**

**Annual Improvements to KIFRS Standards - Volume 11**
Annual Improvements to K-FRS Standards - Volume 11 were issued to enhance consistency among the requirements of the standards, clarify ambiguous points, and improve understandability. The main amendments include:

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

These amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. If an entity applies these amendments early, that fact shall be disclosed. These amendments are not expected to have a material impact on the Group's financial statements.

**Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures - Contracts for Renewable Electricity***
The amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures* regarding contracts for renewable electricity (contracts for electricity that are nature-dependent) have been issued. The key features of the amendments are as follows:

- clarification on the application of the "own-use" requirements for contracts within the scope;
- amendments to the requirements for designating a hedged item in a cash flow hedge relationship for contracts within the scope; and
- addition of new disclosure requirements to enable investors to understand the effects of these contracts on the entity's financial performance and cash flows.

These amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. If an entity applies these amendments early, that fact shall be disclosed. The amendments regarding the "own-use" exception are to be applied retrospectively, while the amendments related to hedge accounting are to be applied prospectively to new hedging relationships designated after the date of initial application. Furthermore, the disclosure amendments to KIFRS 1107 must be applied in conjunction with the amendments to KIFRS 1109. If comparative information is not restated, comparative disclosures cannot be provided.

**KIFRS 1118 *Presentation and Disclosure in Financial Statements***
KIFRS 1118 *Presentation and Disclosure in Financial Statements* has been issued, replacing KIFRS 1001 *Presentation of Financial Statements*. KIFRS 1118 introduces new requirements for the presentation of the statement of profit or loss, including specific totals and subtotals. Under the new standard, the Group is required to classify all income and expenses in the statement of profit or loss into one of five categories: operating, investing, financing, income taxes, and discontinued operations, the first three of which are newly defined categories.

KIFRS 1118 also requires the disclosure of newly defined Management-defined Performance Measures (MPMs) and subtotals of income and expenses. It includes new requirements for aggregating and disaggregating financial information based on identified 'roles' for the primary financial statements and the notes.
In addition, following the issuance of this standard, narrow-scope amendments have been made to KIFRS 1007 *Statement of Cash Flows*. For instance, the starting point for calculating operating cash flows using the indirect method has been changed from net income to operating profit or loss, and the options for the classification of cash flows arising from dividends and interest have been removed. Several other standards have also undergone consequential amendments.

KIFRS 1118 and the amendments to other standards are effective for reporting periods beginning on or after

**2.2 New standards and interpretations not yet effective (cont'd)**

January 1, 2027. Early application is permitted and must be disclosed. KIFRS 1118 must be applied retrospectively upon initial application.

The Group is currently assessing the impact that the amendments will have on the primary financial statements and the notes. The items expected to have a material impact on the Group's financial statements upon initial application are as follows:

- rental income, changes in the fair value of investment properties, and the share of profit or loss of associates and joint ventures will be classified in the investing category in the statement of profit or loss; and
- foreign exchange differences will be classified in the same category as the income and expenses of the items that gave rise to those foreign exchange differences.
- The following new disclosures will be added:
  1) Management-defined Performance Measures (MPMs);
  2) specific expenses by nature, in cases where expenses are presented by function within the operating category of the statement of profit or loss; and
  3) a reconciliation between the amounts restated by applying KIFRS 1118 and the amounts previously presented by applying KIFRS 1001 for each line item in the statement of profit or loss.
- In the statement of cash flows, interest received and interest paid will be classified as investing activities and financing activities, respectively.

**2.3 New and amended standards and interpretations**

The Group applied the following standards and amendments for the first time for its reporting period commencing on January 1, 2025:

**Amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability***
The amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are effective for annual periods beginning on or after January 1, 2025, clarify how an entity assesses whether a currency is exchangeable into another currency and how it determines the spot exchange rate when exchangeability is lacking.

Furthermore, these amendments require an entity to disclose information that enables users of financial statements to understand how a currency that is not exchangeable affects, or is expected to affect, the entity's financial performance, financial position, and cash flows. These amendments do not have a material impact on the Group's financial statements.

**Amendments to KIFRS 1117 *Insurance Contracts – Disclosure of Estimation Techniques for Inputs Used in Measuring Insurance Contracts***
The amendments to KIFRS 1117 *Insurance Contracts*, which are effective for annual periods ending on or after December 31, 2025, address situations where an entity lacks sufficient historical data or experience for certain insurance products and is required to use principled estimation techniques in accordance with insurance-related laws and regulations.

In such cases, if information regarding the difference between the estimation techniques for inputs used by the entity and the principled estimation techniques required by regulations is deemed relevant and material to the users of financial statements, the amendments require the disclosure of the following:

- the estimation techniques for inputs used based on the entity's significant judgments, the basis for such judgments, and the details of the differences from the principled estimation techniques required by regulations; and
- the impact on the estimated future cash flows, contractual service margin (CSM), insurance revenue, and insurance service expenses if the principled estimation techniques required by regulations were applied.

**2.3 New and amended standards and interpretations (cont'd)**

These amendments are effective until the fiscal year including December 31, 2029. These amendments do not have a material impact on the Group's financial statements.

**2.4 Material accounting policy information**

Material accounting policies in accordance with KIFRS applied by the Group in the preparation of its consolidated financial statements are summarized below.

The consolidated financial statements have been prepared on a historical cost basis, except for certain non-current assets and financial assets. Historical cost is based on the fair value of the consideration given in exchange for assets.

**(1) Basis of consolidation**

The consolidated financial statements of the Group include the financial statements of the Company and its subsidiaries (including Special Purpose Companies) controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used in the Group.

All intragroup transactions, balances, income and expenses are eliminated in full upon consolidation.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control over a subsidiary, the income or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed the relevant assets (i.e., reclassified to income or loss or transferred directly to retained earnings). Any interest retained in the former subsidiary is measured at fair value when control is lost, and investments in associates or joint ventures measured at cost where appropriate, in accordance with KIFRS 1109 *Financial Instruments*.

## 2.4 Material accounting policy information (cont'd)

### (2) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. An entity is considered to have significant power when one or more among the followings is applicable:

① being able to participate in the Board of Directors' meetings or any other decision making meeting equivalent thereto; ② being able to participate in the process of making decisions including distribution of dividends or others; ③ significant transactions exist between the entity and the investee; ④ mutual interchange between managements; and ⑤ providing essential technical information.

The profit (loss) for the period and assets and liabilities of associates are included in the consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with KIFRS 1105 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of the associate.

When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and assessed for impairment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with KIFRS 1036 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less cost of sales) with its carrying amount. An impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the net investment in the associate. Any reversal of that impairment loss is recognized in accordance with KIFRS 1036 to the extent that the recoverable amount of the investment subsequently increases.

When the Group transacts with its associate, income and losses resulting from the sales transactions with the associate are adjusted to eliminate any unrealized gain or loss and recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

### (3) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. In order to be classified as held for sale, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

Management must be committed to a plan to sell the asset (or disposal group), and the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. The assets or disposal group that are classified as non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost of sales.

## 2.4 Material accounting policy information (cont'd)

### (4) Foreign currencies

Items included in the separate financial statements of each entity in the scope of consolidation are measured using the currency of the primary economic environment in which the entity operates (i.e., the "functional currency"). The Group prepares its consolidated financial statements in Korean won, which is the functional currency and presentation currency of the Group.

Transactions in foreign currencies are initially recorded by the entities in the scope of consolidation at their respective functional currency spot rates at the date of the transaction recorded. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined, while non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Assets and liabilities for each statement of financial position presented (i.e., including comparatives) are translated at the closing rate at the date of that statement of financial position, presented in Korean won. Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e., including comparatives) are translated at the average exchange rates of the period, if the rates are not significantly fluctuated during the current period to the extent that there's a need to use the respective functional currency spot rates at the date the transaction first qualifies for recognition, and all resulting exchange differences are recognized in other comprehensive income and accumulated in equity (or allocated appropriately in non-controlling interest).

On the disposal of a foreign operation, (i.e., a disposal of an entity's entire interest in a foreign operation, a partial disposal that involves the loss of control of a subsidiary that includes a foreign operation, a disposal that involves the loss of joint control of a jointly controlled entity that includes a foreign operation, a disposal that involves the loss of significant influence of an associate that includes a foreign operation), the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognized for controlling entity. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the non-controlling interests shall be derecognized, but shall not be reclassified in profit or loss.

### (5) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost or property, plant and equipment includes expenditures arising directly from the construction or acquisition of the asset, any costs directly attributable to brining the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are recognized in the carrying amount of property, plant and equipment, if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

**2.4 Material accounting policy information (cont'd)**

Property, plant and equipment, except for land, are depreciated on a straight-line basis over the following estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed.

| | Useful life | Amortization methods |
|---|---|---|
| Buildings | 10 - 40 years | Straight-line method |
| Structures | 10 - 40 years | Straight-line method |
| Machinery | 5 - 40 years | Straight-line method |
| Vehicles | 5 - 10 years | Straight-line method |
| Others | 1 - 10 years | Straight-line method |
| Right-of-use assets | 2 - 5 years | Straight-line method |

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting date and adjusted, if appropriate. The change is accounted for as a change in an accounting estimate.

Property, plant and equipment are derecognized upon disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a property, plant and equipment, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in income or loss when the asset is derecognized.

**(6) Investment properties**

The real estate to obtain rental income or capital appreciation are classified as investment properties. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses.

Subsequent costs are recognized in carrying amount of the asset or as a separate asset if it is probable that future economic benefits associated with the assets will flow into the Group and the cost of an asset can be measured reliably. A carrying amount of an asset replaced by subsequent costs is derecognized. Routine maintenance and repairs are expensed as incurred.

Investment properties consist of land which is not depreciated. Investment properties except land are depreciated using a straight-line method over 40 years of useful life.

Investment properties are derecognized upon disposal, or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

**(7) Intangible assets**

**Intangible assets acquired separately**
Intangible assets with a finite useful life that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period and adjusted, if appropriate. The change is accounted for as a change in an accounting estimate. Intangible assets with an indefinite useful life that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets are amortized over the estimated useful life using the methods as follows:

| | Useful life | Amortization methods |
|---|---|---|
| Software | 10 years | Straight-line method |
| Industrial proprietary rights | 7 years | Straight-line method |
| Mining right | Terms of use | Unit of production method |

## 2.4 Material accounting policy information (cont'd)

**Derecognition of intangible assets**
An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

**(8) Leases**

The Group as a lessor classifies and accounts for leases as either a finance or operating lease, depending on the contractual terms in substance.

The Group as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

For a contract that is, or contains, a lease, the Group shall account for each lease component within the contract as a lease separately from non-lease components of the contract. As a practical expedient, the Group as a lessee elects not to separate non-lease components from lease components, and instead accounts for each lease component and any associated non-lease components as a single lease component.

**Group as a lessor**

A lease in which the risks and rewards of ownership of the underlying asset are transferred to the Group is classified as a finance lease, and leases in which the risks and rewards of ownership of the underlying asset are not transferred to the Group are classified as an operating lease.

The Group provides its investment property as a lease and classifies it as an operating lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date) and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**- Right-of-use assets**
The Group recognizes right-of-use assets at the commencement of the lease. Right-of-use assets are measured at cost, after deducting accumulated depreciation and accumulated impairment losses, and adjusted if remeasurement of lease liabilities occurs. The cost of the right-of-use asset includes the amount of the recognition of the lease liability and the amount of the initial direct cost, and the lease advance payment or incentive paid before the commencement of the lease payments. If the Group is not reasonably expected to obtain ownership of the leased asset at the end of the lease term, the right-of-use asset is depreciated on a straight-line basis over the shorter period of the estimated useful life and lease term. The Group performs an impairment review of right-of-use assets.

**- Lease liabilities**
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

## 2.4 Material accounting policy information (cont'd)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**- Short-term leases and leases of low-value assets**
The Group applies the short-term lease recognition exemption to its short-term leases of vehicles. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term. Refer to Note 25 for the carrying amount of the right-of-use assets and lease liabilities and the changes therein during the reporting period.

### (9) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories, except for those in transit, is measured under the weighted average method and consists of the purchase price, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of inventories sold in the period and the amount of any write-down of inventories to net realizable value and all losses of inventories in the period; less the amount of any reversal in the period of any write-down of the inventories, arising from an increase in net realizable value, are recognized as an expense during the period. When there is an increase in net realizable value, the amount of the write-down is reversed and deducted from cost of sales.

### (10) Impairment of property, plant and equipment and intangible assets except for goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the recoverable amount is not estimated, in which the cash-generating unit (CGU) that the asset is allocated shall be estimated for the recoverable amount. The corporate assets are allocated on a reasonable and consistent basis to the individual CGUs, and if cannot be allocated to the individual CGUs, the Group allocates the corporate asset on a reasonable and consistent basis to the smallest group of CGUs. The Group performs the impairment test for an intangible asset with an indefinite useful life or an intangible asset not yet available for use annually irrespective of whether there is any indication of impairment. The recoverable amount is defined as the higher of an asset's or cash-generating unit's net fair value (fair value less costs of disposal) and its value-in-use. If, and only if, the recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to this recoverable amount. That reduction is recognized immediately in profit or loss.

When reversing the impairment loss in prior periods, the carrying amount of an asset (or cash-generating unit) shall be lower of the modified recoverable amount and the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. Reversed amount should be accounted as profit or loss immediately.

## 2.4 Material accounting policy information (cont'd)

### (11) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### (12) Financial assets

#### 1) Classification

The Group 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 Group'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 Group reclassified debt investments when, and only when its business model for managing those assets changes. For investments in equity instruments that are not held for trading, this will depend on whether the Group 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 non-designated equity instruments are recognized immediately in profit or loss.

## 2.4 Material accounting policies (cont'd)

### 2) Measurement

At initial recognition, the Group 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### A. Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group 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 included in 'finance income or cost' and impairment loss is included in 'finance cost'.
- **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 statement of income within finance income or cost in the year in which it arises.

#### B. Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments, which held for long-term investment or strategic purpose, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividend income from such investments continue to be recognized in profit or loss as finance income 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 finance income or cost in the statement of income 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.

### 3) Impairment of financial assets

In respect of the impairment of financial assets, the Group accounts for expected credit losses at each reporting date and changes in those expected credit losses to reflect changes in credit risk since initial recognition. That is, it is not necessary for a credit event to have occurred before credit losses are recognized.

The Group shall recognize expected credit losses as an allowance for doubtful accounts under KIFRS 1109.

**2.4 Material accounting policies (cont'd)**

**4) Derecognition**

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

**(13) Financial liabilities and equity instruments**

**1) Liability and equity classification**

Debt instruments and equity instruments are classified to a financial asset or an equity according to the substance of a contract.

**2) Equity instruments**

Equity instruments include all contracts that represent a residual interest (the Group's any asset less any liability). The Group recognizes the equity instruments as net amount that the issued price less the transaction costs that are directly attributable.

**3) Finance liabilities**

The Group classifies financial liabilities into financial liabilities at fair value through profit or loss or other financial liabilities.

**4) Financial guarantee contracts**

Financial guarantee liabilities shall be initially measured at fair value, an issuer of such a contract shall subsequently measure it at the higher of;

- the amount of the loss allowance determined in accordance with the impairment requirements; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principle of KIFRS 1115 *Revenue from Contracts with Customers*.

**5) Derecognition of financial liabilities**

The Group derecognizes a financial liability from the consolidated statement of financial position when it is extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires). The difference between carrying amount and consideration paid is recognized through profit or loss when derecognizing a financial liability.

**(14) Provisions**

Provisions are recognized (i) when the Group has a present obligation (legal or constructive) as a result of a past event; (ii) it is probable that the Group will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation.

## 2.4 Material accounting policies (cont'd)

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material). Provisions for estimated future costs are discounted using a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability. Increase in the provision due to the passage is recognized in profit or loss as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

At the end of each reporting period, the remaining provision balance is reviewed and assessed to determine if the current best estimate is being recognized. If the existence of an obligation to transfer economic benefit is no longer probable, the related provision is reversed during the period.

**A. Guarantee of performance obligation**
The present obligation under the guarantee agreement is recognized and measured as provision, as follows.

To use land for mining purposes, a mining operator must obtain a permit from the land use permit agency for the land (terrain) under the *Management of Mountainous Districts Act* and *National Land Planning and Utilization Act* of the Republic of Korea. During this process, the permit agency requires the mining operator to pay a land restoration deposit ("Forest recovery deposit") for the restoration of any land (terrain) that may be damaged by the mining operator during the mining process.

In relation to the payment of the Forest recovery deposit by mining operators, based on the Notice dated August 23, 2006 issued by the Ministry of Trade, Industry and Energy of Korea, 30-60% of the payment can be made in installments over an extended period of time. The Group's guarantees are provided pursuant to the provisions of Article 8, Paragraph 1, Item 6 of the 'Korea Mine Rehabilitation and Mineral Resources Corporation Act' and the Notification of the Ministry of Trade, Industry and Energy (No. 2022-15).

Based on reliably estimated expenses, the Group recognizes provision for the performance obligation for post-process, restoration, and cleanup costs for mining sites where an accident within the guarantee scope has occurred or is likely to occur. The Group recognizes a non-current provision based on the estimates. In addition, at the end of the reporting period, the Group sets aside reserves to settle the provision in the future.

**B. Employment performance bonuses**
The Ministry of Strategy and Finance performs institutional evaluation based on the annual performance of the company, and incentives are paid based on these results. Performance bonuses are based on reasonable estimates made in accordance with KIFRS 1037 and are presented as employee benefit provision.

## 2.4 Material accounting policy information (cont'd)

### (15) Derivative financial instruments

The Group entered into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including interest swap and currency swap. Derivatives are initially recognized at fair value at the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which case, the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Derivatives are classified non-current assets or liabilities, when the remaining maturities are longer than twelve months, or when they are due not to be settled within twelve months. Other derivatives are presented as current assets or liabilities.

#### 1) Hedge accounting

There are three types of hedging accounting in the hedge accounting model (fair value hedge, cash flow hedge, hedge of a net investment in a foreign operation). But more flexibilities are introduced to the eligible types of the hedging accounting, and the type of eligible hedging instruments and the risk factors of the non-financial items are enlarged. Furthermore, the regulations related to effectiveness testing are overhauled and replaced with the principle of an 'economic relationship' between the hedged item and the hedging instrument. Retroactive assessment of hedge effectiveness is no longer required.

#### 2) Fair value hedge

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognized in profit or loss. The gain or loss from remeasuring the hedging instrument at fair value for a derivative hedging instrument and the gain or loss on the hedged item attributable to the hedged risk are recognized in profit or loss in the same line item of the consolidated statement of comprehensive income. However, the Group elected to present the changes in the fair value as other comprehensive income at the date of initial recognition, the gain or loss from re-measuring the hedging instrument at fair value for a derivative hedging instrument and the gain or loss on the hedged item attributable to the hedged risk are recognized in other comprehensive income.

If the hedge relationship no longer meets the requirements for hedge effectiveness related to the hedge ratio, but the objectives of risk management for the designated hedge relationship remain the same, the hedging ratio of the hedge relationship should be adjusted (i.e., readjustments). The Group discontinues fair value hedge accounting if the hedging instrument extinguishes, expires or is sold, terminated or exercised or even after considering re-adjustments, or if the hedge no longer meets the criteria for hedge accounting. Any adjustment arising from gain or loss on the hedged item attributable to the hedged risk is amortized to profit or loss from the date the hedge accounting is discontinued.

Gains and losses on the valuation of hedging instruments previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the period in which the hedged item is recognized in profit or loss, with the reclassified amount recognized in the line item related to the hedged item in the consolidated statement of comprehensive income. However, when a non-financial asset or non-financial liability is recognized in future periods as a result of the forecast transaction being hedged, the gain or loss on the hedging instrument previously recognized in other comprehensive income and accumulated in equity is removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

**2.4 Material accounting policies (cont'd)**

**(16) Revenue from Contracts with Customers**

**A. Sale of goods**
The Group recognizes revenue when the control over the goods or service is transferred to the customer.

**B. Interest income**
The Group operates business that involves the financing of domestic resource development projects and generates loan receivables, recognizes interest income under the effective interest rate method over time.

**(17) Employee compensation**

Contributions to defined contribution plans are expensed as incurred, which is when the employees render service.

For defined benefit plans and other post-employment benefits, the net periodic pension expense is actuarially determined on an annual basis 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 to maturity approximating the terms of the related pension liability. However, in the absence of a liquid market for such corporate bonds, the market yield of government bonds at closing date is utilized.

All actuarial gains and losses that arise in calculating the present value of the defined benefit obligation and the fair value of plan assets are recognized immediately in retained earnings and included in the statement of comprehensive loss with no subsequent reclassification to profit or loss. The vested portion of past service cost arising from plan amendments is recognized immediately in profit and loss. The unvested portion is amortized on a straight-line basis over the average remaining period until the benefits become vested.

The asset or liability recognized in the consolidated statement of financial position is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognized past service costs. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

**(18) Income taxes**

**A. Current income tax**
Current and deferred tax liabilities (assets) for the current and prior periods are measured based on the amounts expected to be paid (refunded) to the tax authorities, using enacted or substantively enacted tax rates (and regulations) as of the end of the reporting period.

Income taxes related to items directly reflected in equity are recognized in equity and are not reflected in profit or loss. Management periodically assesses the recoverability of tax refunds considering interpretations of relevant tax regulations, and recognizes provisions if necessary.

**B. Deferred income tax**
Deferred tax is recognized for the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**2.4 Material accounting policy information (cont'd)**

A deferred tax liability shall be recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit (tax loss) at the time of the transaction; and
- the parent, investor, joint arrangements or joint operator 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.

A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless:

- the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit (tax loss) at the time of the transaction; and
- deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, and it is not probable that the temporary difference will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current tax and deferred tax shall be recognized outside profit or loss if the tax relates to items that are recognized, in the same or a different period, outside profit or loss. Deferred tax shall be recognized in other comprehensive income or directly in equity, depending on the recognized items.

An entity shall recognize the potential benefit acquired when it did not satisfy the criteria for separate recognition when a business combination is initially accounted for but realizes after that the acquired deferred tax benefits recognized within the measurement period result from new information about facts and circumstances that existed at the acquisition date. This shall be applied to reduce the carrying amount of any goodwill related to that acquisition. If the carrying amount of that goodwill is zero, any remaining deferred tax benefits shall be recognized in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**(19) Exploration and evaluation assets**

The Group is engaged in exploration projects for mineral resources through subsidiaries, associates and joint ventures or other contractual arrangements. Expenditures for topographical studies, geological studies, geochemical studies, geophysical studies and drilling related to the development of mineral resources are recognized as exploration and evaluation assets. These assets are reclassified as intangible assets when it is proved that the exploration has identified commercially viable mineral deposits.

### 2.4 Material accounting policy information (cont'd)

#### (20) Minerals held in reserve

The Group stockpiles mineral resources, including rare metals, to stabilize domestic demand and market prices. These assets are classified mineral resource stockpiles (non-current non-financial assets), and their cost is determined using the moving-average method.

## 3. Material accounting judgments, estimates and assumptions

The Group makes assumptions and estimates concerning the future. Assumptions and estimations are verified continuously based on the past experience and reasonably expected future event. This accounting estimation, however, could be different from actual results. Assumptions and estimations for significant risks which may cause adjustments to the carrying amounts of assets and liabilities are as follows:

### 3.1 Taxes

The Group carries on businesses in a variety of countries and income tax expense coming from operating activities is calculated by the relevant tax laws of different jurisdictions. Accordingly, there are uncertainties in determining the final tax effect on taxable income. The Group recognizes expected corporate tax effect as current corporate tax expense and deferred corporate taxes using the best estimation. Actual corporate tax levied, however, may not be consistent with related assets or liabilities, which may cause changes in assets or liabilities at the time when the tax effect is confirmed.

### 3.2 Fair value of financial instruments

The fair value of financial instruments which are not traded in an active market is principally decided using valuation method. The Group selects various valuation methods and makes judgments about assumptions based on key market circumstances as of December 31, 2024.

### 3.3 Provision

The Group recognizes provision for employee performance bonus as a result of the assessment in accordance with guidelines from the Ministry of Strategy and Finance of Korea (see Note 2.4.(14)).

### 3.4 Defined benefit obligations

The present value of the defined benefit obligations can be changed depending on various factors determined using actuarial valuations. Assumptions used for determining the net cost of retirement benefits (return) include the discount rates, where changes in assumptions will lead to changes in the present value of the defined benefit obligations. The Group determines a discount rate every year-end, which is the interest rate used to decide the present value of expected future cash outflows.

The Group determines the discount rate using the interest rate of outstanding corporate bonds with similar maturity profiles with the pension obligation. Other assumptions related with the pension obligation are based on market circumstances (see Note 26).

### 3.5 Management's judgements

Information about management's judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes.

- Note 15 : Investments in associates and joint ventures
- Note 18 : Investments in joint operations

## 3. Material accounting judgments, estimates and assumptions (cont'd)

### 3.6 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes.

- Note 15 : Investments in associates and joint ventures
- Note 18 : Investments in joint operations
- Note 27 : Provisions
- Note 42 : Tax
- Note 52 : Material uncertainty of going concern

## 4. Operating segment information

The Group operates separate accounts for its own and overseas assets, in accordance with the *Korea Mine Rehabilitation and Mineral Resources Corporation Act.*

The summary of the Group's financial information by reportable segment as of December 31, 2025 and 2024 and for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | As of and for the year ended December 31, 2025 | | |
|---|---|---|---|
| | Own assets account | Overseas assets account | Total |
| Total segment sales | ₩ 350,083,268,057 | ₩ 271,819,839,527 | ₩ 621,903,107,584 |
| Sales from external customers | 350,083,268,057 | 271,819,839,527 | 621,903,107,584 |
| Depreciation | 10,650,456,170 | 36,219,657,395 | 46,870,113,565 |
| Amortization | 2,183,416,796 | 2,321,172 | 2,185,737,968 |
| Operating loss | (79,429,531,962) | (6,515,655,617) | (85,945,187,579) |
| Total segment assets | 3,397,627,705,461 | 1,505,805,786,169 | 4,903,433,491,630 |
| Investments in associates and joint ventures | 1,560,655,750,710 | 70,380,203,490 | 1,631,035,954,200 |
| Total segment liabilities | 86,232,447,141 | 7,979,086,777,638 | 8,065,319,224,779 |

| | As of and for the year ended December 31, 2024 | | |
|---|---|---|---|
| | Own assets account | Overseas assets account | Total |
| Total segment sales(*) | ₩ 420,669,126,078 | ₩ 337,249,856,122 | ₩ 757,918,982,200 |
| Sales from external customers(*) | 420,669,126,078 | 337,249,856,122 | 757,918,982,200 |
| Depreciation(*) | 10,798,525,153 | 52,668,613,411 | 63,467,138,564 |
| Amortization(*) | 2,427,449,774 | 475,091,829 | 2,902,541,603 |
| Operating loss(*) | (66,857,424,479) | (1,230,064,282) | (68,087,488,761) |
| Total segment assets | 2,889,521,948,043 | 1,931,530,927,967 | 4,821,052,876,010 |
| Investments in associates and joint ventures | 1,527,037,092,530 | 225,952,737,297 | 1,752,989,829,827 |
| Total segment liabilities | 68,408,805,515 | 8,515,655,254,194 | 8,584,064,059,709 |

(*1) For the year ended December 31, 2025, the Group disposed of its entire equity interests in SARISBURY LIMITED and Minera Metalurgica del Boleo (MMB). Additionally, the Group classified its joint operations related to the Wyong, Togara North, and Narrabri projects in Australia as assets held-for-sale, and accordingly, classified these projects as discontinued operations. The comparative prior period segment profit or loss has been restated to reflect the classification of discontinued operations as of December 31, 2025 (refer to Note 44).

## 4. Operating segment information (cont'd)

The information on continuing sales from the Group's external customers, which are segmented by region, is as follows (Korean won):

| | 2025 | | |
|---|---|---|---|
| | Account for own asset | Account for overseas assets | Total |
| Korea | ₩ 350,018,921,618 | ₩ 271,330,388,450 | ₩ 621,349,310,068 |
| Australia | - | 489,451,077 | 489,451,077 |
| Mongolia | 64,346,439 | - | 64,346,439 |
| | ₩ 350,083,268,057 | ₩ 271,819,839,527 | ₩ 621,903,107,584 |

| | 2024 | | |
|---|---|---|---|
| | Account for own asset | Account for overseas assets | Total |
| Korea | ₩ 420,571,777,880 | ₩ 337,159,732,490 | ₩ 757,731,510,370 |
| Australia(*) | - | 90,123,632 | 90,123,632 |
| Mongolia | 97,348,198 | - | 97,348,198 |
| | ₩ 420,669,126,078 | ₩ 337,249,856,122 | ₩ 757,918,982,200 |

(*) The comparative prior period revenue from external customers for continuing operations has been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 4. Operating segment information (cont'd)

Details of customers from whom sales represent 10% or more of the Group's total sales for each of the two years ended December 31, 2025 are as follows (Korean won):

| | 2025 | | |
|---|---|---|---|
| | Account for own asset | Account for overseas assets | Total |
| POSCO INTERNATIONAL | ₩ - | ₩ 199,690,412,500 | ₩ 199,690,412,500 |
| Korea Energy Agency | 218,286,416,878 | - | 218,286,416,878 |
| | ₩ 218,286,416,878 | ₩ 199,690,412,500 | ₩ 417,976,829,378 |

| | 2024 | | |
|---|---|---|---|
| | Account for own asset | Account for overseas assets | Total |
| POSCO INTERNATIONAL | ₩ - | ₩ 224,810,991,829 | ₩ 224,810,991,829 |
| COMPROMIN SA DE CV | - | 171,538,470,563 | 171,538,470,563 |
| STX Japan Corporation | - | 88,455,503,309 | 88,455,503,309 |
| Korea Energy Agency | 279,219,554,326 | - | 279,219,554,326 |
| | ₩ 279,219,554,326 | ₩ 484,804,965,701 | ₩ 764,024,520,027 |

## 5. Cash and cash equivalents

Cash and cash equivalents presented in the consolidated statement of cash flows include cash on hand, bank deposits but exclude bank overdrafts. Cash and cash equivalents on the consolidated statements of financial position as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Cash and cash equivalents | ₩ 357,348,999,274 | ₩ 473,415,947,578 |
| Less: government grants | (1,579,971,338) | (397,760,000) |
| Less: entrusted business funds | (11,522,908,987) | (10,336,332,418) |
| | ₩ 344,246,118,949 | ₩ 462,681,855,160 |

## 6. Cash and cash equivalents with restriction for use

As of December 31, 2025 and 2024, details of cash and cash equivalents and other short-term financial assets restricted for use are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 | |
|---|---|---|---|
| Cash and cash equivalents - entrusted business funds | ₩ 11,522,908,987 | ₩ 10,336,332,418 | Designated in relation to trusting task (*1) |
| Cash and cash equivalents - government grants | 1,579,971,338 | 397,760,000 | Designated in relation to government subsidy(*2) |
| Cash and cash equivalents - special purpose business | 59,978,999,378 | 206,928,776,931 | Designated in relation to special purpose business(*3) |
| Short-term financial assets - special purpose business | 344,971,970,949 | 12,000,000,000 | |
| Short-term financial assets | 330,416,935 | 314,140,544 | Collateral |
| | ₩ 418,384,267,587 | ₩ 229,977,009,893 | |

(*1) The funds shall only be used for the tasks entrusted from Korea International Cooperation Agency, etc.
(*2) The funds shall only be used in relation to the government grants on the project for abandoned mines.
(*3) The funds shall only be used for guarantee of obligation and purchases of mineral reserves.

## 7. Derivatives

Details of derivatives as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-Current | Current | Non-Current |
| Derivative assets | | | | |
| Currency and interest rate swaps | ₩ - | ₩ 624,858,748 | ₩ - | ₩ - |
| Derivative liabilities | | | | |
| Currency and interest rate swaps | 386,984,172 | 54,993,896,940 | 26,540,928,462 | 56,418,960,508 |

Details of currency and interest rate swaps as of December 31, 2025 are as follows (Korean won):

Derivatives not designated as hedging instruments (Held-for-trading)

| | Counterpart | Contract period | Amount | Contract interest rate | |
|---|---|---|---|---|---|
| | | | | Sell | Purchase |
| Held for trading | Hana Financial Investment | Feb. 14, 2020~ Feb. 26, 2040 | AUD 60,000,000 | USD 40,320,000, 2.42%(in 5years), 6M SOFR+1.61%(afterwards) | AUD 60,000,000 (3.01%) |
| Held for trading | Hana Financial Investment | Jul. 6, 2020~ Jul. 13, 2040 | USD 60,000,000 | 1.95%(in 5years), 6M SOFR+2.78%(afterwards) | Fixed interest rate 3.20% |
| Held for trading | Hana Bank | Jul. 14, 2023~ Jul. 14, 2026 | KRW 100,000,000,000 | 4.16% | 3M CD + 0.57% |
| Held for trading | Hana Bank | Jan. 14, 2025~ Jan. 14, 2028 | KRW 200,000,000,000 | 3.30% | 3M CD + 0.53% |

Gains (losses) on derivative transactions for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Gain (loss) on valuation | Gain (loss) on settlement | Gain (loss) on valuation | Gain (loss) on settlement |
| Currency swaps | ₩ 2,106,508,098 | ₩ 1,445,316,059 | ₩ (24,213,293,934) | ₩ (6,545,313,083) |
| Interest rate swaps | (443,569,954) | (227,515,603) | (9,775,400,523) | (216,347,465) |
| | ₩ 1,662,938,144 | ₩ 1,217,800,456 | ₩ (33,988,694,457) | ₩ (6,761,660,548) |

## 8. Trade and other receivables

Details of trade and other receivables as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Gross amounts | Allowance for doubtful accounts | Book value |
| Current assets: | | | |
| Trade receivables | ₩ 430,397,875 | ₩ - | ₩ 430,397,875 |
| Other receivables | 23,577,749,128 | (1,509,439,558) | 22,068,309,570 |
| Accrued income | 8,329,461,838 | (3,828,995,196) | 4,500,466,642 |
| Deposits | 2,869,800,000 | - | 2,869,800,000 |
| | ₩ 35,207,408,841 | ₩ (5,338,434,754) | ₩ 29,868,974,087 |
| Non-current assets: | | | |
| Other receivables | ₩ 49,042,798,459 | ₩ (49,042,798,459) | ₩ - |
| Deposits | 5,359,521,904 | - | 5,359,521,904 |
| | 54,402,320,363 | (49,042,798,459) | 5,359,521,904 |
| | ₩ 89,609,729,204 | ₩ (54,381,233,213) | ₩ 35,228,495,991 |

## 8. Trade and other receivables (cont'd)

| | December 31, 2024 | | |
|---|---|---|---|
| | Gross amounts | Allowance for doubtful accounts | Book value |
| Current assets: | | | |
| Trade receivables | ₩ 861,439,514 | ₩ - | ₩ 861,439,514 |
| Other receivables | 22,338,935,060 | (2,864,890,151) | 19,474,044,909 |
| Accrued income | 93,804,644,808 | (93,190,181,195) | 614,463,613 |
| | ₩ 117,005,019,382 | ₩ (96,055,071,346) | ₩ 20,949,948,036 |
| Non-current assets: | | | |
| Other receivables | ₩ 29,077,862,215 | ₩ (29,077,862,215) | ₩ - |
| Deposits | 6,806,502,484 | - | 6,806,502,484 |
| | 35,884,364,699 | (29,077,862,215) | 6,806,502,484 |
| | ₩ 152,889,384,081 | ₩ (125,132,933,561) | ₩ 27,756,450,520 |

The aging analysis of trade and other receivables as of December 31, 2025 and 2024 is as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Trade receivables | Other receivables | Trade receivables | Other receivables |
| Neither overdue nor impaired | ₩ 430,397,875 | ₩ 34,798,098,116 | ₩ 861,439,514 | ₩ 26,895,011,006 |
| Overdue but not impaired receivables | - | - | - | - |
| Impaired receivables | | | | |
| More than 120 days | - | 54,381,233,213 | - | 125,132,933,561 |
| | 430,397,875 | 89,179,331,329 | 861,439,514 | 152,027,944,567 |
| Less: allowance for doubtful accounts | - | (54,381,233,213) | - | (125,132,933,561) |
| | ₩ 430,397,875 | ₩ 34,798,098,116 | ₩ 861,439,514 | ₩ 26,895,011,006 |

Changes in allowances for doubtful accounts of trade and other receivables for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Trade receivables | Other receivables | Trade receivables | Other receivables |
| Beginning | ₩ - | ₩ 125,132,933,561 | ₩ - | ₩ 90,181,026,300 |
| Write-off | - | (1,541,805,640) | - | - |
| Bad debt expense | - | 23,263,638,649 | - | 23,966,222,567 |
| Reversal of allowance for other receivables | - | (104,634,949) | - | (321,839,615) |
| Reversal from business combinations | - | (90,174,963,375) | | - |
| Allowance for on capitalized interest | - | (2,182,883,144) | | - |
| Changes in foreign exchange rates | - | (18,179,500) | | 11,172,177,309 |
| Others | - | 7,127,611 | - | 135,347,000 |
| Ending | ₩ - | ₩ 54,381,233,213 | ₩ - | ₩ 125,132,933,561 |

The Group considers changes in credit ratings of other receivables to assess their credit risk for the period from the initial recognition date to the reporting date. As the Group has large number of counterparties and they are not mutually related, the credit risk therefrom is not highly concentrated.

## 9. Financial assets at FVTPL

Details of financial assets at FVTPL as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Acquisition cost | Book value | Fair value |
| (Unlisted equity securities) | | | |
| Enertech Co., Ltd | ₩ 732,954,500 | ₩ - | ₩ - |
| SEDEX Minerals Limited | 29,357,064,818 | - | - |
| Seah M&S Co., Ltd. | 6,794,250,505 | 17,028,000,000 | 17,028,000,000 |
| Minerva Coal Pty Ltd, etc. | 283,506,885 | 619,858 | 619,858 |
| | 37,167,776,708 | 17,028,619,858 | 17,028,619,858 |
| (Derivative assets not designated as hedging instruments) | | | |
| Derivative assets | - | 624,858,748 | 624,858,748 |
| | ₩ 37,167,776,708 | ₩ 17,653,478,606 | ₩ 17,653,478,606 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Acquisition cost | Book value | Fair value |
| Enertech Co., Ltd | ₩ 732,954,500 | ₩ - | ₩ - |
| SEDEX Minerals Limited | 29,357,064,818 | - | - |
| Seah M&S Co., Ltd. | 6,794,250,505 | 15,684,000,000 | 15,684,000,000 |
| Minerva Coal Pty Ltd, etc. | 283,506,885 | 280,522,602 | 280,522,602 |
| | ₩ 37,167,776,708 | ₩ 15,964,522,602 | ₩ 15,964,522,602 |

Changes in financial assets at FVTPL for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | |
|---|---|---|---|---|
| | January 1 | Valuation | Others | December 31 |
| Seah M&S Co., Ltd | ₩ 15,684,000,000 | ₩ 1,344,000,000 | ₩ - | ₩ 17,028,000,000 |
| Minerva Coal Pty Ltd, etc. | 280,522,602 | (280,941,269) | 1,038,525 | 619,858 |
| Derivative assets | - | 624,858,748 | - | 624,858,748 |
| | ₩ 15,964,522,602 | ₩ 1,687,917,479 | ₩ 1,038,525 | ₩ 17,653,478,606 |

| | 2024 | | | |
|---|---|---|---|---|
| | January 1 | Valuation | Others | December 31 |
| Seah M&S Co., Ltd | ₩ 15,633,172,400 | ₩ 50,827,600 | ₩ - | ₩ 15,684,000,000 |
| Minerva Coal Pty Ltd, etc. | 270,206,562 | - | 10,316,040 | 280,522,602 |
| | ₩ 15,903,378,962 | ₩ 50,827,600 | ₩ 10,316,040 | ₩ 15,964,522,602 |

## 10. Short-term and long-term loans

Details of short-term and long-term loans as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Gross amounts | Allowance for doubtful accounts | Present value discounts | Book value |
| Short-term loans | ₩ 123,148,352,553 | ₩ (1,174,434,189) | ₩ (986,908,814) | ₩ 120,987,009,550 |
| Long-term loans | 1,585,764,911,002 | (335,003,509,735) | (10,206,571,020) | 1,240,554,830,247 |
| | ₩ 1,708,913,263,555 | ₩ (336,177,943,924) | ₩ (11,193,479,834) | ₩ 1,361,541,839,797 |

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Gross amounts | Allowance for doubtful accounts | Present value discounts | Book value |
| Short-term loans | ₩ 113,011,119,486 | ₩ (4,109,394,245) | ₩ (1,108,782,296) | ₩ 107,792,942,945 |
| Long-term loans | 1,728,011,209,089 | (532,869,074,886) | (8,947,580,596) | 1,186,194,553,607 |
| | ₩ 1,841,022,328,575 | ₩ (536,978,469,131) | ₩ (10,056,362,892) | ₩ 1,293,987,496,552 |

The aging analysis of loans as of December 31, 2025 and 2024 is as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Neither overdue nor impaired | ₩ 1,372,735,319,631 | ₩ 1,304,043,859,444 |
| Overdue but not impaired loans | - | - |
| Impaired loans | | |
| ~60 days | 6,012,047,327 | 8,512,472,652 |
| ~60~90 days | - | - |
| ~90~120 days | - | 306,640,000 |
| More than 120 days | 330,165,896,597 | 528,159,356,479 |
| | 1,708,913,263,555 | 1,841,022,328,575 |
| Less: allowance for doubtful accounts | (336,177,943,924) | (536,978,469,131) |
| Less: present value discounts account | (11,193,479,834) | (10,056,362,892) |
| | ₩ 1,361,541,839,797 | ₩ 1,293,987,496,552 |

Changes in allowances for doubtful accounts of loans for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Beginning | ₩ 536,978,469,131 | ₩ 265,380,254,946 |
| Bad debt expense | 94,613,915,679 | 242,136,541,788 |
| Write-off | (1,224,216,538) | - |
| Reversal of loss allowance on other receivables | (6,411,635,681) | (1,669,757,367) |
| Changes in the scope of consolidation | (284,773,171,208) | - |
| Changes in Foreign Exchange Rates | (5,632,268,905) | 35,757,502,851 |
| Others | 2,626,851,446 | (4,626,073,087) |
| Ending | ₩ 336,177,943,924 | ₩ 536,978,469,131 |

## 11. Short-term financial instruments

Details of short-term financial instruments as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Time deposits | ₩ 368,925,337,884 | ₩ 67,134,940,544 |

## 12. Other financial assets

Details of other financial assets as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Financial assets at amortized cost | ₩ 268,750,000 | ₩ 15,363,014,942 | ₩ 268,750,000 | ₩ 66,112,294,172 |
| Others | 169,143,938 | - | 166,290,911 | - |
| | ₩ 437,893,938 | ₩ 15,363,014,942 | ₩ 435,040,911 | ₩ 66,112,294,172 |

## 13. Inventories

Details of inventories as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Acquisition cost | Valuation allowance | Book value |
| Merchandise | ₩ 79,940,249,069 | ₩ - | ₩ 79,940,249,069 |
| Supplies | 133,672,728 | - | 133,672,728 |
| Goods in transit | 83,686,586,434 | - | 83,686,586,434 |
| | ₩ 163,760,508,231 | ₩ - | ₩ 163,760,508,231 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Acquisition cost | Valuation allowance | Book value |
| Merchandise | ₩ 42,973,332,908 | ₩ - | ₩ 42,973,332,908 |
| Supplies(*) | 43,881,289,586 | (20,478,169,807) | 23,403,119,779 |
| Goods in transit | 79,411,457,320 | - | 79,411,457,320 |
| | ₩ 166,266,079,814 | ₩ (20,478,169,807) | ₩ 145,787,910,007 |

(*) Supplies for the year ended December 31, 2024 include those of Minera Metalurgica del Boleo (MMB), which was excluded from the scope of consolidation for the year ended December 31, 2025 due to the disposal of its interests.

## 14. Non-financial assets

Details of non-financial assets as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Advance payments | ₩ 242,350,103 | ₩ - | ₩ 6,710,129,407 | ₩ - |
| Prepaid expenses | 17,070,698,442 | 6,557,815,634 | 15,600,236,791 | - |
| Minerals held in reserve | - | 580,477,385,953 | - | 346,661,465,928 |
| Others | 50,328,281 | - | 1,468,881,224 | 6,356,569,359 |
| | ₩ 17,363,376,826 | ₩ 587,035,201,587 | ₩ 23,779,247,422 | ₩ 353,018,035,287 |

## 15. Investments in associates and joint ventures

Details of investments in associates and joint ventures as of December 31, 2025 and 2024 are as follows (Korean won):

| | | | December 31, 2025 | | |
|---|---|---|---|---|---|
| | Principal activity | Country of incorporation | Equity interest (%) | Acquisition cost | Book value |
| <ASSOCIATES> | | | | | |
| Philco Resources Ltd. | Mining | Malaysia | 40.00 | ₩ 325,934,829 | ₩ - |
| Korean Boleo Corporation on S.A. de C.V(*1) | Mining | Mexico - | - | - | - |
| Xian Maxsun KORES New Material Corporation Ltd. | Mining | China | 49.00 | 6,638,417,887 | - |
| AMSA/DMSA (Ambatovy) | Mining | Madagascar | 38.17 | 2,758,792,264,301 | - |
| ZhangjiagangWonjin-KORES Industrial Material Corporation Ltd.(*2) | Mining | China | - | - | - |
| ZhangjiagangWonjin-KORES Resources Recovery Reutilization Corporation Ltd. | Mining | China | 49.00 | 3,765,957,522 | 6,128,469,395 |
| Springvale SK Kores Pty Ltd. | Mining | Australia | 50.00 | 48,641,284,222 | - |
| Mkuju Resources Tanzania Ltd | Mining | Tanzania | 28.00 | 2,260,744,831 | - |
| PT. KCT | Mining | Indonesia | 24.00 | 473,949,000 | - |
| Kangwon Land, Inc (*3) | Casino, Hotel, Golf, Ski, Mansion | South Korea | 36.27 | 50,999,998,392 | 1,503,946,143,393 |
| Mungyeong Leisure Town Co., Ltd | Golf, Mansion | South Korea | 36.36 | 24,000,000,000 | 30,270,149,250 |
| Black Valley Country Club Co., Ltd (*4) | Golf | South Korea | 11.03 | 10,000,000,000 | 11,461,892,707 |
| Kidslala, Inc | Children's Vocational Theme Park | South Korea | 38.17 | 25,000,000,000 | 14,977,565,360 |
| Hym-namu Co., Ltd.(*5) | Energy | South Korea | - | - | - |
| | | | | 2,930,898,550,984 | 1,566,784,220,105 |
| <JOINT VENTURES> | | | | | |
| Korea Panama Mining Corporation | Mining | Panama | 50.00 | 206,477,280,033 | 60,986,837,250 |
| Jungchon Natural Graphite Cooperation | Mining | North Korea | 50.00 | 6,034,005,670 | - |
| KLS | Mining | Peru | 50.00 | 45,459,484,767 | 3,264,896,845 |
| | | | | 257,970,770,470 | 64,251,734,095 |
| | | | | ₩ 3,188,869,321,454 | ₩ 1,631,035,954,200 |
| Government grants | | | | | - |
| | | | | | ₩ 1,631,035,954,200 |

(*1) For the year ended December 31, 2025, the Group acquired an additional 29.36% interest, thereby obtaining the control and including it in the scope of consolidation as a subsidiary. In connection with this business combination, the Group reclassified the cumulative other comprehensive income related to its previously held interest in the associate to profit or loss. Including this reclassification, a gain on disposal of ₩74,625,894,089 was recognized (See Note16).

(*2) For the year ended December 31, 2025, the Group fully recovered its investment through participation in a paid-in capital reduction and the disposal of its entire remaining ownership interest. In connection with this, the Group recognized a gain on disposal of investments in associates amounting to ₩3,505,019,148, which includes the reclassification adjustments of cumulative other comprehensive income previously recognized in relation to these associates.

(*3) The effective ownership percentage is 38.72% considering treasury stocks.

(*4) Although the percentage of ownership is less than 20%, the investment in the entity is classified as an investment in associates because the Group can participate in decision-making process of the entity regarding the financial and operational policies.

(*5) For the year ended December 31, 2025, the Group derecognized the entire carrying amount of its investment in the associate as the liquidation process was completed. In the course of this liquidation, the Group received a transfer of land previously held by Hym-namu Co., Ltd. and recognized a loss on disposal of ₩5,697,876.

## 15. Investments in associates and joint ventures (cont'd)

| | Principal activity | Country of incorporation | December 31, 2024 | | |
|---|---|---|---|---|---|
| | | | Equity interest (%) | Acquisition cost | Book value |
| <ASSOCIATES> | | | | | |
| Philco Resources Ltd. | Mining | Malaysia | 40.00 | ₩ 325,934,829 | ₩ - |
| Korean Boleo Corporation on S.A. de C.V | Mining | Mexico | 46.92 | 152,649,898,649 | - |
| Xian Maxsun KORES New Material Corporation Ltd. | Mining | China | 49.00 | 6,638,417,887 | - |
| AMSA/DMSA (Ambatovy)(*1) | Mining | Madagascar | 38.17 | 2,758,792,264,301 | - |
| ZhangjiagangWonjin-KORES Industrial Material Corporation Ltd. | Mining | China | 49.00 | 3,200,922,460 | 3,690,146,129 |
| ZhangjiagangWonjin-KORES Resources Recovery Reutilization Corporation Ltd. | Mining | China | 49.00 | 3,765,957,522 | 6,047,547,088 |
| Springvale SK Kores Pty Ltd. | Mining | Australia | 50.00 | 48,641,284,222 | - |
| Mkuju Resources Tanzania Ltd | Mining | Tanzania | 28.00 | 2,260,744,831 | - |
| PT. KCT | Mining | Indonesia | 24.00 | 473,949,000 | - |
| Kangwon Land, Inc (*2) | Casino, Hotel, Golf, Ski, Mansion | South Korea | 36.27 | 50,999,998,392 | 1,468,875,654,071 |
| Mungyeong Leisure Town Co., Ltd | Golf, Mansion | South Korea | 36.36 | 24,000,000,000 | 29,704,172,971 |
| Black Valley Country Club Co., Ltd (*3) | Golf | South Korea | 11.03 | 10,000,000,000 | 11,378,958,813 |
| Kidslala, Inc | Children's Vocational Theme Park | South Korea | 38.17 | 25,000,000,000 | 16,609,325,005 |
| Hym-namu Co., Ltd.(*4) | Energy | South Korea | 20.00 | 640,039,926 | 468,981,670 |
| | | | | 3,087,389,412,019 | 1,536,774,785,747 |
| <JOINT VENTURES> | | | | | |
| Korea Panama Mining Corporation | Mining | Panama | 50.00 | 206,477,280,033 | 209,909,385,000 |
| Jungchon Natural Graphite Cooperation | Mining | North Korea | 50.00 | 6,034,005,670 | - |
| KLS | Mining | Peru | 50.00 | 45,459,484,767 | 6,305,659,080 |
| | | | | 257,970,770,470 | 216,215,044,080 |
| | | | | ₩ 3,345,360,182,489 | ₩ 1,752,989,829,827 |
| Government grants | | | | | - |
| | | | | | ₩ 1,752,989,829,827 |

(*1) The book value decreased to nil due to the debt restructuring resulting from the approval of the restructuring plan for the year ended December 31, 2024.
(*2) The effective ownership percentage becomes 38.72% considering treasury stocks.
(*3) Although the percentage of ownership is less than 20%, the investment in the entity is classified as an investment in associates because the Group can participate in decision-making process of the entity regarding the financial and operational policies.
(*4) Capital reduction with considerations was executed for the year ended December 31, 2024.

## 15. Investments in associates and joint ventures (cont'd)

Changes in investments in associates and joint ventures for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | January 1 | Acquisition (Disposal) | Capital reduction | Dividends | Share of profit | Changes in equity adjustments in equity method | Changes in retained earnings in equity method | Others | December 31 |
| <ASSOCIATES> | | | | | | | | | |
| Philco Resources Ltd. | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - |
| Korean Boleo Corporation on S.A. de C.V.(*2) | - | 2,840 | - | - | - | - | - | (2,840) | - |
| Xian Maxsun KORES New Material Corporation Ltd. | - | - | - | - | - | - | - | - | - |
| AMSA/DMSA (Ambatovy) (*1) | - | - | - | - | | | - | - | - |
| Zhangjiagang Wonjin-KORES Industrial Material Corporation Ltd. | 3,690,146,129 | - | (3,402,846,605) | - | (67,841,734) | (219,457,790) | - | - | - |
| Zhangjiagang Wonjin-KORES Resources Recovery Reutilization Corporation Ltd. | 6,047,547,088 | - | - | - | (23,125,370) | 104,047,677 | - | - | 6,128,469,395 |
| Springvale SK Kores Pty Ltd. | - | - | - | - | - | - | - | - | - |
| Mkuju Resources Tanzania Ltd | - | - | - | - | - | - | - | - | - |
| PT. KCT | | - | - | - | - | - | - | - | - |
| Kangwon Land, Inc | 1,468,875,654,071 | - | - | (90,777,709,620) | 123,375,940,795 | - | 2,472,258,147 | - | 1,503,946,143,393 |
| Mungyeong Leisure Town Co., Ltd | 29,704,172,971 | - | - | - | 565,976,279 | - | - | - | 30,270,149,250 |
| Black Valley Country Club Co., Ltd | 11,378,958,813 | - | - | - | 82,933,894 | - | - | - | 11,461,892,707 |
| Kidslala, Inc | 16,609,325,005 | - | - | - | (1,631,759,645) | - | - | - | 14,977,565,360 |
| Hym-namu Co., Ltd. | 468,981,670 | - | (468,981,670) | - | - | - | - | - | - |
| | 1,536,774,785,747 | 2,840 | (3,871,828,275) | (90,777,709,620) | 122,302,124,219 | (115,410,113) | 2,472,258,147 | (2,840) | 1,566,784,220,105 |
| <JOINT VENTURES> | | | | | | | | | |
| Korea Panama Mining Corporation | 209,909,385,000 | - | - | - | (142,638,710,460) | (6,283,837,290) | - | - | 60,986,837,250 |
| Jungchon Natural Graphite Cooperation | - | - | - | - | - | - | - | - | - |
| KLS | 6,305,659,080 | - | (3,409,382,051) | - | 544,723,771 | - | - | (176,103,955) | 3,264,896,845 |
| | 216,215,044,080 | - | (3,409,382,051) | - | (142,093,986,689) | (6,283,837,290) | - | (176,103,955) | 64,251,734,095 |
| | ₩ 1,752,989,829,827 | ₩ 2,840 | ₩ (7,281,210,326) | ₩ (90,777,709,620) | ₩ (19,791,862,470) | ₩ (6,399,247,403) | ₩ 2,472,258,147 | ₩ (176,106,795) | ₩1,631,035,954,200 |

(*1) It includes the impact of participating in AHL 1,2 joint operations.
(*2) For the year ended December 31, 2025, the entity was reclassified from an associate to a consolidated subsidiary following the acquisition of additional interests.

## 15. Investments in associates and joint ventures (cont'd)

| | 2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | January 1 | Acquisition | Dividends | Share of profit | Changes in equity adjustments in equity method | Changes in retained earnings in equity method | Impairment | Others | December 31 |
| <ASSOCIATES> | | | | | | | | | |
| Philco Resources Ltd. | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - | ₩ - |
| Korean Boleo Corporation on S.A. de C.V. | - | - | - | - | - | - | - | - | - |
| Xian Maxsun KORES New Material Corporation Ltd. | - | - | - | - | - | - | - | - | - |
| AMSA/DMSA (Ambatovy) (*) | 479,961,963,299 | - | - | (731,495,339,456) | 19,087,946,110 | - | - | 232,445,430,047 | - |
| Zhangjiagang Wonjin-KORES Industrial Material Corporation Ltd. | 3,454,055,068 | - | - | (144,880,546) | 380,971,607 | - | - | - | 3,690,146,129 |
| Zhangjiagang Wonjin-KORES Resources Recovery Reutilization Corporation Ltd. | 5,340,746,169 | - | - | (24,746,802) | 614,952,394 | - | - | 116,595,327 | 6,047,547,088 |
| Springvale SK Kores Pty Ltd. | - | - | - | - | - | - | - | - | - |
| Mkuju Resources Tanzania Ltd | - | - | - | - | - | - | - | - | - |
| PT. KCT | - | - | - | - | - | - | - | - | - |
| Kangwon Land, Inc | 1,371,839,612,823 | - | (72,156,640,980) | 174,641,252,741 | - | (5,448,570,513) | - | - | 1,468,875,654,071 |
| Mungyeong Leisure Town Co., Ltd | 28,413,008,725 | - | - | 1,291,164,246 | - | - | - | - | 29,704,172,971 |
| Black Valley Country Club Co., Ltd | 11,278,455,406 | - | - | 100,503,407 | - | - | - | - | 11,378,958,813 |
| Kidslala, Inc | 20,104,131,672 | - | - | (1,712,368,545) | - | - | (1,782,438,122) | - | 16,609,325,005 |
| Hym-namu Co., Ltd. | 1,950,211,771 | (1,360,000,074) | - | (121,230,027) | - | - | - | - | 468,981,670 |
| | 1,922,342,184,933 | (1,360,000,074) | (72,156,640,980) | (557,465,644,982) | 20,083,870,111 | (5,448,570,513) | (1,782,438,122) | 232,562,025,374 | 1,536,774,785,747 |
| <JOINT VENTURES> | | | | | | | | | |
| Korea Panama Mining Corporation | 294,522,169,200 | - | - | (116,787,377,550) | 32,174,593,350 | - | - | - | 209,909,385,000 |
| Jungchon Natural Graphite Cooperation | - | - | - | - | - | - | - | - | - |
| KLS | 8,082,442,725 | (3,173,161,026) | - | 474,102,398 | - | - | - | 922,274,983 | 6,305,659,080 |
| | 302,604,611,925 | (3,173,161,026) | - | (116,313,275,152) | 32,174,593,350 | - | - | 922,274,983 | 216,215,044,080 |
| | ₩ 2,224,946,796,858 | ₩ (4,533,161,100) | ₩ (72,156,640,980) | ₩ (673,778,920,134) | ₩ 52,258,463,461 | ₩ (5,448,570,513) | ₩ (1,782,438,122) | ₩ 233,484,300,357 | ₩1,752,989,829,827 |

(*) It includes the impact of participating in AHL 1,2 joint operations. In addition, it includes the impact of debt restructuring after the approval of the restructuring plan for the year ended December 31, 2024.

## 15. Investments in associates and joint ventures (cont'd)

Unrecognized cumulative changes in equity due to the discontinuance of the application of the equity method as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Unrecognized loss | Unrecognized other comprehensive income | Unrecognized loss | Unrecognized other comprehensive income |
| Philco Resources Ltd. | ₩ 2,908,111,439 | ₩ 639,031,274 | ₩ 2,744,555,917 | ₩ 1,068,895,651 |
| AMSA/DMSA (Ambatovy) | 127,260,951,702 | - | 81,107,000,507 | - |
| | ₩ 130,169,063,141 | ₩ 639,031,274 | ₩ 83,851,556,424 | ₩ 1,068,895,651 |

Set out below is the summarized financial information on the Group's associates and joint ventures as of December 31, 2025 and 2024 (Korean won):

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Total assets | Total liabilities | Revenue | Profit (loss) for the year |
| <ASSOCIATES> | | | | |
| Philco Resources Ltd. | ₩ 99,648,151 | ₩ 9,818,171,669 | ₩ - | ₩ (408,888,805) |
| Xian Maxsun KORES New Material Corporation Ltd. | 26,512,615,422 | 26,829,221,513 | 527,135,922 | (1,727,614,473) |
| AMSA/DMSA (Ambatovy) | 902,953,872,000 | 642,291,373,000 | 814,604,949,400 | (118,341,503,980) |
| Zhangjiagang Wonjin-KORES Industrial Material Corporation Ltd. | - | - | 946,160,947 | (138,452,518) |
| Zhangjiagang Wonjin-KORES Resources Recovery Reutilization Corporation Ltd. | 15,968,705,190 | 3,461,624,793 | 29,698,855,125 | (47,194,633) |
| Kangwon Land, Inc | 4,856,017,001,290 | 892,971,514,842 | 1,476,725,685,065 | 316,516,408,266 |
| Mungyeong Leisure Town Co., Ltd | 84,134,809,109 | 891,898,671 | 12,948,025,838 | 1,562,478,333 |
| Black Valley Country Club Co., Ltd | 104,217,705,990 | 510,359,518 | 7,820,796,699 | 610,736,628 |
| Kidslala, Inc | 44,137,461,863 | 302,856,285 | 1,792,364,598 | (4,274,798,090) |
| | 6,034,041,819,015 | 1,577,077,020,291 | 2,345,063,973,594 | 193,751,170,728 |
| <JOINT VENTURES> | | | | |
| Korea Panama Mining Corporation | 2,173,983,987,300 | 2,052,010,312,800 | 125,064,337,920 | (285,277,420,920) |
| KLS | 6,798,904,881 | 269,111,190 | - | 1,089,475,987 |
| | 2,180,782,892,181 | 2,052,279,423,990 | 125,064,337,920 | (284,187,944,933) |
| | ₩ 8,214,824,711,196 | ₩ 3,629,356,444,281 | ₩ 2,470,128,311,514 | ₩ (90,436,774,205) |

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Total assets | Total liabilities | Revenue | Profit (loss) for the year |
| <ASSOCIATES> | | | | |
| Philco Resources Ltd. | ₩ 116,999,549 | ₩ 9,650,628,469 | ₩ - | ₩ (630,387,322) |
| Korean Boleo Corporation on S.A. de C.V. | 1,088,601,936,624 | 551,211,914,495 | 142,665,488 | (2,364,664,090) |
| Xian Maxsun KORES New Material Corporation Ltd. | 26,562,895,696 | 25,116,005,712 | 1,636,669,318 | (2,250,302,998) |
| AMSA/DMSA (Ambatovy) | 839,205,360,000 | 542,459,400,000 | 705,114,916,920 | (2,041,992,634,320) |
| Zhangjiagang Wonjin-KORES Industrial Material Corporation Ltd. | 8,570,101,076 | 1,039,190,610 | 3,751,557,170 | (295,674,584) |
| Zhangjiagang Wonjin-KORES Resources Recovery Reutilization Corporation Ltd. | 18,485,114,224 | 6,143,181,392 | 33,498,320,713 | (50,503,678) |
| Kangwon Land, Inc | 4,705,891,304,151 | 821,728,681,257 | 1,426,862,781,802 | 455,379,216,004 |
| Mungyeong Leisure Town Co., Ltd | 83,264,171,346 | 1,577,695,676 | 16,131,602,373 | 3,440,151,788 |
| Black Valley Country Club Co., Ltd | 103,755,031,760 | 799,472,533 | 8,273,280,213 | 1,046,317,704 |
| Kidslala, Inc | 48,650,394,152 | 540,990,484 | 2,367,074,147 | (4,485,973,045) |
| Hym-namu Co., Ltd. | 2,348,620,622 | 3,712,272 | - | (606,150,137) |
| | 6,925,451,929,200 | 1,960,270,872,900 | 2,197,778,868,144 | (1,592,810,604,678) |
| <JOINT VENTURES> | | | | |
| Korea Panama Mining Corporation | 2,341,171,980,000 | 1,921,353,210,000 | 67,922,112,060 | (233,574,755,100) |
| KLS | 13,521,060,000 | 909,930,000 | - | 947,966,100 |
| | 2,354,693,040,000 | 1,922,263,140,000 | 67,922,112,060 | (232,626,789,000) |
| | ₩ 9,280,144,969,200 | ₩ 3,882,534,012,900 | ₩ 2,265,700,980,204 | ₩ (1,825,437,393,678) |

## 16. Business combination

For the year ended December 31, 2025, the Group obtained the control over Korean Boleo Corporation S.A. de C.V. (hereinafter referred to as "KBC"), a former associate, through the acquisition of additional interests. Prior to the acquisition, the Group held a 46.92% interest in KBC; however, as a result of acquiring an additional 29.36% interest, the Group's total ownership interest in KBC stands at 76.28% as of December 31, 2025. Details of this business combination are as follows.

The equity interest acquired through the business combination and the fair value of the consideration transferred are as follows (Korean won):

| | Principal activity | Acquisition date | Equity interest (%)(*) | Consideration transferred |
|---|---|---|---|---|
| Korean Boleo Corporation on S.A. de C.V. | Mining | Oct. 21, 2025 | 76.28 | ₩ 2,840 |

(*) The 46.92% interest acquired represents the equity interest previously held as investments in associates, and an additional 29.36% interest was acquired for the year ended December 31, 2025.

The fair values of assets acquired and liabilities assumed at the acquisition date arising from the business combination for the year ended December 31, 2025 are as follows (Korean won):

| | Amount |
|---|---|
| Fair value of identifiable assets | ₩ 1,902,387,133 |
| Current assets | 1,902,387,133 |
| Cash and cash equivalents | 1,902,387,133 |
| Non-current assets | - |
| Fair value of identifiable liabilities | - |
| Current liabilities | - |
| Non-current liabilities | - |
| | ₩ 1,902,387,133 |

Gains on bargain purchase arising from the business combination for the year ended December 31, 2025 are as follows (Korean won):

| | Amount |
|---|---|
| Consideration transferred | ₩ 2,840 |
| Add: non-controlling interests | - |
| Less: fair value of net identifiable assets acquired | 1,902,387,133 |
| The gain on bargain purchase | ₩ 1,902,384,293 |

Net cash flows arising from the business combination for the year ended December 31, 2025 are as follows (Korean won):

| | Amount |
|---|---|
| Cash consideration paid | ₩ (2,840) |
| Less: cash acquired in the business combination | 1,902,387,133 |
| Net cash flows arising from business combination | ₩ 1,902,384,293 |

## 17. Disposal of subsidiary

For the year ended December 31, 2025, the Group disposed of its interests in subsidiaries, Minera Metalurgica del Boleo (MMB) and SARISBURY LIMITED. Details of these disposal transactions are as follows:

The fair value of the consideration received is as follows (Korean won):

| | MMB | SARISBURY LIMITED |
|---|---|---|
| Consideration received in cash and cash equivalents | ₩ 2,942 | ₩ 1,463,048 |

The book values of the assets and liabilities of the subsidiary on the date of loss of control is as follows (Korean won):

| | MMB | SARISBURY LIMITED |
|---|---|---|
| Current assets: | ₩ 76,563,471,990 | ₩ - |
| Cash and cash equivalents | 496,931,253 | - |
| Trade and other receivables | 54,789,765,295 | - |
| Inventories | 20,297,850,798 | - |
| Current non-financial assets | 978,924,644 | - |
| Non-current assets | 85,739,397,861 | - |
| Non-current Trade and other receivables | 1,452,662,766 | - |
| Property, plant and equipment | 84,286,735,095 | - |
| Current liabilities | 267,482,528,878 | 80,040,866 |
| Trade and other payables | 21,846,225,949 | 80,040,866 |
| Current financial liabilities | 234,817,395,924 | - |
| Current non-financial liabilities | 10,818,907,005 | - |
| Non-current liabilities | 581,501,934,380 | - |
| Non-current financial liabilities | 454,248,713,692 | - |
| Non-current provisions | 127,253,220,688 | - |
| Book value of net assets disposed of | ₩ (686,681,593,407) | ₩ (80,040,866) |

Gains (losses) on disposal of subsidiaries are as follows

| | MMB | SARISBURY LIMITED |
|---|---|---|
| The fair value of the consideration received | ₩ 2,942 | ₩ 1,463,048 |
| Book value of net assets disposed of | (686,681,593,407) | (80,040,866) |
| Non-controlling interests | (207,936,485,365) | (16,008,172) |
| Exchange differences on translation of foreign operations | (367,050,719,346) | (1,366,033) |
| Gain on disposal of subsidiaries | ₩ 111,694,391,638 | ₩ 64,129,709 |

Details of net cash flows arising from the disposal of subsidiaries are as follows:

| | MMB | SARISBURY LIMITED |
|---|---|---|
| Consideration received in cash and cash equivalents | ₩ 2,942 | ₩ 1,463,048 |
| Less: cash and cash equivalents disposed of | (496,931,253) | - |
| Net cash flows | ₩ (496,928,311) | ₩ 1,463,048 |

## 18. Investments in joint operations

Details of investments in joint operations as of December 31, 2025 are as follows (Korean won):

| | Key operation | Country of incorporation | Equity interest (%) | |
|---|---|---|---|---|
| | | | December 31, 2025 | December 31, 2024 |
| Minerva | Mining | Australia | 4.00 | 4.00 |
| Athena | Mining | Australia | 4.00 | 4.00 |
| Narrabri(*) | Mining | Australia | 2.50 | 2.50 |
| Wyong(*) | Mining | Australia | 82.25 | 82.25 |
| Togara North(*) | Mining | Australia | 8.33 | 8.33 |

(*) As of December 31, 2025, the Group has classified its joint operations related to the Wyong, Togara North, and Narrabri projects as assets held for sale, and the related profit or loss from these projects has been classified as discontinued operations (refer to Note 44).

## 19. Property, plant and equipment

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

| | December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Acquisition cost | Government grants | Entrusted funds | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 97,103,570,750 | ₩ (18,933,218,129) | ₩ - | ₩ - | ₩ - | ₩ 78,170,352,621 |
| Buildings | 206,900,684,502 | (18,736,370,721) | - | (73,691,095,625) | - | 114,473,218,156 |
| Structures | 87,741,749,956 | (21,324,674,415) | - | (27,028,090,091) | - | 39,388,985,450 |
| Machinery | 69,849,624,713 | (7,705,358,410) | - | (34,286,231,696) | - | 27,858,034,607 |
| Vehicles | 2,016,294,090 | (262,083,345) | - | (1,544,679,231) | - | 209,531,514 |
| Construction-in-progress | 42,662,957,992 | (29,526,804,197) | - | - | - | 13,136,153,795 |
| Others | 26,740,083,623 | (763,533,807) | (6,890,031) | (23,155,332,071) | - | 2,814,327,714 |
| Right-of-use assets | 4,304,856,245 | - | - | (1,349,578,781) | - | 2,955,277,464 |
| | ₩ 537,319,821,871 | ₩ (97,252,043,024) | ₩ (6,890,031) | ₩ (161,055,007,495) | ₩ - | ₩ 279,005,881,321 |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Acquisition cost | Government grants | Entrusted funds | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 87,404,557,887 | ₩ (18,829,486,243) | ₩ - | ₩ - | ₩ (1,217,457,713) | ₩ 67,357,613,931 |
| Buildings | 1,135,501,464,085 | (18,551,253,590) | - | (927,134,047,817) | (2,179,034,342) | 187,637,128,336 |
| Structures | 62,695,454,976 | (18,890,703,638) | - | (23,633,926,049) | - | 20,170,825,289 |
| Machinery | 618,501,981,278 | (5,529,024,216) | - | (337,804,601,824) | (116,153,781,219) | 159,014,574,019 |
| Vehicles | 118,884,124,924 | (351,940,485) | - | (109,944,882,562) | - | 8,587,301,877 |
| Construction-in-progress | 85,161,279,261 | (17,952,019,890) | - | - | - | 67,209,259,371 |
| Others | 28,672,036,645 | (869,045,945) | (5,985,791) | (24,627,331,840) | - | 3,169,673,069 |
| Right-of-use assets | 2,943,414,459 | - | - | (1,655,301,581) | - | 1,288,112,878 |
| | ₩ 2,139,764,313,515 | ₩ (80,973,474,007) | ₩ (5,985,791) | ₩ (1,424,800,091,673) | ₩ (119,550,273,274) | ₩ 514,434,488,770 |

## 19. Property, plant and equipment (cont'd)

Changes in property, plant and equipment for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | January 1 | Acquisition/ Additions(*1) | Disposal(*2) | Depreciation | Impairment(*3) | Reclassification, etc | Others (*4) | December 31 |
| Land | ₩ 86,187,100,174 | ₩ 15,210,805,289 | ₩ (500,646,538) | ₩ - | ₩ - | ₩ 1,893,631,763.0 | ₩ (5,687,319,938.0) | ₩ 97,103,570,750 |
| Less: government grants | (18,829,486,243) | (62,089,889) | - | - | - | (41,641,997.0) | - | (18,933,218,129) |
| Buildings | 206,188,381,926 | 472,749,196 | (7,315,816) | (22,121,367,846) | (7,540,188,978) | 13,582,637,748.0 | (57,365,307,353.0) | 133,209,588,877 |
| Less: government grants | (18,551,253,590) | (421,662,234) | - | 2,102,083,052 | - | (1,865,537,949.0) | - | (18,736,370,721) |
| Structures | 39,061,528,927 | 162,627,890 | - | (3,398,433,092) | - | 24,899,544,897.0 | (11,608,757.0) | 60,713,659,865 |
| Less: government grants | (18,890,703,638) | - | - | 1,773,006,663 | - | (4,206,977,440.0) | - | (21,324,674,415) |
| Machinery | 164,543,598,235 | 1,461,310,621 | - | (20,643,943,467) | (96,945,286,854) | 13,100,246,482.0 | (25,952,532,000.0) | 35,563,393,017 |
| Less: government grants | (5,529,024,216) | (876,113,970) | - | 989,833,011 | - | (2,290,053,235.0) | - | (7,705,358,410) |
| Vehicles | 8,939,242,362 | 154,511,459 | - | (2,882,086,974) | (3,231,509,562) | (45,133,033.0) | (2,463,409,393.0) | 471,614,859 |
| Less: government grants | (351,940,485) | - | - | 89,857,140 | - | - | - | (262,083,345) |
| Construction-in-progress | 85,161,279,261 | 23,436,291,530 | (151,595,171) | - | - | (65,556,672,232.0) | (226,345,396.0) | 42,662,957,992 |
| Less: government grants | (17,952,019,890) | (20,003,780,928) | - | - | - | 8,428,996,621.0 | - | (29,526,804,197) |
| Others | 4,044,704,805 | 1,095,524,675 | (778,828) | (1,588,777,804) | - | 37,934,000.0 | (3,855,296.0) | 3,584,751,552 |
| Less: government grants | (869,045,945) | (62,482,030) | - | 192,780,168 | - | (24,786,000.0) | - | (763,533,807) |
| Entrusted business funds | (5,985,791) | (3,803,800) | - | 2,899,560 | - | - | - | (6,890,031) |
| Right-of-use assets | 1,288,112,878 | 2,563,436,102 | - | (900,650,172) | - | - | 4,378,656.0 | 2,955,277,464 |
| | ₩ 514,434,488,770 | ₩ 23,127,323,911 | ₩ (660,336,353) | ₩ (46,384,799,761) | ₩ (107,716,985,394) | ₩ (12,087,810,375.0) | ₩ (91,705,999,477.0) | ₩ 279,005,881,321 |

(*1) Of the land acquired during the current period, ₩440 million represents consideration received from Hym-namu Co., Ltd., following its liquidation.

(*2) For the year ended December 31, 2025, the Group disposed of vehicles with an original acquisition cost of ₩127 million. At the time of disposal, the carrying amount was nil as the assets were fully depreciated, and a gain on disposal of ₩28 million was recognized.

(*3) It represents the impairment losses recognized for Minera Metalurgica del Boleo (MMB), which was excluded from the scope of consolidation for the year ended December 31, 2025, up to the date of its disposal.

(*4) It includes changes arising from the change in the scope of consolidation and changes due to foreign exchange rate fluctuations.

## 19. Property, plant and equipment (cont'd)

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | January 1 | Acquisition/ additions | Disposal | Depreciation | Impairment(*1) | Others (*2) | December 31 |
| Land | ₩ 83,983,092,925 | ₩ 965,407,512 | ₩ - | ₩ - | ₩ - | ₩ 1,238,599,737 | ₩ 86,187,100,174 |
| Less: government grants | (18,204,555,331) | (624,930,912) | - | - | - | - | (18,829,486,243) |
| Buildings | 228,746,223,502 | 25,234,640 | - | (26,333,360,076) | (2,021,877,049) | 5,772,160,909 | 206,188,381,926 |
| Less: government grants | (20,798,894,757) | - | - | 2,247,641,167 | - | - | (18,551,253,590) |
| Structures | 42,184,416,161 | 9,905,546 | - | (3,152,044,055) | - | 19,251,275 | 39,061,528,927 |
| Less: government grants | (20,610,193,383) | - | - | 1,719,489,745 | - | - | (18,890,703,638) |
| Machinery | 276,712,660,242 | 2,418,193,350 | (5,292,045) | (31,370,612,365) | (107,776,486,059) | 24,565,135,112 | 164,543,598,235 |
| Less: government grants | (6,492,441,124) | - | - | 963,416,908 | - | - | (5,529,024,216) |
| Vehicles | 11,923,315,144 | 308,170,448 | (27,419,081) | (4,526,419,325) | - | 1,261,595,176 | 8,939,242,362 |
| Less: government grants | (441,797,625) | - | - | 89,857,140 | - | - | (351,940,485) |
| Construction-in-progress | 53,975,695,742 | 31,250,032,847 | - | - | - | (64,449,328) | 85,161,279,261 |
| Less: government grants | (68,262,000) | (17,883,757,890) | - | - | - | - | (17,952,019,890) |
| Others | 4,453,998,809 | 1,323,911,907 | (23,589,920) | (1,716,874,477) | - | 7,258,486 | 4,044,704,805 |
| Less: government grants | (670,710,479) | (361,237,390) | - | 162,901,924 | - | - | (869,045,945) |
| Entrusted business funds | (3,477,351) | (5,069,910) | - | 2,561,470 | - | - | (5,985,791) |
| Right-of-use assets | 1,327,665,737 | 783,517,362 | - | (827,855,361) | - | 4,785,140 | 1,288,112,878 |
| | ₩ 636,016,736,212 | ₩ 18,209,377,510 | ₩ (56,301,046) | ₩ (62,741,297,305) | ₩ (109,798,363,108) | ₩ 32,804,336,507 | ₩ 514,434,488,770 |

(*1) It represents the impairment losses recognized for Minera Metalurgica del Boleo (MMB), which was excluded from the scope of consolidation.
(*2) It includes the effect of foreign currency exchange fluctuation.

## 19. Property, plant and equipment (cont'd)

As of December 31, 2025, there are no property, plant and equipment pledged as collateral. Details of property, plant and equipment pledged as collateral as of December 31, 2024 are as follows (Korean won):

| | December 31, 2024 | | |
|---|---|---|---|
| | Secured creditor | Book value | Collateral amount |
| Land, Buildings | SKC CO.,LTD | 5,269,200,199 | 128,458,800 |

## 20. Investment properties

Details of investment properties as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Book value |
| Land | ₩ 6,282,792,747 | ₩ - | ₩ 6,282,792,747 |
| Buildings | 29,575,938,307 | (16,742,941,759) | 12,832,996,548 |
| | ₩ 35,858,731,054 | ₩ (16,742,941,759) | ₩ 19,115,789,295 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Book value |
| Land | ₩ 6,282,792,747 | ₩ - | ₩ 6,282,792,747 |
| Buildings | 29,575,938,307 | (16,257,627,955) | 13,318,310,352 |
| | ₩ 35,858,731,054 | ₩ (16,257,627,955) | ₩ 19,601,103,099 |

Changes in the net book values of investment properties for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | |
|---|---|---|---|
| | Beginning balance | Depreciation | Ending balance |
| Land | ₩ 6,282,792,747 | ₩ - | ₩ 6,282,792,747 |
| Buildings | 13,318,310,352 | (485,313,804) | 12,832,996,548 |
| | ₩ 19,601,103,099 | ₩ (485,313,804) | ₩ 19,115,789,295 |

| | 2024 | | | |
|---|---|---|---|---|
| | Beginning balance | Acquisition | Depreciation | Ending balance |
| Land | ₩ 6,282,792,747 | ₩ - | ₩ - | ₩ 6,282,792,747 |
| Buildings | 13,777,386,251 | 266,765,360 | (725,841,259) | 13,318,310,352 |
| | ₩ 20,060,178,998 | ₩ 266,765,360 | ₩ (725,841,259) | ₩ 19,601,103,099 |

Details of rental income and expenses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Rental income | ₩ 6,823,852,821 | ₩ 6,743,140,738 |
| Rental expense related to investment properties incurring rental income | (3,154,852,580) | (3,336,929,573) |
| | ₩ 3,669,000,241 | ₩ 3,406,211,165 |

Investment properties held by the Group represent the partially-leased floors of its headquarters building. The Group measured the investment properties using the cost model in accordance with KIFRS 1116 as the fair value cannot be measured reliably due to insufficient comparable transactions.

All investment properties of the Group are directly owned by the Group.

## 21. Intangible assets

Details of intangible assets as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | | | |
|---|---|---|---|---|---|
| | Acquisition cost | Government grants | Accumulated amortization | Accumulated impairment losses | Book value |
| Software | ₩ 42,246,259,046 | ₩ (421,127,663) | ₩ (39,545,413,994) | ₩ - | ₩ 2,279,717,389 |
| Industrial property rights | 12,359,373 | - | (8,760,591) | - | 3,598,782 |
| Mining right | 2,017,050 | - | - | - | 2,017,050 |
| Other intangible assets | 50,923,937,896 | - | (9,348,888,187) | (40,291,932,581) | 1,283,117,128 |
| Intangible assets under development | 252,000,000 | - | - | - | 252,000,000 |
| | ₩ 93,436,573,365 | (421,127,663) | ₩ (48,903,062,772) | ₩ (40,291,932,581) | ₩ 3,820,450,349 |

| | December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Acquisition cost | Government grants | Accumulated amortization | Accumulated impairment losses | Book value |
| Exploration and evaluation assets | ₩ 57,677,535,533 | ₩ (15,276,280,853) | ₩ - | ₩ (2,606,101,460) | ₩ 39,795,153,220 |
| Software | 54,254,655,550 | (476,524,613) | (50,126,101,795) | - | 3,652,029,142 |
| Industrial property rights | 12,359,373 | - | (7,930,111) | - | 4,429,262 |
| Mining right | 2,017,050 | - | - | - | 2,017,050 |
| Other intangible assets | 48,478,623,069 | - | (8,888,360,449) | (38,307,145,492) | 1,283,117,128 |
| | ₩ 160,425,190,575 | ₩ (15,752,805,466) | ₩ (59,022,392,355) | ₩ (40,913,246,952) | ₩ 44,736,745,802 |

Changes in intangible assets for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Beginning Balance | Acquisition / additions | Amortization | Reclassification to assets held for sale | Others(*) | Ending Balance |
| Exploration and evaluation assets | ₩ 55,071,434,073 | ₩ 1,151,627,373 | ₩ - | ₩ (56,421,363,935) | ₩ 198,302,489 | ₩ - |
| Government grants | (15,276,280,853) | - | - | 15,276,280,853 | - | - |
| Software | 4,128,553,755 | 590,078,269 | (2,308,754,298) | - | 290,967,326 | 2,700,845,052 |
| Government grants | (476,524,613) | (68,449,860) | 123,846,810 | - | - | (421,127,663) |
| Mining rights | 2,017,050 | - | - | - | - | 2,017,050 |
| Industrial property rights | 4,429,262 | - | (830,480) | - | - | 3,598,782 |
| Other intangible assets | 1,283,117,128 | - | - | - | - | 1,283,117,128 |
| Intangible assets under development | - | 252,000,000 | - | - | - | 252,000,000 |
| | ₩ 44,736,745,802 | ₩ 1,925,255,782 | ₩ (2,185,737,968) | ₩ (41,145,083,082) | ₩ 489,269,815 | 3,820,450,349 |

(*) It includes changes due to foreign currency exchange rate fluctuation.

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Acquisition / additions | Amortization | Others(*) | Ending Balance |
| Exploration and evaluation assets | ₩ 52,048,844,433 | ₩ 1,019,539,593 | ₩ - | ₩ 2,003,050,047 | ₩ 55,071,434,073 |
| Government grants | (15,276,280,853) | - | - | - | (15,276,280,853) |
| Software | 6,105,574,080 | 1,022,647,456 | (3,025,941,677) | 26,273,896 | 4,128,553,755 |
| Government grants | (600,755,159) | - | 124,230,546 | - | (476,524,613) |
| Mining rights | 2,017,050 | - | - | - | 2,017,050 |
| Industrial property rights | 5,259,734 | - | (830,472) | - | 4,429,262 |
| Other intangible assets | 1,283,117,128 | - | - | - | 1,283,117,128 |
| | ₩ 43,567,776,413 | ₩ 2,042,187,049 | ₩ (2,902,541,603) | ₩ 2,029,323,943 | 44,736,745,802 |

(*) It includes changes due to foreign currency exchange rate fluctuation.

## 22. Financial liabilities

Details of financial liabilities as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Short-term borrowings | ₩ 570,000,000,000 | ₩ - | ₩ 600,000,000,000 | ₩ - |
| Short-term bonds payable | 19,892,220,082 | - | - | - |
| Long-term borrowings | 614,856,794,393 | 1,362,822,598,042 | 1,048,836,841,945 | 1,832,757,554,026 |
| Borrowings from Special Account for Energy and Resources, net | - | 7,847,668,000 | - | 7,847,668,000 |
| Bonds payable | 1,257,030,913,062 | 4,034,545,155,547 | 254,573,090,183 | 4,470,453,987,974 |
| Financial liabilities at FVTPL | 386,984,172 | 54,993,896,940 | 26,540,928,462 | 56,418,960,508 |
| | ₩ 2,462,166,911,709 | ₩ 5,460,209,318,529 | ₩ 1,929,950,860,590 | ₩ 6,367,478,170,508 |

Details of financial liabilities at FVTPL as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Derivative liabilities not designated as hedging instruments | ₩ 386,984,172 | ₩ 54,993,896,940 | ₩ 26,540,928,462 | ₩ 56,418,960,508 |

## 23. Borrowings and bonds payable

Details of borrowings and bonds payable as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Current liabilities: | | |
| Short-term borrowings | ₩ 570,000,000,000 | ₩ 600,000,000,000 |
| Short-term bonds payable | 20,000,000,000 | - |
| Less: present value discount | (107,779,918) | - |
| Current portion of long-term borrowings | 616,034,000,000 | 1,062,603,861,493 |
| Less: present value discount | (1,177,205,607) | (13,767,019,548) |
| Current portion of bonds payable | 1,257,450,000,000 | 254,650,000,000 |
| Less: present value discount | (419,086,938) | (76,909,817) |
| | 2,461,779,927,537 | 1,903,409,932,128 |
| Non-current liabilities: | | |
| Long-term borrowings | 1,365,000,000,000 | 1,837,172,535,625 |
| Less: present value discount | (2,177,401,958) | (4,414,981,599) |
| Borrowings from Special Account for Energy and Resources | 7,847,668,000 | 7,847,668,000 |
| Bonds payable | 4,044,997,700,000 | 4,485,770,800,000 |
| Less: present value discount | (10,452,544,453) | (15,316,812,026) |
| | 5,405,215,421,589 | 6,311,059,210,000 |
| | ₩ 7,866,995,349,126 | ₩ 8,214,469,142,128 |

The repayment schedules of borrowings and bonds payable are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Borrowings (*) | Bonds payable | Total |
| Within 1 year | ₩ 1,186,034,000,000 | ₩ 1,277,450,000,000 | ₩ 2,463,484,000,000 |
| After 1 year but no later than 5 years | 1,365,000,000,000 | 3,361,242,500,000 | 4,726,242,500,000 |
| Later than 5 years | - | 683,755,200,000 | 683,755,200,000 |
| | ₩ 2,551,034,000,000 | ₩ 5,322,447,700,000 | ₩ 7,873,481,700,000 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Borrowings (*) | Bonds payable | Total |
| Within 1 year | ₩ 1,662,603,861,493 | ₩ 254,650,000,000 | ₩ 1,917,253,861,493 |
| After 1 year but no later than 5 years | 1,381,034,000,000 | 3,562,750,000,000 | 4,943,784,000,000 |
| Later than 5 years | 456,138,535,625 | 923,020,800,000 | 1,379,159,335,625 |
| | ₩ 3,499,776,397,118 | ₩ 4,740,420,800,000 | ₩ 8,240,197,197,118 |

(*) Long-term borrowings exclude borrowings from Special Account for Energy and Resources.

## 23. Borrowings and bonds payable (cont'd)

Details of short-term borrowings as of December 31, 2025 and 2024 are as follows (Korean won):

| | Financial institution | Annual interest rate | Maturity | December 31, 2025 | December 31, 2024 |
|---|---|---|---|---|---|
| Commercial paper | DS securities | 2.89% | Jan. 20, 2026 | ₩ 100,000,000,000 | ₩ - |
| Commercial paper | DS, Kyobo, Sangsangin securities | 2.88% | Feb. 3, 2026 | 120,000,000,000 | - |
| Commercial paper | DS, Bookook securities | 2.55% | Jun. 11, 2026 | 100,000,000,000 | - |
| Commercial paper | DS securities | 2.53% | Jul. 21, 2026 | 50,000,000,000 | - |
| Commercial paper | DS, SK, Bookook securities | 2.57% | Aug. 26, 2026 | 50,000,000,000 | - |
| Commercial paper | DS, Daol Securities | 2.60% | Sep. 21, 2026 | 150,000,000,000 | - |
| Commercial paper | Hanyang securities | - | - | - | 200,000,000,000 |
| Commercial paper | DB, SK, Kyobo securities | - | - | - | 100,000,000,000 |
| Commercial paper | SK Securities | - | - | - | 100,000,000,000 |
| Commercial paper | SK Securities | - | - | - | 100,000,000,000 |
| Commercial paper | Kyobo, SK, KR, Heungkuk securities | - | - | - | 100,000,000,000 |
| | | | | ₩ 570,000,000,000 | ₩ 600,000,000,000 |

Details of short-term bonds payable as of December 31, 2025 and 2024 are as follows (Korean won):

| | Annual interest rate | Maturity | December 31, 2025 | December 31, 2024 |
|---|---|---|---|---|
| Short-term electronic bonds | 3.11% | Mark. 5, 2026 | ₩ 20,000,000,000 | ₩ - |

## 23. Borrowings and bonds payable (cont'd)

Details of long-term borrowings as of December 31, 2025 and 2024 are as follows (Korean won):

| | | | | December 31, 2025 | |
|---|---|---|---|---|---|
| | Financial institution | Annual interest rate | Maturity | Foreign currencies | Equivalent Korean won |
| Long-term borrowings in KRW | Ministry of Unification (*1) | 1.50% | Jun. 18, 2026 | - | ₩ 6,034,000,000 |
| | Hana bank | 3M CD+0.42% | Feb. 18, 2027 | - | 150,000,000,000 |
| | Hana bank | 3M CD+0.65% | Jul. 8, 2027 | - | 100,000,000,000 |
| | SY MIRE 2nd | 4.96% | Aug. 24, 2026 | - | 50,000,000,000 |
| | SY MIRE 2nd | 4.98% | Aug. 24, 2027 | - | 70,000,000,000 |
| | Hana bank(*2) | 3M CD+0.57% | Ju. 14, 2026 | - | 100,000,000,000 |
| | WithGM 19th | 4.98% | Aug. 31, 2026 | - | 60,000,000,000 |
| | Hana bank | 3M CD+0.70% | Nov. 9, 2026 | - | 150,000,000,000 |
| | Partners 1st | 5.75% | May 28, 2026 | - | 200,000,000,000 |
| | DB, SK & Kyobo Investment | 4.47% | Feb. 20, 2026 | - | 50,000,000,000 |
| | National Resource 1st | 4.90% | Jan. 21, 2027 | - | 100,000,000,000 |
| | National Resource 1st | 4.50% | Jan. 21, 2027 | - | 55,000,000,000 |
| | One-trust 1st | 4.39% | Jul. 18, 2027 | - | 90,000,000,000 |
| | One-trust 1st | 4.03% | Jul. 18, 2027 | - | 200,000,000,000 |
| | Hana bank(*2) | 3M CD + 0.53% | Jan. 14, 2028 | - | 200,000,000,000 |
| | Lucky-star 2nd | 3.23% | Mar. 6, 2027 | - | 200,000,000,000 |
| | Hana bank | 3M CD + 0.25% | Oct. 31, 2028 | - | 100,000,000,000 |
| | Hana bank | 3M CD + 0.34% | Nov. 14, 2028 | - | 100,000,000,000 |
| | | | | - | 1,981,034,000,000 |
| Less: current portion | | | | | (616,034,000,000) |
| Less: present value discount | | | | | (3,354,607,565) |
| Less: current portion of present value discount | | | | | 1,177,205,607 |
| | | | | | ₩ 1,362,822,598,042 |

| | | | | December 31, 2024 | | |
|---|---|---|---|---|---|---|
| | Financial institution | Annual interest rate | Maturity | Foreign currencies | | Equivalent Korean won |
| Long-term borrowings in KRW | Ministry of Unification (*1) | 1.50% | Jun. 18, 2026 | - | | ₩ 6,034,000,000 |
| | Lucky star 2nd | 1.96% | May 29, 2025 | - | | 20,000,000,000 |
| | Hana bank | 3M CD+0.42% | Feb. 18, 2027 | - | | 150,000,000,000 |
| | Hana bank | 3M CD+0.65% | Jul. 8, 2027 | - | | 100,000,000,000 |
| | Hana bank | 3M CD+1.12% | Nov. 1, 2025 | - | | 100,000,000,000 |
| | Hana bank | 3M CD+1.25% | Nov. 14, 2025 | - | | 100,000,000,000 |
| | SY MIRE 2nd | 4.96% | Aug. 24, 2026 | - | | 50,000,000,000 |
| | SY MIRE 2nd | 4.98% | Aug. 24, 2027 | - | | 70,000,000,000 |
| | DB, SK & Kyobo Investment | 4.75% | Jul. 11, 2025 | - | | 100,000,000,000 |
| | Hana bank(*2) | 3M CD+0.57% | Ju. 14, 2026 | - | | 100,000,000,000 |
| | Kyobo Securities | 4.98% | Aug. 31, 2025 | - | | 30,000,000,000 |
| | WithGM 19th | 4.98% | Aug. 31, 2026 | - | | 60,000,000,000 |
| | DB, SK & Kyobo Investment | 4.95% | Oct. 13, 2025 | - | | 100,000,000,000 |
| | Hana bank | 3M CD+0.70% | Nov. 9, 2026 | - | | 150,000,000,000 |
| | Partners 1st | 5.75% | May 28, 2026 | - | | 200,000,000,000 |
| | DB, SK & Kyobo Investment | 4.45% | Jun. 20, 2025 | - | | 150,000,000,000 |
| | DB, SK & Kyobo Investment | 4.47% | Feb. 20, 2026 | - | | 50,000,000,000 |
| | National Resource 1st | 4.90% | Jan. 21, 2027 | - | | 100,000,000,000 |
| | National Resource 1st | 4.50% | Jan. 21, 2027 | - | | 55,000,000,000 |
| | DB, SK & Kyobo Investment | 4.05% | Aug. 6, 2025 | - | | 100,000,000,000 |
| | Partners 1st | 4.39% | Jul. 18, 2027 | - | | 90,000,000,000 |
| | Partners 1st | 4.03% | Jul. 18, 2027 | - | | 200,000,000,000 |
| Long-term borrowings in foreign currency | Nomura Securities | 0.92% | Oct. 17, 2025 | JPY | 13,387,000,000 | 125,366,577,600 |
| | Baja funding loan(*3) | Libor(3M)+3.50% | Sep. 7, 2031 | USD | 6,566,705 | 9,653,056,203 |
| | Baja funding loan(*3) | Libor(3M)+3.50% | Sep. 7, 2025 | USD | 59,050,087 | 86,803,628,566 |
| | Equity loan(*3) | 10.00% | Sep. 7, 2030 | USD | 303,731,619 | 446,485,479,422 |
| | Equity loan(*3) | 4.00% | Dec. 31, 2025 | USD | 102,335,820 | 150,433,655,327 |
| | | | | USD<br>JPY | 447,684,231<br>13,387,000,000 | 2,899,776,397,118 |
| Less: current portion | | | | | | (1,062,603,861,493) |
| Less: present value discount | | | | | | (18,182,001,147) |
| Less: current portion of present value discount | | | | | | 13,767,019,548 |
| | | | | | | ₩ 1,832,757,554,026 |

(*1) The interest rate is reduced to 1.5% and will be applied until June 18, 2026.
(*2) The Group entered into an interest rate swap contract and pays a fixed interest rate on borrowings (see Note 7).
(*3) The amount represents borrowings of Minera Metalurgica del Boleo (MMB), which were excluded from the scope of consolidation for the year ended December 31, 2025 due to the disposal of its interests.

## 23. Borrowings and bonds payable (cont'd)

Details of bonds payable as of December 31, 2025 and 2024 are as follows (Korean won):

| | | | December 31, 2025 | |
|---|---|---|---|---|
| | Annual interest rate | Maturity | Foreign currency | Korean won equivalent |
| 3rd Korea Resources Corporation Bonds | 2.81% | Jul. 10, 2030 | - | 110,000,000,000 |
| 4th-1 Korea Resources Corporation Bonds | 1.90% | Feb. 18, 2026 | - | 80,000,000,000 |
| 4th-2 Korea Resources Corporation Bonds | 2.04% | Feb. 18, 2036 | - | 100,000,000,000 |
| 6th-2 Korea Resources Corporation Bonds | 2.30% | Jan. 29, 2029 | - | 150,000,000,000 |
| 6th-3 Korea Resources Corporation Bonds | 2.38% | Jan. 29, 2039 | - | 90,000,000,000 |
| Global Bond(*) | 3.01% | Feb. 26, 2040 | AUD 60,000,000 | 57,661,200,000 |
| 7th-4 Korea Resources Corporation Bonds | 2.00% | Apr. 3, 2030 | - | 90,000,000,000 |
| 7th-5 Korea Resources Corporation Bonds | 2.06% | Apr. 3, 2040 | - | 20,000,000,000 |
| 8th-3 Korea Resources Corporation Bonds | 1.79% | Jul. 15, 2030 | - | 40,000,000,000 |
| 8th-4 Korea Resources Corporation Bonds | 1.90% | Jul. 13, 2040 | - | 30,000,000,000 |
| 8th-5 Korea Resources Corporation Bonds | 1.93% | Jul. 15, 2050 | - | 50,000,000,000 |
| Global Bonds(*) | 3.20% | Jul. 15, 2040 | USD 60,000,000 | 86,094,000,000 |
| 9th-1 Korea Resources Corporation Bonds | 1.65% | Jan. 8, 2026 | - | 50,000,000,000 |
| 9th-2 Korea Resources Corporation Bonds | 2.06% | Jan. 8, 2031 | - | 150,000,000,000 |
| 9th-3 Korea Resources Corporation Bonds | 2.07% | Jan. 6, 2051 | - | 100,000,000,000 |
| Global Bonds | 1.75% | Apr. 15, 2026 | USD 500,000,000 | 717,450,000,000 |
| 10th-2 Korea Resources Corporation Bonds | 1.94% | May 18, 2026 | - | 150,000,000,000 |
| Global Bond | 4.13% | Apr. 20, 2027 | USD 425,000,000 | 609,832,500,000 |
| 11th Korea Resources Corporation Bonds | 3.90% | May 19, 2026 | - | 50,000,000,000 |
| Global Bonds | 5.38% | May 11, 2028 | USD 500,000,000 | 717,450,000,000 |
| 13th-1 Korea Resources Corporation Bonds | 3.72% | Mar. 18, 2026 | - | 80,000,000,000 |
| 13th-2 Korea Resources Corporation Bonds | 3.69% | Mar. 18, 2027 | - | 70,000,000,000 |
| Global Bonds | 5.13% | May 8, 2029 | USD 400,000,000 | 573,960,000,000 |
| 14th-1 Korea Resources Corporation Bonds | 3.68% | May 14, 2026 | - | 30,000,000,000 |
| 14th-2 Korea Resources Corporation Bonds | 3.69% | May 14, 2027 | - | 60,000,000,000 |
| 14th-3 Korea Resources Corporation Bonds | 3.70% | May 14, 2029 | - | 60,000,000,000 |
| 15th Korea Resources Corporation Bonds | 3.29% | Jul. 10, 2026 | - | 100,000,000,000 |
| 16-1st Korea Resources Corporation Bonds | 2.61% | Apr. 22, 2028 | - | 100,000,000,000 |
| 16-2nd Korea Resources Corporation Bonds | 2.70% | Apr. 22, 2030 | - | 50,000,000,000 |
| 17th Korea Resources Corporation Bonds | 2.76% | Mar. 20, 2030 | - | 100,000,000,000 |
| 18th Korea Resources Corporation Bonds | 2.82% | Jun. 18, 2030 | - | 110,000,000,000 |
| 19-1st Korea Resources Corporation Bonds | 2.69% | Jul. 8, 2028 | - | 100,000,000,000 |
| 19-2nd Korea Resources Corporation Bonds | 2.81% | Jul. 8, 2030 | - | 50,000,000,000 |
| 20th Korea Resources Corporation Bonds | 2.62% | Aug. 8, 2028 | - | 120,000,000,000 |
| 21th Korea Resources Corporation Bonds | 2.76% | Oct. 14, 2028 | - | 150,000,000,000 |
| 22th Korea Resources Corporation Bonds | 2.70% | Oct. 28, 2027 | - | 50,000,000,000 |
| 23th Korea Resources Corporation Bonds | 3.05% | Nov. 21, 2027 | - | 50,000,000,000 |
| | | | USD 1,885,000,000<br>AUD 60,000,000 | 5,302,447,700,000 |
| Less: discount on bond issuance | | | | (10,871,631,391) |
| Less: current portion | | | | (1,257,450,000,000) |
| Less: current portion of discount on bond issuance | | | | 419,086,938 |
| | | | | ₩ 4,034,545,155,547 |

## 23. Borrowings and bonds payable (cont'd)

| | | | December 31, 2024 | |
|---|---|---|---|---|
| | Annual interest rate | Maturity | Foreign currency | Korean won equivalent |
| 3rd Korea Resources Corporation Bonds | 2.81% | Jul. 10, 2030 | - | ₩ 110,000,000,000 |
| 4th-1 Korea Resources Corporation Bonds | 1.90% | Feb. 18, 2026 | - | 80,000,000,000 |
| 4th-2 Korea Resources Corporation Bonds | 2.04% | Feb. 18, 2036 | - | 100,000,000,000 |
| 6th-2 Korea Resources Corporation Bonds | 2.30% | Jan. 29, 2029 | - | 150,000,000,000 |
| 6th-3 Korea Resources Corporation Bonds | 2.38% | Jan. 29, 2039 | - | 90,000,000,000 |
| Global Bond(*) | 2.24% | Feb. 26, 2040 | AUD 60,000,000 | 54,820,800,000 |
| Global Bond | 2.03% | Mar. 9, 2025 | HKD 500,000,000 | 94,650,000,000 |
| 7th-3 Korea Resources Corporation Bonds | 1.82% | Apr. 3, 2025 | - | 30,000,000,000 |
| 7th-4 Korea Resources Corporation Bonds | 2.00% | Apr. 3, 2030 | - | 90,000,000,000 |
| 7th-5 Korea Resources Corporation Bonds | 2.06% | Apr. 3, 2040 | - | 20,000,000,000 |
| 8th-2 Korea Resources Corporation Bonds | 1.52% | Jul. 15, 2025 | - | 80,000,000,000 |
| 8th-3 Korea Resources Corporation Bonds | 1.79% | Jul. 15, 2030 | - | 40,000,000,000 |
| 8th-4 Korea Resources Corporation Bonds | 1.90% | Jul. 13, 2040 | - | 30,000,000,000 |
| 8th-5 Korea Resources Corporation Bonds | 1.93% | Jul. 15, 2050 | - | 50,000,000,000 |
| Global Bonds(*) | 1.95% | Jul. 15, 2040 | USD 60,000,000 | 88,200,000,000 |
| 9th-1 Korea Resources Corporation Bonds | 1.65% | Jan. 8, 2026 | - | 50,000,000,000 |
| 9th-2 Korea Resources Corporation Bonds | 2.06% | Jan. 8, 2031 | - | 150,000,000,000 |
| 9th-3 Korea Resources Corporation Bonds | 2.07% | Jan. 6, 2051 | - | 100,000,000,000 |
| Global Bonds | 1.75% | Apr. 15, 2026 | USD 500,000,000 | 735,000,000,000 |
| 10th-2 Korea Resources Corporation Bonds | 1.94% | May 18, 2026 | - | 150,000,000,000 |
| Global Bond | 4.13% | Apr. 20, 2027 | USD 425,000,000 | 624,750,000,000 |
| 11th Korea Resources Corporation Bonds | 3.90% | May 19, 2026 | - | 50,000,000,000 |
| Global Bonds | 5.38% | May 11, 2028 | USD 500,000,000 | 735,000,000,000 |
| 12th Korea Resources Corporation Bonds | 4.80% | Oct. 31, 2025 | - | 50,000,000,000 |
| 13th-1 Korea Resources Corporation Bonds | 3.72% | Mar. 18, 2026 | - | 80,000,000,000 |
| 13th-2 Korea Resources Corporation Bonds | 3.69% | Mar. 18, 2027 | - | 70,000,000,000 |
| Global Bonds | 5.13% | May 8, 2029 | USD 400,000,000 | 588,000,000,000 |
| 14th-1 Korea Resources Corporation Bonds | 3.68% | May 14, 2026 | - | 30,000,000,000 |
| 14th-2 Korea Resources Corporation Bonds | 3.69% | May 14, 2027 | - | 60,000,000,000 |
| 14th-3 Korea Resources Corporation Bonds | 3.70% | May 14, 2029 | - | 60,000,000,000 |
| 15th Korea Resources Corporation Bonds | 3.29% | Jul. 10, 2026 | - | 100,000,000,000 |
| | | | USD 1,885,000,000<br>AUD 60,000,000<br>HKD 500,000,000 | 4,740,420,800,000 |
| Less: discount on bond issuance | | | | (15,393,721,843) |
| Less: current portion | | | | (254,650,000,000) |
| Less: current portion of discount on bond issuance | | | | 76,909,817 |
| | | | | ₩ 4,470,453,987,974 |

(*) The Group entered into an interest rate swap contract and pays a fixed interest rate on borrowings (see Note 7).

## 23. Borrowings and bonds payable (cont'd)

Pursuant to the *Act on the Special Accounts for Energy and Resources,* the Group has provided loan services to certain companies engaged in energy and resource businesses, as it was designated as the service provider by the Ministry of Trade, Industry and Energy of Korea ("MTIE"). However, these services were transferred to Korea Energy Agency in 2017.

Details of borrowings received from the Special Account for Energy and Resources as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Beginning balance | Borrowings/ repayment | Exemption | Ending balance |
| Overseas resources survey (exploration) | ₩ 7,847,668,000 | ₩ - | ₩ - | ₩ 7,847,668,000 |

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Beginning balance | Borrowings/ repayment | Exemption | Ending balance |
| Overseas resources survey (exploration) | ₩ 7,847,668,000 | ₩ - | ₩ - | ₩ 7,847,668,000 |

## 24. Trade and other payables

Details of trade and other payables as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Trade payables | ₩ 15,788,746,219 | ₩ - | ₩ 38,565,810,330 | ₩ - |
| Accounts payables | 8,971,683,664 | - | 9,427,901,995 | - |
| Accrued expenses | 44,300,761,802 | - | 44,652,451,747 | - |
| Rental deposit | 2,715,202,890 | 157,579,600 | 2,567,889,050 | 329,367,000 |
| Other deposit | 1,035,713,169 | - | 1,035,713,169 | - |
| Lease liabilities | 1,541,468,167 | 1,176,586,683 | 679,314,353 | 671,233,595 |
| | ₩ 74,353,575,911 | ₩ 1,334,166,283 | ₩ 96,929,080,644 | ₩ 1,000,600,595 |

## 25. Lease

For the year ended December 31, 2025, the Group expensed ₩1,415,346,284 in connection with short-term leases with lease term of 12 months or less (₩1,447,552,958 for the year ended December 31, 2024), and ₩32,254,978 for leases of low-value assets (₩31,772,329 for the year ended December 31, 2024), respectively.

Details of right-of-use assets as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Book value |
| Buildings | ₩ 2,346,289,897 | ₩ (714,148,103) | ₩ 1,632,141,794 |
| Vehicles | 1,958,566,348 | (635,430,678) | 1,323,135,670 |
| | ₩ 4,304,856,245 | ₩ (1,349,578,781) | ₩ 2,955,277,464 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Book value |
| Buildings | ₩ 1,208,704,333 | ₩ (671,508,005) | ₩ 537,196,328 |
| Vehicles | 1,734,710,126 | (983,793,576) | 750,916,550 |
| | ₩ 2,943,414,459 | ₩ (1,655,301,581) | ₩ 1,288,112,878 |

Changes in right-of-use assets for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | |
|---|---|---|---|---|---|
| | January 1 | Acquisitions | Depreciation | Others | December 31 |
| Buildings | ₩ 537,196,328 | ₩ 1,531,594,562 | ₩ (441,027,752) | ₩ 4,378,656 | ₩ 1,632,141,794 |
| Vehicles | 750,916,550 | 1,031,841,540 | (459,622,420) | - | 1,323,135,670 |
| | ₩ 1,288,112,878 | ₩ 2,563,436,102 | ₩ (900,650,172) | ₩ 4,378,656 | ₩ 2,955,277,464 |

| | 2024 | | | | |
|---|---|---|---|---|---|
| | January 1 | Acquisitions | Depreciation | Others | December 31 |
| Buildings | ₩ 364,406,376 | ₩ 434,562,509 | ₩ (266,557,697) | ₩ 4,785,140 | ₩ 537,196,328 |
| Vehicles | 963,259,361 | 348,954,853 | (561,297,664) | - | 750,916,550 |
| | ₩ 1,327,665,737 | ₩ 783,517,362 | ₩ (827,855,361) | ₩ 4,785,140 | ₩ 1,288,112,878 |

The maturity analysis of lease liabilities as of December 31, 2025 and 2024 is as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Within 1 year | ₩ 1,613,659,423 | ₩ 712,186,253 |
| After 1 year but no later than 5 years | 1,215,418,764 | 703,594,372 |
| Non-discounted lease payments | 2,829,078,187 | 1,415,780,625 |
| Present value discounts, etc. | (111,023,337) | (65,232,677) |
| | ₩ 2,718,054,850 | ₩ 1,350,547,948 |

## 25. Lease (cont'd)

Details of lease liabilities as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Current liabilities | ₩ 1,541,468,167 | ₩ 679,314,353 |
| Non-current liabilities | 1,176,586,683 | 671,233,595 |
| | ₩ 2,718,054,850 | ₩ 1,350,547,948 |

Changes in lease liabilities for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | |
|---|---|---|---|---|---|---|
| | January 1 | Additions | Interest cost | Decrease | Others (*) | December 31 |
| Lease liabilities | ₩ 1,350,547,948 | ₩ ,563,436,102 | ₩ 77,308,338 | ₩1,285,391,859) | ₩ 12,154,321 | ₩ 2,718,054,850 |

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | January 1 | Additions | Interest cost | Decrease | Others (*) | December 31 |
| Lease liabilities | ₩ 1,377,269,928 | ₩ 783,517,362 | ₩ 38,302,506 | ₩ (864,242,351) | ₩ 15,700,503 | ₩ 1,350,547,948 |

(*) Others include the effect of foreign currency translation.

The amounts recognized in profit or loss by the Group as lessee for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Depreciation for right-of-use-assets | ₩ 900,650,172 | ₩ 827,855,361 |
| Interest on lease liabilities as finance cost | 77,308,338 | 38,302,506 |
| Expenses relating to short-term leases | 1,415,346,284 | 1,447,552,958 |
| Expenses relating to leases of low-values assets | 32,254,978 | 31,772,329 |
| Total amount recognized in profit or loss | ₩ 2,425,559,772 | ₩ 2,345,483,154 |

The total cash outflows from leases in the consolidated statements of cash flows for each of the two years in the period ended December 31, 2025 are ₩2,732,993,121 and ₩2,343,567,638, respectively.

## 26. Pensions benefits

**Defined contribution plans**
The Group operates a defined contribution plan for eligible employees. A defined contribution plan is managed separately by the plan's administrator. When employees terminate their employment before benefits have been vested, the Group's obligation to make contributions to the plan decreases on a pro rata basis. Contributions paid by the Group amount to ₩ 4,154,351,643 for the year ended December 31, 2025.

**Defined benefit plans**
The Group operates a defined benefit plan for eligible employees. The cost of the defined benefit plan has been determined by NH Investment Securities Co., Ltd., an independent actuary. The present value of the defined benefit obligations, current service costs and past service costs are calculated using the projected unit credit method.

The major components of net defined benefit liabilities as of December 31, 2025 and 2024 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Present value of defined benefit obligations under the defined benefit pension plan | ₩ 16,916,160,692 | ₩ 17,726,214,523 |
| Fair value of plan assets | (18,294,952,805) | (20,434,859,633) |
| | (1,378,792,113) | (2,708,645,110) |
| Present value of defined benefit obligations not related to the defined benefit pension plan | - | - |
| | ₩ (1,378,792,113) | ₩ (2,708,645,110) |

**26. Pensions benefits (cont'd)**

Changes in the present values of defined benefit obligations for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| As of January 1 | ₩ 17,726,214,523 | ₩ 17,584,132,449 |
| Current service costs | 1,879,024,086 | 1,695,279,972 |
| Past service costs | - | - |
| Interest costs (*) | 696,628,782 | 754,495,407 |
| Remeasurements of defined benefit obligations | (480,425,609) | 2,448,982,815 |
| Benefits paid | (2,905,281,090) | (4,756,676,120) |
| As of December 31 | ₩ 16,916,160,692 | ₩ 17,726,214,523 |

(*) In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA+' rating or above, as set by an internationally acknowledged rating agency. The actual rate of discount applied was 4.419% which is calculated based on the maturity of 14.52 years.

Changes in the fair values of plan assets for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| As of January 1 | ₩ 20,434,859,633 | ₩ 23,970,006,180 |
| Expected return on plan assets (*) | 776,516,964 | 1,019,586,218 |
| Remeasurements of the plan assets | (114,104,730) | 65,531,273 |
| Benefits paid | (2,802,319,580) | (4,620,264,038) |
| Employer contribution | 518 | - |
| As of December 31 | ₩ 18,294,952,805 | ₩ 20,434,859,633 |

(*) In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the defined benefit plan assets with at least an 'AA+' rating or above, as set by an internationally acknowledged rating agency. The actual discount rate applied was 4.419% which is calculated based on the maturity of 14.52 years.

The accumulated remeasurements of net defined benefit liabilities (assets) recognized as other comprehensive income (after tax effect) amount to ₩4,322,397,190 for the year ended December 31, 2025 and ₩3,996,371,608 for the year ended December 31, 2024.

Details of the defined benefit plan recognized in profit or loss for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Current service costs | ₩ 1,879,024,086 | ₩ 1,695,279,972 |
| Past service costs | - | - |
| Interest costs on defined benefit liabilities | 696,628,782 | 754,495,407 |
| Expected return on plan assets | (776,516,964) | (1,019,586,218) |
| | ₩ 1,799,135,904 | ₩ 1,430,189,161 |

Costs related to the defined benefit plan above were recognized as selling and administrative expenses in the consolidated financial statements.

## 26. Pensions benefits (cont'd)

Remeasurement gains (losses) which are recognized as other comprehensive income are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Actuarial gains and losses on defined benefit obligation | ₩ 480,425,609 | ₩ (2,448,982,815) |
| Difference between expected return on plan assets and actual interest income | (114,104,730) | 65,531,273 |
| | ₩ 366,320,879 | ₩ (2,383,451,542) |

Remeasurement gains (losses) recognized for each of two years in the period ended December 31, 2025 are included as accumulated deficit in the consolidated statements of financial position.

The Group accepted early retirement applications from its employees and provided the early retirement benefits of ₩756,596,946 and ₩363,596,580 for each of the two years in the period ended December 31, 2025, respectively.

## 27. Provisions

Details of provision as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Provisions for employee benefits (*1) | ₩ 6,403,468,440 | ₩ - | ₩ 8,384,923,981 | ₩ - |
| Provision for litigation | - | - | - | 4,000,000 |
| Provisions for decommissioning, restoration and environmental rehabilitation cost (*2) | - | 19,226,930,470 | - | 133,941,710,185 |
| | ₩ 6,403,468,440 | ₩ 19,226,930,470 | ₩ 8,384,923,981 | ₩ 133,945,710,185 |

(*1) The Group estimates performance-related bonuses based on the business performance and assessment standards. This estimation could be changed.

(*2 This represents the best estimate of the future outflow of economic benefits required for reclamation works in connection with the debt guarantees provided by the Group. While these estimates are based on historical experience with reclamation projects, they are subject to change due to new processes, changes in construction methods, or other events that may affect the outcome.

Changes in provisions for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | |
|---|---|---|---|---|---|---|
| | January 1 | Incurred | Used | Reversed | Others | December 31 |
| Provisions for employee benefits | ₩ 8,384,923,981 | ₩ - | ₩ - | ₩ (1,981,455,541) | ₩ - | ₩ 6,403,468,440 |
| Provision for litigation | 4,000,000 | - | (4,000,000) | - | - | - |
| Provisions for decommissioning, restoration and environmental rehabilitation | 133,941,710,185 | 7,689,662,920 | - | - | (122,404,442,635) | 19,226,930,470 |
| | ₩ 142,330,634,166 | ₩ 7,689,662,920 | ₩ (4,000,000) | ₩ (1,981,455,541) | ₩ (122,404,442,635) | 25,630,398,910 |

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | January 1 | Incurred | Used | Reversed | Others | December 31 |
| Provisions for employee benefits | ₩ 9,594,169,080 | ₩ - | ₩ - | ₩ (1,209,245,099) | ₩ - | ₩ 8,384,923,981 |
| Provision for litigation | - | 4,000,000 | - | - | - | 4,000,000 |
| Provisions for decommissioning, restoration and environmental rehabilitation | 126,737,403,705 | 6,608,215,215 | (155,147,000) | (8,604,431,563) | 9,355,669,828 | 133,941,710,185 |
| | ₩ 136,331,572,785 | ₩ 6,612,215,215 | ₩ (155,147,000) | ₩ (9,813,676,662) | ₩ 9,355,669,828 | 142,330,634,166 |

## 28. Government grants

When assets are acquired using the government grants, the amount of the grants received is deducted from the acquisition cost of the assets in accordance with Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions.

Details of government grants as of December 31, 2025 and 2024 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Cash and cash equivalents | ₩ 1,579,971,338 | ₩ 397,760,000 |
| Land | 18,933,218,129 | 18,829,486,243 |
| Buildings | 18,736,370,721 | 18,551,253,590 |
| Structures | 21,324,674,415 | 18,890,703,638 |
| Machinery | 7,705,358,410 | 5,529,024,216 |
| Vehicles | 262,083,345 | 351,940,485 |
| Others | 763,533,807 | 869,045,945 |
| Construction in process | 29,526,804,197 | 17,952,019,890 |
| Software | 421,127,663 | 476,524,613 |
| Exploration and evaluation assets | - | 15,276,280,853 |
| Assets classified as held for sale | 8,135,000,981 | - |
| | ₩ 107,388,143,006 | ₩ 97,124,039,473 |

Changes in government grants for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| | January 1 | Receipts | Acquisition of assets | Offset with depreciation, setc. | Reflected on profits | Others | December 31 |
| Cash and cash equivalents | ₩ 397,760,000 | ₩ 334,478,316,790 | ₩ (21,494,578,911) | ₩ - | ₩ (311,742,109,541) | ₩ (59,417,000) | ₩ 1,579,971,338 |
| Land | 18,829,486,243 | - | 62,089,889 | - | - | 41,641,997 | 18,933,218,129 |
| Buildings | 18,551,253,590 | - | 421,662,234 | (2,102,083,052) | - | 1,865,537,949 | 18,736,370,721 |
| Structures | 18,890,703,638 | - | - | (1,773,006,663) | - | 4,206,977,440 | 21,324,674,415 |
| Machinery | 5,529,024,216 | - | 876,113,970 | (989,833,011) | - | 2,290,053,235 | 7,705,358,410 |
| Vehicles | 351,940,485 | - | - | (89,857,140) | - | - | 262,083,345 |
| Others | 869,045,945 | - | 62,482,030 | (192,780,168) | - | 24,786,000 | 763,533,807 |
| Construction in process | 17,952,019,890 | - | 20,003,780,928 | - | - | (8,428,996,621) | 29,526,804,197 |
| Software | 476,524,613 | | 68,449,860 | (123,846,810) | - | - | 421,127,663 |
| Exploration and evaluation assets | 15,276,280,853 | - | - | | - | (15,276,280,853) | - |
| Assets classified as held for sale(*) | - | - | - | (7,141,279,872) | - | 15,276,280,853 | 8,135,000,981 |
| | ₩ 97,124,039,473 | ₩ 334,478,316,790 | ₩ - | ₩ (12,412,686,716) | ₩ (311,742,109,541) | ₩ (59,417,000) | 107,388,143,006 |

(*) As the Wyong project in Australia was classified as an asset held for sale, the government grants related to its exploration and evaluation assets were reclassified as government grants within disposal groups held for sale. Furthermore, following the recognition of impairment losses on the exploration and evaluation assets classified as held for sale, the related government grants were partially reversed.

| | 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | January 1 | Receipts | Acquisition of assets | Offset with depreciation, etc. | Disposal | Reflected on profits | Others | December 31 |
| Cash and cash equivalents | ₩ - | ₩ 397,667,651,576 | ₩ (18,869,926,192) | ₩ - | ₩ - | ₩ (378,399,965,384) | ₩ - | ₩ 397,760,000 |
| Land | 18,204,555,331 | - | 624,930,912 | - | - | - | - | 18,829,486,243 |
| Buildings | 20,798,894,757 | - | - | (2,247,641,167) | - | - | - | 18,551,253,590 |
| Structures | 20,610,193,383 | - | - | (1,719,489,745) | - | - | - | 18,890,703,638 |
| Machinery | 6,492,441,124 | - | - | (963,416,908) | - | - | - | 5,529,024,216 |
| Vehicles | 441,797,625 | - | - | (89,857,140) | - | - | - | 351,940,485 |
| Others | 670,710,479 | - | 361,237,390 | (162,901,924) | - | - | - | 869,045,945 |
| Construction in process | 68,262,000 | - | 17,883,757,890 | - | - | - | - | 17,952,019,890 |
| Software | 600,755,159 | - | - | (124,230,546) | - | - | - | 476,524,613 |
| Exploration and evaluation assets | 15,276,280,853 | - | - | - | - | - | - | 15,276,280,853 |
| | ₩ 83,163,890,711 | ₩ 397,667,651,576 | ₩ - | ₩ (5,307,537,430) | ₩ - | ₩ (378,399,965,384) | ₩ - | 97,124,039,473 |

**28. Government grants (cont'd)**

Government grants reflected on profit and loss for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Income recognized | ₩ 311,742,109,541 | ₩ 378,399,965,384 |
| Offset with depreciation | 12,412,686,716 | 5,307,537,430 |
| | ₩ 324,154,796,257 | ₩ 383,707,502,814 |

## 28. Government grants (cont'd)

Details of the specific government grants business and changes in specific government grants for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| Department | Business name | Project | Period | Budget | For the year ended December 31, 2025 | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Carried over from prior year | Increase | | | | | | Decrease | | | | | | Etc. | Carry over to next year |
| | | | | | | Receipt | | | Interest | | | Execution | | | Return | | | | |
| | | | | | | Self-charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | | |
| Ministry of Trade, Industry and Energy | Briquette price support for the low-income | Briquette price support for the low-income | Oct. 1, 2024~ May 31, 2025 | 23,478,000,000 | - | - | - | 7,041,832,500 | - | - | - | - | - | 7,041,832,500 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Briquette price support for the low-income | Briquette price support for the low-income | Oct. 1, 2025~ May 31, 2026 | 19,824,000,000 | - | - | - | 13,590,622,756 | - | - | - | - | - | 13,590,622,756 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for coal price stabilization | Coal briquette price subsidy | Jan. 1, 2025~ Dec. 31, 2025 | 51,433,000,000 | - | - | - | 51,433,000,000 | - | - | - | - | - | 51,314,305,141 | - | - | - | - | 118,694,859 |
| Ministry of Trade, Industry and Energy | Project for measures against abandoned mines | Measures for workers Measures for water | Jan. 1, 2025~ Dec. 31, 2025 | 166,368,000,000 | 113,570,000 | - | - | 147,153,000,000 | - | - | - | - | - | 145,746,127,321 | - | - | 59,417,000 | - | 1,461,025,679 |
| Ministry of Trade, Industry and Energy | Project for overseas resource research | Infrastructure Overseas research | Jan. 1, 2025~ Dec. 31, 2025 | 4,074,000,000 | 284,190,000 | - | - | 4,074,000,000 | - | - | - | - | - | 4,358,190,000 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for general mining promotion support | Secure mining amount Project for mine security Mine dispute managing Mining advancement | Jan. 1, 2025~ Dec. 31, 2025 | 21,984,000,000 | - | - | - | 21,984,000,000 | - | - | - | - | - | 21,984,000,000 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for management for assets reserved | Management for assets reserved | Jan. 1, 2025~ Dec. 31, 2025 | 1,052,000,000 | - | - | - | 1,052,000,000 | - | - | - | - | - | 1,052,000,000 | - | - | - | - | - |
| Total | | | | 288,213,000,000 | 397,760,000 | - | - | 246,328,455,256 | - | - | - | - | - | 245,087,077,718 | - | - | 59,417,000 | - | 1,579,720,538 |

## 28. Government grants (cont'd)

| Department | Business name | Project | Period | Budget | For the year ended December 31, 2024 | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Carried over from prior year | Increase | | | | | | Decrease | | | | | | Etc. | Carry over to next year |
| | | | | | | Receipt | | | Interest | | | Execution | | | Return | | | | |
| | | | | | | Self-charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | Self - charge | Municipal charge | Government charge | | |
| Ministry of Trade, Industry and Energy | Briquette price support for the low-income | Briquette price support for the low-income | Jan. 1, 2023~ May 31, 2024 | 23,854,000,000 | - | - | - | 7,287,748,361 | - | - | - | - | - | 7,287,748,361 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Briquette price support for the low-income | Briquette price support for the low-income | Oct. 1, 2023~ May 31, 2024 | 23,478,000,000 | - | - | - | 15,894,187,884 | - | - | - | - | - | 15,894,187,884 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for coal price stabilization | Coal briquette price subsidy | Jan. 1, 2024~ Dec. 31, 2024 | 64,291,000,000 | - | - | - | 64,291,000,000 | - | - | - | - | - | 64,291,000,000 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for measures against abandoned mines | Measures for workers Measures for water | Jan. 1, 2024~ Dec. 31, 2024 | 223,589,000,000 | - | - | - | 191,973,331,911 | - | - | - | - | - | 191,859,761,911 | - | - | - | - | 113,570,000 |
| Ministry of Trade, Industry and Energy | Project for overseas resource research | Infrastructure Overseas research | Jan. 1, 2024~ Dec. 31, 2024 | 3,291,000,000 | - | - | - | 3,291,000,000 | - | - | - | - | - | 3,006,810,000 | - | - | - | - | 284,190,000 |
| Ministry of Trade, Industry and Energy | Project for general mining promotion support | Secure mining amount Project for mine security Mine dispute managing Mining advancement | Jan. 1, 2024~ Dec. 31, 2024 | 25,709,000,000 | - | - | - | 25,709,000,000 | - | - | - | - | - | 25,709,000,000 | - | - | - | - | - |
| Ministry of Trade, Industry and Energy | Project for management for assets reserved | Management for assets reserved | Jan. 1, 2024~ Dec. 31, 2024 | 1,052,000,000 | - | - | - | 1,052,000,000 | - | - | - | - | - | 1,052,000,000 | - | - | - | - | - |
| Total | | | | 365,264,000,000 | - | - | - | 309,498,268,156 | - | - | - | - | - | 309,100,508,156 | - | - | - | - | 397,760,000 |

## 29. Entrusted business

The Group conducts entrusted business pursuant to Article 39-1-(8) of the *Act on the Prevention and Recovery of Mining Damage*. The Group's main entrusted business is mining-related projects entrusted by Korea International Cooperation Agency.

The Group recognizes funds received for unexecuted entrusted business as deduction of cash and cash equivalents in accordance with Article 44-2 of the Rules for Accounting Affairs of Public Corporations and Quasi-governmental Institutions.

Details of unexecuted entrusted business funds as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Deduction of cash and cash equivalents | ₩ 11,522,908,987 | ₩ 10,336,332,418 |
| Deduction of other property, plant and equipment | 6,890,031 | 5,985,791 |
| | ₩ 11,529,799,018 | ₩ 10,342,318,209 |

Changes in entrusted business funds for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| 2025 | January 1 | Receipts | Execution | Depreciation | Return | Others | December 31 |
|---|---|---|---|---|---|---|---|
| Cash and cash equivalent | ₩ 10,336,332,418 | ₩ 5,635,633,749 | ₩ (2,812,060,712) | ₩ - | ₩ (8,040,340) | ₩ (1,628,956,128) | ₩ 11,522,908,987 |
| Other property, plant and equipment | 5,985,791 | - | 3,803,800 | (2,899,560) | - | - | 6,890,031 |
| | ₩ 10,342,318,209 | ₩ 5,635,633,749 | ₩ (2,808,256,912) | ₩ (2,899,560) | ₩ (8,040,340) | ₩ (1,628,956,128) | ₩ 11,529,799,018 |

| 2024 | January 1 | Receipts | Execution | Depreciation | Return | Others | December 31 |
|---|---|---|---|---|---|---|---|
| Cash and cash equivalent | ₩ 10,052,601,625 | ₩ 3,983,786,014 | ₩ (3,622,574,052) | ₩ - | ₩ (24,331,011) | ₩ (53,150,158) | ₩ 10,336,332,418 |
| Other property, plant and equipment | 3,477,351 | - | 5,069,910 | (2,561,470) | - | - | 5,985,791 |
| | ₩ 10,056,078,976 | ₩ 3,983,786,014 | ₩ (3,617,504,142) | ₩ (2,561,470) | ₩ (24,331,011) | ₩ (53,150,158) | ₩ 10,342,318,209 |

## 29. Entrusted business (cont'd)

Entrusted business revenues and costs for each of the two years in the period ended December 31, 2025 consist of the following (Korean won):

| | 2025 | | | |
|---|---|---|---|---|
| | Revenue | | Expense | |
| Project for Enhancing Environmental Resilience for Sustainable Mining in Peru | ₩ | 599,080,303 | ₩ | 599,080,303 |
| Economic promotion project for early mine closure areas | | 402,136,920 | | 402,136,920 |
| Urban Regeneration Project (Mungyeong FACTORIA) | | 399,736,600 | | 399,736,600 |
| Other business | | 1,407,303,089 | | 1,407,303,089 |
| | ₩ | 2,808,256,912 | ₩ | 2,808,256,912 |

| | 2024 | | | |
|---|---|---|---|---|
| | Revenue | | Expense | |
| Economic promotion project for early mine closure areas | ₩ | 918,417,200 | ₩ | 918,417,200 |
| Establishment of a rare metal center for the high value-added and commercialization of rare metals in Mongolia | | 595,220,899 | | 595,220,899 |
| Sustainable mine environmental restoration promotion project in Peru | | 556,791,157 | | 556,791,157 |
| Other business | | 1,547,074,886 | | 1,547,074,886 |
| | ₩ | 3,617,504,142 | ₩ | 3,617,504,142 |

## 30. Non-financial liabilities

Details of non-financial liabilities as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Advance received | ₩ 1,862,605,458 | ₩ - | ₩ 8,481,580,433 | ₩ - |
| Withholdings | 1,319,056,515 | - | 5,225,020,380 | - |
| Others | 197,588,662 | 1,546,473,384 | 1,793,544,703 | 2,231,756,166 |
| | ₩ 3,379,250,635 | ₩ 1,546,473,384 | ₩ 15,500,145,516 | ₩ 2,231,756,166 |

## 31. Issued capital

Details of issued capital as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | | December 31, 2024 | | |
|---|---|---|---|---|---|---|
| | Government | Non-government | Total | Government | Non-government | Total |
| Issued capital | ₩ 2,750,502,200,000 | ₩ 2,700,000,000 | ₩ 2,753,202,200,000 | ₩ 2,335,055,200,000 | ₩ 2,700,000,000 | ₩ 2,337,755,200,000 |

## 32. Accumulated deficit

Details of accumulated deficit of the Company as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Voluntary reserves | ₩ - | ₩ - |
| Undisposed accumulated deficit | (5,970,918,046,063) | (5,521,630,889,247) |
| | ₩ (5,970,918,046,063) | ₩ (5,521,630,889,247) |

Changes in accumulated deficit of the Company for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| As of January 1 | ₩ (5,521,630,889,247) | ₩ (4,073,026,735,073) |
| Loss for the year | (452,017,019,301) | (1,440,997,692,930) |
| Remeasurement of defined benefit obligations | 326,025,582 | (2,525,956,626) |
| Changes in retained earnings in equity method | 2,403,836,903 | (5,080,504,618) |
| As of December 31 | ₩ (5,970,918,046,063) | ₩ (5,521,630,889,247) |

## 32. Accumulated deficit (cont'd)

Changes in retained earnings in equity method of the Company for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024 |
|---|---|---|---|---|
| As of January 1 | ₩ | 20,819,207,510 | ₩ | 25,899,712,128 |
| Changes for the year | | 2,472,258,147 | | (5,448,570,513) |
| Effect of income tax | | (68,421,244) | | 368,065,895 |
| As of December 31 | ₩ | 23,223,044,413 | ₩ | 20,819,207,510 |

Changes in remeasurement of defined benefit obligations of the Company for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024 |
|---|---|---|---|---|
| As of January 1 | ₩ | 3,996,371,608 | ₩ | 6,379,823,150 |
| Changes for the year | | 366,320,879 | | (2,525,956,626) |
| Effect of income tax | | (40,295,297) | | 142,505,084 |
| As of December 31 | ₩ | 4,322,397,190 | ₩ | 3,996,371,608 |

## 33. Statement of disposition of deficit (Separate)

The statements of disposition of deficit for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024 |
|---|---|---|---|---|
| **Ⅰ. Accumulated deficit before disposition** | | | | |
| Undisposed accumulated deficit carried over from prior year | ₩ | (5,521,630,889,247) | ₩ | (4,073,026,735,073) |
| Loss for the year | | (452,017,019,301) | | (1,440,997,692,930) |
| Remeasurement gain (loss) on defined benefit plans | | 326,025,582 | | (2,525,956,626) |
| Changes in retained earnings in equity method | | 2,403,836,903 | | (5,080,504,618) |
| Others | | | | - |
| | ₩ | (5,970,918,046,063) | ₩ | (5,521,630,889,247) |
| **Ⅱ. Transfer from voluntary reserves** | | - | | - |
| **Ⅲ. Disposition of accumulated deficit** | | - | | - |
| **Ⅳ. Undisposed accumulated deficit to be carried over to subsequent year** | ₩ | (5,970,918,046,063) | ₩ | (5,521,630,889,247) |

The financial statements as of and for the year December 31, 2025 were approved by the Board of Directors on February 26, 2026.

## 34. Other components of equity

Details of other components of equity as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Exchange differences on translation of foreign operations | ₩ (147,811,051,404) | ₩ (596,940,458,202) |
| Share of other comprehensive loss of associates and joint ventures | (430,306,951,984) | (214,917,321,612) |
| Others | 49,327,867,533 | 115,452,337,111 |
| | ₩ (528,790,135,855) | ₩ (696,405,442,703) |

Changes in other components of equity for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | |
|---|---|---|---|---|
| | Translation of foreign operations | Changes in equity adjustment in equity method | Others | Total |
| As of January 1, 2025 | ₩ (596,940,458,202) | ₩ (214,917,321,612) | ₩ 115,452,337,111 | ₩ (696,405,442,703) |
| Changes in consolidation scope(OCI) | 344,069,123,206 | (71,501,993,478) | (66,124,469,578) | 206,442,660,150 |
| Changes in consolidation scope(Equity) | - | (137,488,389,491) | - | (137,488,389,491) |
| Change | 105,060,283,592 | (6,399,247,403) | - | 98,661,036,189 |
| As of December 31, 2025 | ₩ (147,811,051,404) | ₩ (430,306,951,984) | ₩ 49,327,867,533 | ₩ (528,790,135,855) |

| | 2024 | | | |
|---|---|---|---|---|
| | Translation of foreign operations | Changes in equity adjustment in equity method | Others | Total |
| As of January 1, 2024 | ₩ (272,101,969,807) | ₩ 170,111,556,425 | ₩ 115,452,337,111 | ₩ 13,461,923,729 |
| Change | (324,838,488,395) | (385,028,878,037) | - | (709,867,366,432) |
| As of December 31, 2024 | ₩ (596,940,458,202) | ₩ (214,917,321,612) | ₩ 115,452,337,111 | ₩ (696,405,442,703) |

## 35. Sales

Details of sales for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024(*) |
|---|---|---|---|---|
| Revenue from contracts with customers: | ₩ | 279,463,977,152 | ₩ | 348,954,639,349 |
| Mineral revenue | | 279,463,977,152 | | 348,954,639,349 |
| Revenue from the provision of services | | 11,408,887,381 | | 9,757,292,517 |
| Rental income | | 6,823,852,821 | | 6,743,140,738 |
| Commission income | | 2,990,352,559 | | 2,755,980,305 |
| Inspection fee income | | 16,001,450 | | 16,035,600 |
| Income from services related to rehabilitation | | 1,578,680,551 | | 242,135,874 |
| Interest Income | | 16,466,295,458 | | 17,187,580,808 |
| Government grant | | 311,742,109,541 | | 378,399,965,384 |
| Entrusted business revenue | | 2,808,256,912 | | 3,617,504,142 |
| Royalty income | | 13,581,140 | | 2,000,000 |
| Subtotal of sales from continuing operations | | 621,903,107,584 | | 757,918,982,200 |
| Sales from discontinued operations | | 112,222,738,164 | | 217,512,285,934 |
| | ₩ | 734,125,845,748 | ₩ | 975,431,268,134 |

(*) For the year ended December 31, 2025, the Group disposed of its entire equity interests in SARISBURY LIMITED and Minera Metalurgica del Boleo (MMB), and accordingly, classified these projects as discontinued operations. In addition, the Wyong, Togara North, and Narrabri projects were classified as assets held-for-sale during the period and were consequently categorized as discontinued operations. The comparative prior period operating revenue has been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 36. Selling and administrative expenses

Details of selling and administrative expenses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024(*) |
|---|---|---|
| Payroll | ₩ 53,524,365,266 | ₩ 53,346,493,262 |
| Pension benefits | 5,953,487,547 | 4,902,516,175 |
| Employee welfare benefits | 8,648,348,605 | 8,514,636,958 |
| Insurance | 33,329,394 | 316,350,705 |
| Depreciation | 10,255,372,342 | 10,162,155,197 |
| Amortization of intangible assets | 2,183,416,796 | 2,427,449,774 |
| Bad debt expenses (reversals) | (3,511,529,837) | 4,827,182,482 |
| Fees and commission | 9,474,100,038 | 8,623,102,417 |
| Advertisement | 14,893,075 | 15,031,281 |
| Education and training | 279,267,251 | 308,432,006 |
| Vehicle maintenance | 256,377,912 | 245,325,548 |
| Printing | 293,884,933 | 274,504,348 |
| Engagement expenses | 399,600,868 | 391,676,890 |
| Rents | 800,098,633 | 746,471,603 |
| Communication | 182,021,942 | 192,721,114 |
| Freight | 3,228,283 | - |
| Taxes and dues | 3,793,163,071 | 3,303,654,168 |
| Supplies | 297,682,599 | 315,403,478 |
| Utilities | 2,209,023,232 | 2,203,937,066 |
| Repairs and maintenance | 812,552,469 | 700,828,801 |
| Travel | 374,086,197 | 409,832,254 |
| Uniforms | 41,374,440 | 39,223,340 |
| Research analysis | - | 323,052 |
| Association fees | 205,429,202 | 208,133,313 |
| Facility maintenance | 695,224,899 | 903,508,687 |
| Other selling and administrative expenses | 556,111,980 | 555,976,631 |
| Subtotal of selling and administrative expenses from continuing operations | 97,774,911,137 | 103,934,870,550 |
| Selling and administrative expenses from discontinued operations | 44,390,894,538 | 69,141,615,212 |
| | ₩ 142,165,805,675 | ₩ 173,076,485,762 |

(*) Selling, general and administrative expenses for the comparative prior period have been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 37. Other income

Details of other income for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Reversal of allowance for other doubtful accounts | ₩ 104,634,949 | ₩ 307,439,615 |
| Rental income | 13,575,686 | 11,861,526 |
| | ₩ 118,210,635 | ₩ 319,301,141 |

## 38. Other expense

Details of other expenses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Incurred other provisions | ₩ - | ₩ 4,000,000 |
| Other bad debt expenses | 114,977,448,484 | 259,591,424,506 |
| Donation | 693,587,784 | 733,543,496 |
| Miscellaneous | 3,924,033 | 7,300,908 |
| | ₩ 115,674,960,301 | ₩ 260,336,268,910 |

## 39. Other gain and loss

Other gains and losses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024(*) |
|---|---|---|
| Gain on disposal of property, plant and equipment | ₩ 1,456,097,998 | ₩ 5,300,000 |
| Gain on disposal of assets held-for-sale | 274,969,311 | 293,404,566 |
| Gain on bargain purchase | 1,902,384,293 | - |
| Miscellaneous gain | 17,014,179,024 | 2,890,131,790 |
| Loss on disposal of property, plant and equipment | (778,828) | (299,694) |
| Miscellaneous losses | (59,972,525) | (98,981,394) |
| Subtotal of other gain and loss from continuing operations | 20,586,879,273 | 3,089,555,268 |
| Gain and loss from discontinued operations | (106,635,580,488) | (108,370,524,437) |
| | ₩ (86,048,701,215) | ₩ (105,280,969,169) |

(*) Other gains and losses for the prior period, presented for comparative purposes, have been restated to reflect the classification of discontinued operations as of December 31, 2025

## 40. Finance income

Details of finance income for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024(*) |
|---|---|---|---|---|
| Interest income | ₩ | 165,324,054,034 | ₩ | 175,309,631,593 |
| Gain on valuation of financial assets at fair value | | 1,968,858,748 | | 50,827,600 |
| Gain on valuation of financial liabilities at fair value | | 2,942,086,990 | | 1,161,369,119 |
| Gain on disposal of financial liabilities at fair value | | 7,915,866,611 | | 1,310,994,518 |
| Gain on foreign currency translation | | 81,592,459,793 | | 479,164,932,781 |
| Gain on foreign currency transactions | | 21,975,148,615 | | 22,854,217,827 |
| Other finance income | | 47,135,628 | | 306,769,185 |
| Subtotal of finance income from continuing operations | | 281,765,610,419 | | 680,158,742,623 |
| Finance income from discontinued operations | | 1,821,344,644 | | 24,801,347,532 |
| | ₩ | 283,586,955,063 | ₩ | 704,960,090,155 |

(*) Finance income for the prior period, presented for comparative purposes, has been restated to reflect the classification of discontinued operations as of December 31, 2025.

Details of interest income for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | 2024(*) |
|---|---|---|---|---|
| Cash and cash equivalents | ₩ | 22,944,055,188 | ₩ | 23,547,332,028 |
| Securities | | 671,183,193 | | 1,735,337,740 |
| Loans | | 140,661,330,673 | | 148,985,014,384 |
| Others | | 1,047,484,980 | | 1,041,947,441 |
| Subtotal of interest income from continuing operations | | 165,324,054,034 | | 175,309,631,593 |
| Interest income from discontinued operations | | 180,632,336 | | 499,449,607 |
| | ₩ | 165,504,686,370 | ₩ | 175,809,081,200 |

(*) Interest income for the prior period, presented for comparative purposes, has been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 41. Finance cost

Details of finance costs for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024(*) |
|---|---|---|
| Interest expenses | ₩ 277,168,973,411 | ₩ 264,029,863,513 |
| Loss on valuation of financial assets at fair value | 280,941,269 | - |
| Loss on valuation of financial liabilities at fair value | 1,904,007,594 | 35,150,063,576 |
| Loss on disposal of financial liabilities at fair value | 6,698,066,155 | 8,072,655,066 |
| Loss on foreign currency translation | 53,368,194,010 | 379,572,676,406 |
| Loss on foreign currency transactions | 6,641,496,684 | 8,578,341,964 |
| Other finance costs | 5,596,970 | 6,695,830 |
| Subtotal of finance cost from continuing operations | 346,067,276,093 | 695,410,296,355 |
| Finance cost from discontinued operations | 39,808,503,910 | 56,670,971,865 |
| | ₩ 385,875,780,003 | ₩ 752,081,268,220 |

(*) Finance costs for the prior period, presented for comparative purposes, have been restated to reflect the classification of discontinued operations as of December 31, 2025**.**

Details of interest expenses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024(*) |
|---|---|---|
| Interest expenses on economic cooperation | ₩ 90,510,000 | ₩ 90,510,000 |
| Interest expenses on external borrowings | 255,641,905,980 | 232,193,358,752 |
| Other interest expenses | 21,433,480,896 | 31,720,081,563 |
| Non-operating interest expenses | 3,076,535 | 25,913,198 |
| Subtotal of interest expenses from continuing operations | 277,168,973,411 | 264,029,863,513 |
| Interest expenses, discontinued operations | 36,114,306,289 | 56,684,630,181 |
| | ₩ 313,283,279,700 | ₩ 320,714,493,694 |

(*) Interest expenses for the prior period, presented for comparative purposes, have been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 42. Income tax

Details of income tax for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Current tax expense | ₩ | ₩ |
| Current income tax liabilities | 13,330,285 | (7,807,015,621) |
| Deferred tax expense | | |
| Changes in temporary difference | 2,089,478,517 | (28,111,322,797) |
| Amendment of tax law | 3,187,590,516 | - |
| Income tax reflected in equity | (108,716,541) | 225,560,811 |
| Income tax expense(benefit) | ₩ 5,181,682,777 | ₩ (35,692,777,607) |
| Attribution of income tax expense (benefit) | | |
| Income tax expense (benefit), continuing operations | 5,378,480,128 | (36,897,722,724) |
| Income tax expense (benefit), discontinued operations | (196,797,351) | 1,204,945,117 |

Reconciliations between income tax expenses and accounting profit (loss) before income tax expenses for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Loss before income tax, continuing operations | ₩ (186,883,370,755) | ₩ (1,012,000,827,122) |
| Loss before income tax, discontinued operations | (152,315,235,592) | (205,359,961,471) |
| Loss before tax | (339,198,606,347) | (1,217,360,788,593) |
| Taxes at the statutory income tax rate | (101,930,389,767) | (281,596,233,218) |
| Permanent differences | 689,750,361 | 6,404,272,476 |
| Changes in unrecognized deferred tax assets | 66,147,027,672 | 78,072,362,822 |
| Amendment of tax law | 3,187,590,516 | (30,009,466,819) |
| Others | 37,087,703,995 | 191,436,287,132 |
| Income tax benefit | ₩ 5,181,682,777 | ₩ (35,692,777,607) |
| Attribution of income tax expense (benefit) | | |
| Income tax expense (benefit), continuing operations | 5,378,480,128 | (36,897,722,724) |
| Income tax expense (benefit), discontinued operations | (196,797,351) | 1,204,945,117 |
| Effective tax rate (*) | - | - |

(*) Effective tax rates for each of the two years in the period ended December 31, 2025 were not calculated as the loss for the period was incurred.

Details of income tax reflected in equity for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Deferred tax | ₩ - | ₩ - |
| Tax occurred in other comprehensive income | (108,716,541) | 225,560,811 |
| Remeasurement loss of defined benefit obligations | (40,295,297) | (142,505,084) |
| Comprehensive income (loss) in investments in associates | (68,421,244) | 368,065,895 |

## 42. Income tax (cont'd)

Changes in deferred tax assets and liabilities for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | |
|---|---|---|---|
| | January 1 | Increase (decrease) | December 31 |
| Deferred taxes on temporary differences: | | | |
| Government grants | ₩ 9,615,279,908 | ₩ 517,024,929 | ₩ 10,132,304,837 |
| Temporary filling up depreciation | (5,153,720,911) | (176,881,545) | (5,330,602,456) |
| Advanced depreciation provision | (4,422,180,756) | (991,265,564) | (5,413,446,320) |
| Investments in associates | (29,969,385,495) | (4,072,840,320) | (34,042,225,815) |
| Share of other comprehensive loss of associates and joint ventures | (162,910,940) | (72,490,895) | (235,401,835) |
| Pension benefits | (447,000,627) | 536,228,303 | 89,227,676 |
| Allowance for doubtful accounts | 2,063,799,298 | (457,203,869) | 1,606,595,429 |
| Property, plant and equipment | 1,310,702,083 | (14,831,059) | 1,295,871,024 |
| Others | (4,280,102,417) | (1,480,030,965) | (5,760,133,382) |
| | (31,445,519,857) | (6,212,290,985) | (37,657,810,842) |
| Unused tax losses | - | 3,640,163,520 | 3,640,163,520 |
| Unused tax credits | 2,808,974,227 | (2,808,974,227) | - |
| | ₩ (28,636,545,630) | ₩ (5,381,101,692) | ₩ (34,017,647,322) |

| | 2024 | | |
|---|---|---|---|
| | January 1 | Increase (decrease) | December 31 |
| Deferred taxes on temporary differences: | | | |
| Government grants | ₩ 17,381,253,158 | ₩ (7,765,973,250) | ₩ 9,615,279,908 |
| Temporary filling up depreciation | (7,011,761,521) | 1,858,040,610 | (5,153,720,911) |
| Advanced depreciation provision | (10,369,491,638) | 5,947,310,882 | (4,422,180,756) |
| Investments in associates | (56,033,788,122) | 26,064,402,627 | (29,969,385,495) |
| Share of other comprehensive income (loss) of associates and joint ventures | (571,673,343) | 408,762,403 | (162,910,940) |
| Pension benefits | (1,097,764,750) | 650,764,123 | (447,000,627) |
| Allowance for doubtful accounts | 3,295,413,834 | (1,231,614,536) | 2,063,799,298 |
| Property, plant and equipment | 1,217,607,639 | 93,094,444 | 1,310,702,083 |
| Others | (3,724,483,700) | (555,618,717) | (4,280,102,417) |
| | (56,914,688,443) | 25,469,168,586 | (31,445,519,857) |
| Unused tax losses | 261,796,633 | (261,796,633) | - |
| Unused tax credits | - | 2,808,974,227 | 2,808,974,227 |
| | ₩ (56,652,891,810) | ₩ 28,016,346,180 | ₩ (28,636,545,630) |

Details of temporary differences to be deducted but not recognized as deferred tax assets are as follows (Korean won):

| | December 31, 2025 | |
|---|---|---|
| | Temporary differences | Deferred tax assets(liabilities) |
| Temporary differences of overseas assets account | ₩ 4,209,879,919,749 | ₩ 471,174,340,092 |
| Unused tax losses | 3,769,493,916,488 | 414,644,330,814 |
| Tax credit | - | 34,423,156,229 |
| | ₩ 7,979,373,836,237 | ₩ 920,241,827,135 |

| | December 31, 2024 | |
|---|---|---|
| | Temporary differences | Deferred tax assets(liabilities) |
| Temporary differences of overseas assets account | ₩ 7,923,111,056,720 | ₩ 1,008,534,105,797 |
| Unused tax losses | 1,155,482,618,326 | 217,280,357,714 |
| Tax credit | - | 35,419,655,445 |
| | ₩ 9,078,593,675,046 | ₩ 1,261,234,118,956 |

## 42. Income tax (cont'd)

The expiration dates of unused tax losses and tax credits which were not recognized as deferred tax assets as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Unused tax losses | Tax credit | Unused tax losses | Tax credit |
| Within 1 year | ₩ - | ₩ - | ₩ - | ₩ - |
| 1~2 years | 16,354,414,544 | 173,638,663 | - | 481,455,904 |
| 2~3 years | 14,734,889,993 | 2,684,894 | - | 19,367,908 |
| More than 3 years | 3,738,404,611,951 | 34,246,832,672 | 1,155,482,618,326 | 34,918,831,633 |
| | ₩ 3,769,493,916,488 | ₩ 34,423,156,229 | ₩ 1,155,482,618,326 | ₩ 35,419,655,445 |

**Introduction and Impact of Global Minimum Tax (OECD Pillar 2)**
The Group is subject to Pillar Two income taxes and is required to pay top-up taxes for the difference between the effective tax rate and the minimum tax rate of 15% for each jurisdiction where its constituent entities are located. For the year ended December 31, 2025, the Group reviewed the impact of the Pillar Two legislation for all jurisdictions where its constituent entities are located. Based on the review, the Group determined that all jurisdictions either met the transitional safe harbor provisions or had an effective tax rate of 15% or higher. Accordingly, the Group has concluded that there will be no additional Pillar Two income tax burden for the current period, and no amount has been recognized as current income tax expense in relation to Pillar Two taxes.

## 43. Expenses by nature

The classification of expenses by nature for each of the two years in the period ended December 31, 2025 is as follows (Korean won):

| | 2025 | | |
|---|---|---|---|
| | Selling and administrative expenses | Cost of sales | Total |
| Purchase of goods | ₩ - | ₩ 511,005,137,639 | ₩ 511,005,137,639 |
| Mine reclamation costs, etc. | - | 9,377,484,267 | 9,377,484,267 |
| General mine development costs, etc. | - | 18,442,818,205 | 18,442,818,205 |
| Additional costs on loans | - | 7,985,767,861 | 7,985,767,861 |
| Government grant agency fees | - | 311,724,329,062 | 311,724,329,062 |
| Entrusted business costs | - | 2,808,256,912 | 2,808,256,912 |
| Changes in inventories | - | (251,788,518,249) | (251,788,518,249) |
| Payroll | 53,524,365,266 | - | 53,524,365,266 |
| Pension benefits | 5,953,487,547 | - | 5,953,487,547 |
| Employee welfare benefits | 8,648,348,605 | - | 8,648,348,605 |
| Insurance | 33,329,394 | - | 33,329,394 |
| Depreciation | 10,255,372,342 | 518,108,329 | 10,773,480,671 |
| Amortization of intangible assets | 2,183,416,796 | - | 2,183,416,796 |
| Bad debt expenses(reversal) | (3,511,529,837) | - | (3,511,529,837) |
| Fees and commission | 9,474,100,038 | - | 9,474,100,038 |
| Advertisement | 14,893,075 | - | 14,893,075 |
| Education and training | 279,267,251 | - | 279,267,251 |
| Vehicle maintenance | 256,377,912 | - | 256,377,912 |
| Printing | 293,884,933 | - | 293,884,933 |
| Engagement expenses | 399,600,868 | - | 399,600,868 |
| Rents | 800,098,633 | - | 800,098,633 |
| Communication | 182,021,942 | - | 182,021,942 |
| Freight | 3,228,283 | - | 3,228,283 |
| Taxes and dues | 3,793,163,071 | - | 3,793,163,071 |
| Supplies | 297,682,599 | - | 297,682,599 |
| Utilities | 2,209,023,232 | - | 2,209,023,232 |
| Repairs and maintenance | 812,552,469 | - | 812,552,469 |
| Travel | 374,086,197 | - | 374,086,197 |
| Uniforms | 41,374,440 | - | 41,374,440 |
| Research analysis | - | - | - |
| Association fees | 205,429,202 | - | 205,429,202 |
| Facility maintenance | 695,224,899 | - | 695,224,899 |
| Others | 556,111,980 | - | 556,111,980 |
| Cost of sales and SG&A,continuing operations | 97,774,911,137 | 610,073,384,026 | 707,848,295,163 |
| Cost of sales and SG&A,discontinued operations | 44,390,894,538 | 152,139,033,937 | 196,529,928,475 |
| | ₩ 142,165,805,675 | ₩ 762,212,417,963 | ₩ 904,378,223,638 |

## 43. Expenses by nature (cont'd)

| | 2024 | | |
|---|---|---|---|
| | Selling and administrative expenses(*) | Cost of sales | Total |
| Purchase of goods | ₩ - | ₩ 375,144,177,362 | ₩ 375,144,177,362 |
| Mine reclamation costs, etc. | - | (5,357,715,996) | (5,357,715,996) |
| General mine development costs, etc. | - | 13,286,418,187 | 13,286,418,187 |
| Additional costs on loans | - | 7,279,230,434 | 7,279,230,434 |
| Government grant agency fees | - | 378,391,104,384 | 378,391,104,384 |
| Entrusted business costs | - | 3,617,504,142 | 3,617,504,142 |
| Changes in inventories | - | (51,070,261,914) | (51,070,261,914) |
| Payroll | 53,346,493,262 | - | 53,346,493,262 |
| Pension benefits | 4,902,516,175 | - | 4,902,516,175 |
| Employee welfare benefits | 8,514,636,958 | - | 8,514,636,958 |
| Insurance | 316,350,705 | - | 316,350,705 |
| Depreciation | 10,162,155,197 | 781,143,812 | 10,943,299,009 |
| Amortization of intangible assets | 2,427,449,774 | - | 2,427,449,774 |
| Bad debt expenses | 4,827,182,482 | - | 4,827,182,482 |
| Fees and commission | 8,623,102,417 | - | 8,623,102,417 |
| Advertisement | 15,031,281 | - | 15,031,281 |
| Education and training | 308,432,006 | - | 308,432,006 |
| Vehicle maintenance | 245,325,548 | - | 245,325,548 |
| Printing | 274,504,348 | - | 274,504,348 |
| Engagement expenses | 391,676,890 | - | 391,676,890 |
| Rents | 746,471,603 | - | 746,471,603 |
| Communication | 192,721,114 | - | 192,721,114 |
| Freight | - | | - |
| Taxes and dues | 3,303,654,168 | - | 3,303,654,168 |
| Supplies | 315,403,478 | - | 315,403,478 |
| Utilities | 2,203,937,066 | - | 2,203,937,066 |
| Repairs and maintenance | 700,828,801 | - | 700,828,801 |
| Travel | 409,832,254 | - | 409,832,254 |
| Uniforms | 39,223,340 | - | 39,223,340 |
| Research analysis | 323,052 | - | 323,052 |
| Association fees | 208,133,313 | - | 208,133,313 |
| Facility maintenance | 903,508,687 | - | 903,508,687 |
| Others | 555,976,631 | - | 555,976,631 |
| Cost of sales and SG&A,continuing operations | 103,934,870,550 | 722,071,600,411 | 826,006,470,961 |
| Cost of sales and SG&A,discontinued operations | 69,141,615,212 | 213,490,483,423 | 282,632,098,635 |
| | ₩ 173,076,485,762 | ₩ 935,562,083,834 | ₩ 1,108,638,569,596 |

(*) The classification of expenses by nature for the year ended December 31, 2024, presented for comparative purposes, has been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 44. Discontinued operations and assets held for sale

Details of assets held for sale as of December 31, 2025 and 2024 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Investment securities held for sale (*1) | ₩ - | ₩ 646,793,189 |
| Non-current assets held for sale (*2) | 63,140,667,502 | - |
| Government grants | (8,135,000,981) | |
| Non-current liabilities held for sale (*2) | 2,681,482,096 | - |

(*1) The Group entered into a split-off share purchase agreement with KC Co., Ltd. regarding its investment in Korea Alumina CO., Ltd., an associate, in previous periods. The split-off disposal was completed on December 31, 2025, and the disposal of shares amounting to ₩646,793,189 was finalized for the year ended December 31, 2025.

(*2) As of December 31, 2025, the Group has classified the joint operations related to the Wyong, Togara North, and Narabri projects located in Australia as assets and liabilities held for sale.

Details of non-current assets and liabilities held for sale related to the projects classified as discontinued operations as of the end of the reporting period are as follows (Korean won):

| | Wyong | Togara North | Narabri | Total |
|---|---|---|---|---|
| Non-current assets held for sale | | | | |
| Cash and cash equivalents | ₩ 2,760,773,194 | ₩ - | ₩ - | ₩ 2,760,773,194 |
| Trade and other receivables | 79,043,895 | - | - | 79,043,895 |
| Other assets | - | 8,646,518 | 2,037,422,127 | 2,046,068,645 |
| Property, plant and equipment | 6,583,844,871 | - | - | 6,583,844,871 |
| Investments in joint operations | - | - | 21,195,769,261 | 21,195,769,261 |
| Intangible assets | 16,421,689,648 | 5,918,477,007 | - | 22,340,166,655 |
| | 25,845,351,608 | 5,927,123,525 | 23,233,191,388 | 55,005,666,521 |
| Non-current liabilities held for sale | | | | |
| Trade and other payables | 344,652,842 | 833,512 | - | 345,486,354 |
| Other current non-financial liabilities | - | - | 1,657,313,875 | 1,657,313,875 |
| Other non-current liabilities | - | - | 678,681,867 | 678,681,867 |
| | ₩ 344,652,842 | ₩ 833,512 | ₩ 2,335,995,742 | ₩ 2,681,482,096 |
| | ₩ 25,500,698,766 | ₩ 5,926,290,013 | ₩ 20,897,195,646 | ₩ 52,324,184,425 |

## 44. Discontinued operations and assets held-for-sale (cont'd)

Profits or losses from discontinued operations for each of the two years in the period ended December 31, 2025 relates to Minera Metalurgica del Boleo (MMB) and SARISBURY LIMITED, which were disposed of for the year ended December 31, 2025, and the Wyong, Togara North, and Narabri projects, which are classified as assets held for sale. Their details are as follows (Korean won):

| | 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Minera Metalurgica del Boleo(MMB) | SARISBURY LIMITED | Wyong | Togara North | Narabri | Total |
| Sales | ₩ 100,175,134,495 | ₩ - | ₩ 39,062,922 | ₩ - | ₩ 12,008,540,747 | ₩ 112,222,738,164 |
| Cost of sales | 143,686,138,812 | - | - | - | 8,452,895,125 | 152,139,033,937 |
| SG&A | 37,314,425,280 | 5,890,253 | 1,795,207,497 | - | 5,275,371,508 | 44,390,894,538 |
| Operating loss | (80,825,429,597) | (5,890,253) | (1,756,144,575) | - | (1,719,725,886) | (84,307,190,311) |
| Other gain (loss), net | 2,255,707,211 | 64,129,709 | (16,139,198,051) | (6,774,181,778) | (9,427,343,106) | (30,020,886,015) |
| Finance income | 1,757,820,712 | - | 25,571,552 | 25,918,313 | 12,034,067 | 1,821,344,644 |
| Finance costs | 39,761,754,394 | - | - | - | 46,749,516 | 39,808,503,910 |
| Income tax expense | - | - | 321,759,271 | 7,775,906 | (526,332,528) | (196,797,351) |
| Loss from discontinued operations | ₩ (116,573,656,068) | ₩ 58,239,456 | ₩ (18,191,530,345) | ₩ (6,756,039,371) | ₩ (10,655,451,913) | ₩ (152,118,438,241) |

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Minera Metalurgica del Boleo(MMB) | SARISBURY LIMITED | Wyong | Togara North | Narabri | Total |
| Sales | ₩ 198,199,074,329 | ₩ - | ₩ 38,324,664 | ₩ - | ₩ 19,274,886,941 | ₩ 217,512,285,934 |
| Cost of sales | 204,234,498,283 | - | - | 5,113,545 | 9,250,871,595 | 213,490,483,423 |
| SG&A | 61,671,053,235 | 16,640,556 | 1,652,206,935 | - | 5,801,714,486 | 69,141,615,212 |
| Operating loss | (67,706,477,189) | (16,640,556) | (1,613,882,271) | (5,113,545) | 4,222,300,860 | (65,119,812,701) |
| Other gain (loss), net | (108,388,152,929) | (1,955,675) | 19,584,167 | - | - | (108,370,524,437) |
| Finance income | 23,442,477,830 | - | 1,325,206,334 | - | 33,663,368 | 24,801,347,532 |
| Finance costs | 56,705,698,013 | - | - | - | (34,726,148) | 56,670,971,865 |
| Income tax expense | - | - | (80,727,531) | (1,534,063) | 1,287,206,711 | 1,204,945,117 |
| Loss from discontinued operations | ₩ (209,357,850,301) | ₩ (18,596,231) | ₩ (188,364,239) | ₩ (3,579,482) | ₩ 3,003,483,665 | ₩ (206,564,906,588) |

Cash flows from discontinued operations for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Minera Metalurgica del Boleo(MMB) | SARISBURY LIMITED | Wyong | Togara North | Narabri | Total |
| Operating cash flows | ₩ (53,149,397,063) | ₩ - | ₩ 750,771,645 | ₩ 18,142,407 | ₩ (1,228,108,807) | ₩ (53,608,591,818) |
| Investing cash flows | (281,682,141) | - | - | - | - | (281,682,141) |
| Financing cash flows | - | - | - | - | - | - |

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Minera Metalurgica del Boleo(MMB) | SARISBURY LIMITED | Wyong | Togara North | Narabri | Total |
| Operating cash flows | ₩ (36,808,073,463) | ₩ - | ₩ (188,364,239) | ₩ (3,579,482) | ₩ 3,003,483,665 | ₩ (33,996,533,519) |
| Investing cash flows | (2,570,259,142) | - | - | - | - | (2,570,259,142) |
| Financing cash flows | (890,592,000,000) | - | - | - | - | (890,592,000,000) |

## 45. Categories of financial instruments

The book values of current financial assets by category as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| | Financial assets at amortized cost | Financial assets at amortized cost |
| Cash and cash equivalents | ₩ 344,246,118,949 | ₩ 462,681,855,160 |
| Short-term loans | 120,987,009,550 | 107,792,942,945 |
| Short-term financial instruments | 368,925,337,884 | 67,134,940,544 |
| Other financial assets | 437,893,938 | 435,040,911 |
| Trade and other receivables | 29,868,974,087 | 20,949,948,036 |
| | ₩ 864,465,334,408 | ₩ 658,994,727,596 |

The book values of non-current financial assets by category as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Financial assets at FVTPL | Financial assets at amortized cost | Total |
| Financial assets at FVTPL | ₩ 17,653,478,606 | ₩ - | ₩ 17,653,478,606 |
| Long-term loans | - | 1,240,554,830,247 | 1,240,554,830,247 |
| Other financial assets | - | 15,363,014,942 | 15,363,014,942 |
| Other receivables | - | 5,359,521,904 | 5,359,521,904 |
| | ₩ 17,653,478,606 | ₩ 1,261,277,367,093 | ₩ 1,278,930,845,699 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Financial assets at FVTPL | Financial assets at amortized cost | Total |
| Financial assets at FVTPL | ₩ 15,964,522,602 | ₩ - | ₩ 15,964,522,602 |
| Long-term loans | - | 1,186,194,553,607 | 1,186,194,553,607 |
| Other financial assets | - | 66,112,294,172 | 66,112,294,172 |
| Other receivables | - | 6,806,502,484 | 6,806,502,484 |
| | ₩ 15,964,522,602 | ₩ 1,259,113,350,263 | ₩ 1,275,077,872,865 |

The book values of current financial liabilities by category as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | |
|---|---|---|---|
| | Financial liabilities at FVTPL | Financial liabilities at amortized cost | Total |
| Trade and other payables | ₩ - | ₩ 68,424,605,651 | ₩ 68,424,605,651 |
| Short-term borrowings | - | 570,000,000,000 | 570,000,000,000 |
| Short-term bond payables | - | 19,892,220,082 | 19,892,220,082 |
| Current portion of long-term borrowings | - | 614,856,794,393 | 614,856,794,393 |
| Current portion of long-term bonds payable | - | 1,257,030,913,062 | 1,257,030,913,062 |
| Financial liabilities at FVTPL | 386,984,172 | - | 386,984,172 |
| | ₩ 386,984,172 | ₩ 2,530,204,533,188 | ₩ 2,530,591,517,360 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Financial liabilities at FVTPL | Financial liabilities at amortized cost | Total |
| Trade and other payables | ₩ - | ₩ 91,623,674,784 | ₩ 91,623,674,784 |
| Short-term borrowings | - | 600,000,000,000 | 600,000,000,000 |
| Current portion of long-term borrowings | - | 1,048,836,841,945 | 1,048,836,841,945 |
| Current portion of long-term bonds payable | - | 254,573,090,183 | 254,573,090,183 |
| Financial liabilities at FVTPL | 26,540,928,462 | - | 26,540,928,462 |
| | ₩ 26,540,928,462 | ₩ 1,995,033,606,912 | ₩ 2,021,574,535,374 |

## 45. Categories of financial instruments (cont'd)

The book values of non-current financial liabilities by category as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Financial liabilities at FVTPL | Financial liabilities at amortized cost | Financial liabilities at FVTPL | Financial liabilities at amortized cost |
| Other payables | ₩ - | ₩ 1,334,166,283 | ₩ - | ₩ 1,000,600,595 |
| Long-term borrowings (*) | - | 1,370,670,266,042 | - | 1,840,605,222,026 |
| Bonds payable | - | 4,034,545,155,547 | - | 4,470,453,987,974 |
| Financial liabilities at FVTPL | 54,993,896,940 | - | 56,418,960,508 | - |
| | ₩ 54,993,896,940 | ₩ 5,406,549,587,872 | ₩ 56,418,960,508 | ₩ 6,312,059,810,595 |

(*) Long-term borrowings include net borrowings from the Special Account for Energy and Resources.

Gains or losses from financial instruments by category for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024(*) |
|---|---|---|
| Financial assets at amortized cost: | | |
| Interest income | ₩ 181,837,485,120 | ₩ 192,803,981,586 |
| Bad debt expense | (111,361,283,698) | (264,111,167,373) |
| Financial assets at FVTPL: | | |
| Gain on valuation of financial assets at FVTPL | 1,687,917,479 | 50,827,600 |
| Financial liabilities at amortized cost: | | |
| Interest expenses | (277,168,973,411) | (264,029,863,513) |
| Financial liabilities at FVTPL: | | |
| Gain on disposal of financial liabilities at FVTPL | 7,915,866,611 | 1,310,994,518 |
| Loss on disposal of financial liabilities at FVTPL | (6,698,066,155) | (8,072,655,066) |
| Gain on valuation of financial liabilities at FVTPL | 2,942,086,990 | 1,161,369,119 |
| Loss on valuation of financial liabilities at FVTPL | (1,904,007,594) | (35,150,063,576) |
| | ₩ (202,748,974,658) | ₩ (376,036,576,705) |

(*) Gains or losses from financial instruments by category for the comparative prior period have been restated to reflect the classification of discontinued operations as of December 31, 2025.

## 46. Financial risk management

### 46.1 Financial risk management objectives and policies

The Group manages various risks that may arise in each business segment and is exposed to market risk, credit risk, liquidity risk and capital risk. The Group's senior management oversees the management of these risks so that financial risks are identified, measured, controlled and reported in accordance with the Group's policies and risk objectives.

### 46.2 Market risk

### (1) Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group's objective of foreign exchange risk management is to minimize uncertainty and profit fluctuations arising from exchange rate movements and manages foreign currency risk in accordance with the foreign currency risk management policy, strictly prohibiting speculative purposes.

To mitigate foreign exchange risk, the Group strategically offsets exposure amounts from exchange rate fluctuations through a Natural Hedge achieved by aligning export and import currencies. The Group utilizes derivative transactions such as forward exchange contracts to hedge against the associated risks for the remaining exposure amounts to exchange rate fluctuations, in accordance with the foreign exchange risk management policy.

The book values of monetary assets and liabilities which are not presented in functional currency as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | USD | JPY | CAD | CNY | Others | Total |
| Financial assets | ₩ 1,741,738,710,621 | ₩ - | ₩ 150,089,127 | ₩ 55,587,143 | ₩ 29,628,698 | ₩ 1,741,974,015,589 |
| Financial liabilities | (2,704,786,500,000) | - | (297,256,992) | (182,148,095) | (57,661,200,000) | (2,762,927,105,087) |
| | ₩ (963,047,789,379) | ₩ - | ₩ (147,167,865) | ₩ (126,560,952) | ₩ (57,631,571,302) | ₩ (1,020,953,089,498) |

| | December 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | USD | JPY | CAD | CNY | Others | Total |
| Financial assets | ₩ 3,482,809,083,852 | ₩ - | ₩ 390,381,422 | ₩ 56,515,300 | ₩ 38,629,884 | ₩ 3,483,294,610,458 |
| Financial liabilities | (2,770,950,000,000) | (125,366,577,600) | (219,617,620) | (54,040,037) | (149,470,800,000) | (3,046,061,035,257) |
| | ₩ 711,859,083,852 | ₩ (125,366,577,600) | ₩ 170,763,802 | ₩ 2,475,263 | ₩ (149,432,170,116) | ₩ 437,233,575,201 |

**46. Financial risk management (cont'd)**

The following table demonstrates the sensitivity analysis of a reasonably possible change in the Korean won exchange rate. With all other variables held constant, the effect of changes in functional currency's exchange rate fluctuated by 10% for each foreign currency on the Group's profit (loss) before tax as of December 31, 2025 and 2024 are as follows (Korean won):

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | 10% up | 10% down | 10% up | 10% down |
| Profit (loss) before tax | ₩ (102,095,308,950) | ₩ 102,095,308,950 | ₩ 43,723,357,520 | ₩ (43,723,357,520) |

The sensitivity analyses were conducted on monetary assets and liabilities which were presented in foreign currency other than functional currency at the reporting date.

**(2) Interest rate risk**

Interest rate risk commonly arises from fluctuations in the future market interest-rate, and mainly involves loans and deposits with floating rates condition. This can create variables in the interest revenue and interest fee initially promised by loans and deposits. The purpose of the Group's interest rate risk management is to minimize the financial cost and the uncertainty of future changes in interest rates.

The Group manages interest rate risk by preemptively utilizing internal reserves to reduce external borrowings, minimizing the high interest rate debt proportions, improving short-term and long-term borrowing structure, maintaining appropriate percentage between floating rate and fixed rate borrowings, regularly monitoring and implementing domestic and overseas interest rates trend, and establishing risk countermeasures.

Financial assets and liabilities with floating rates that are exposed to interest rate risks for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Financial assets | ₩ 256,843,476,857 | ₩ 421,453,651,998 |
| Financial liabilities | (900,000,000,000) | (796,456,684,769) |
| | ₩ (643,156,523,143) | ₩ (375,003,032,771) |

The following table demonstrates the sensitivity analysis to a reasonably possible change in interest rates on that portion of borrowings. With all other variables held constant, the effect of changes in interest rates of floating rate borrowings by 100bp on profit (loss) before tax are as follows (Korean won):

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | + 100bp | - 100bp | + 100bp | - 100bp |
| Profit (loss) before tax | ₩ (6,431,565,231) | ₩ 6,431,565,231 | ₩ (3,750,030,328) | ₩ 3,750,030,328 |

**46.3 Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily trade and other receivables, financial assets at FVTPL, bank deposits, derivative assets, payment guarantees.

The Group only transacts with entities that are rated the equivalent of investment grade and above. Policies and procedures have been established for credit enhancement of financial assets. When entering into contracts with new counterparties, the Group evaluates their creditworthiness based on publicly available financial information and data provided by credit rating agencies. Credit limits are established and monitored based on this assessment, with the Group often obtaining collateral or guarantees. The Group regularly reassesses credit ratings, reevaluates credit limits, and adjusts collateral levels, and systematically monitors and develops plans for uncollected trade receivables.

**46. Financial risk management (cont'd)**

As December 31, 2025 and 2024, the Group's financial assets that are exposed to credit risk and the maximum exposure to credit risk at the reporting date are as follows (Korean won):

| | | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| Financial assets at amortized cost | Cash and cash equivalents | ₩ 344,246,118,949 | ₩ 462,681,855,160 |
| | Trade and other receivables | 35,228,495,991 | 27,756,450,520 |
| | Loans | 1,361,541,839,797 | 1,293,987,496,552 |
| | Financial instruments | 368,925,337,884 | 67,134,940,544 |
| | Others | 15,800,908,880 | 66,547,335,083 |
| Financial assets at FVTPL | | 17,653,478,606 | 15,964,522,602 |
| | | ₩ 2,143,396,180,107 | ₩ 1,934,072,600,461 |

While the Group establishes an allowance for the trade receivables which are likely to be impaired due to bankruptcy or whose cash flows can be reliably estimated as the trade receivable belongs to a specific project, it determines an allowance for a group of financial assets with similar characteristics based on aging analysis and historical percentage of uncollected trade receivable.

**46.4 Liquidity risk**

The Group is exposed to liquidity risk that it may face difficulties in settling financial liabilities in cash or with financial assets.

The Group forecasts the cash flow of operation, investment and financial activities on the basis of routinely established plans and responds to financial liabilities and assets. Moreover, the Group secures and sustains required liquidity to manage possible liquidity risks in advance.

The table below summarizes the maturity profile, as of December 31, 2025 and 2024, of the Group's major financial liabilities excluding derivatives (Korean won):

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Book value | Under 1 year | 1 ~ 5 years | Over 5 years |
| Borrowings (*) | ₩ 2,555,527,060,435 | ₩ 1,254,737,483,866 | ₩ 1,400,526,668,000 | ₩ - |
| Bonds payable | 5,311,468,288,691 | 1,439,328,601,024 | 3,675,052,130,120 | 813,019,238,704 |
| Trade and other payables | 69,758,771,934 | 68,496,796,907 | 1,372,998,364 | - |
| | ₩ 7,936,754,121,060 | ₩ 2,762,562,881,797 | ₩ 5,076,951,796,484 | ₩ 813,019,238,704 |

(*) The amount includes borrowings from Special Account for Energy and Resources.

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Book value | Under 1 year | 1 ~ 5 years | Over 5 years |
| Borrowings (*) | ₩ 3,489,442,063,971 | ₩ 1,736,755,265,108 | ₩ 1,457,483,031,316 | ₩ 456,138,535,625 |
| Bonds payable | 4,725,027,078,157 | 397,882,928,943 | 3,910,576,448,960 | 1,058,568,432,816 |
| Trade and other payables | 97,929,681,239 | 96,961,952,544 | 1,032,961,372 | - |
| | ₩ 8,312,398,823,367 | ₩ 2,231,600,146,595 | ₩ 5,369,092,441,648 | ₩ 1,514,706,968,441 |

(*) The amount includes borrowings from Special Account for Energy and Resources.

The maturity profile above is based on the contract amount that is undiscounted (including interest payments) for the earliest maturity date, which leads to a difference between the total and the balance of financial liabilities in the consolidated statement of financial position.

## 46. Financial risk management (cont'd)

### 46.5 Capital risk

The objective of the Group's capital risk management is to secure its ability to provide earnings to its shareholders and interested parties and sustain an optimal capital structure to reduce the cost of capital. In order to sustain optimal capital structure, the Group uses a debt-to-equity ratio similar to other entities in the industry. Debt-to-equity ratio is calculated by dividing total liabilities by total equity.

The Group's debt-to-equity ratio as of December 31, 2025 and 2024 is as follows (Korean won):

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Total liabilities | ₩ 8,065,319,224,779 | ₩ 8,584,064,059,709 |
| Total equity | (3,161,885,733,149) | (3,763,011,183,699) |
| Debt-to-equity ratio (*) | - | - |

(*) As the total equity is negative value, the debt-to-equity ratio is not calculated.

### 46.6 Fair value and book value

The fair values and book values of financial asset and liabilities as of December 31, 2025 and 2024 are as follows (Korean won):

| | December 31, 2025 | |
|---|---|---|
| | Book value | Fair value |
| Financial assets measured at fair value: | | |
| Financial assets at FVTPL | ₩ 17,653,478,606 | ₩ 17,653,478,606 |
| Financial assets measured at amortized cost: | | |
| Cash and cash equivalents | 344,246,118,949 | 344,246,118,949 |
| Short-term loans | 120,987,009,550 | 120,987,009,550 |
| Long-term loans | 1,240,554,830,247 | 1,240,554,830,247 |
| Trade and other receivables | 35,228,495,991 | 35,228,495,991 |
| Short-term financial instruments | 368,925,337,884 | 368,925,337,884 |
| Other financial assets | 15,800,908,880 | 15,800,908,880 |
| | ₩ 2,125,742,701,501 | ₩ 2,125,742,701,501 |
| Financial liabilities measured at fair value: | | |
| Financial liabilities at FVTPL | ₩ 55,380,881,112 | ₩ 55,380,881,112 |
| Financial liabilities measured at amortized cost: | | |
| Short-term borrowings | 570,000,000,000 | 570,000,000,000 |
| Short-term bond payable | 19,892,220,082 | 19,892,220,082 |
| Current portion of long-term borrowings | 614,856,794,393 | 614,856,794,393 |
| Current portion of payable bonds | 1,257,030,913,062 | 1,257,030,913,062 |
| Long-term borrowings | 1,370,670,266,042 | 1,370,670,266,042 |
| Bonds payable | 4,034,545,155,547 | 4,034,545,155,547 |
| Trade and other payables | 69,758,771,934 | 69,758,771,934 |
| | ₩ 7,936,754,121,060 | ₩ 7,936,754,121,060 |

## 46. Financial risk management (cont'd)

| | December 31, 2024 | |
|---|---|---|
| | Book value | Fair value |
| Financial assets measured at fair value: | | |
| Financial assets at FVTPL | ₩ 15,964,522,602 | ₩ 15,964,522,602 |
| Financial assets measured at amortized cost: | | |
| Cash and cash equivalents | 462,681,855,160 | 462,681,855,160 |
| Short-term loans | 107,792,942,945 | 107,792,942,945 |
| Long-term loans | 1,186,194,553,607 | 1,186,194,553,607 |
| Trade and other receivables | 27,756,450,520 | 27,756,450,520 |
| Short-term financial instruments | 67,134,940,544 | 67,134,940,544 |
| Other financial assets | 66,547,335,083 | 66,547,335,083 |
| | ₩ 1,918,108,077,859 | ₩ 1,918,108,077,859 |
| Financial liabilities measured at fair value: | | |
| Financial liabilities at FVTPL | ₩ 82,959,888,970 | ₩ 82,959,888,970 |
| Financial liabilities measured at amortized cost: | | |
| Short-term borrowings | 600,000,000,000 | 600,000,000,000 |
| Current portion of long-term borrowings | 1,048,836,841,945 | 1,048,836,841,945 |
| Current portion of payable bonds | 254,573,090,183 | 254,573,090,183 |
| Long-term borrowings | 1,840,605,222,026 | 1,840,605,222,026 |
| Bonds payable | 4,470,453,987,974 | 4,470,453,987,974 |
| Trade and other payables | 97,929,681,239 | 97,929,681,239 |
| | ₩ 8,312,398,823,367 | ₩ 8,312,398,823,367 |

### 46.7 Fair value hierarchy

Fair value hierarchy is described as follows:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities as of December 31, 2025 and 2024 (Korean won):

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at FVTPL | ₩ - | ₩ 624,858,748 | ₩ 17,028,619,858 | ₩ 17,653,478,606 |
| Financial liabilities at FVTPL | - | 55,380,881,112 | ₩ - | 55,380,881,112 |

| | December 31, 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at FVTPL | ₩ - | ₩ - | ₩ 15,964,522,602 | ₩ 15,964,522,602 |
| Financial liabilities at FVTPL | ₩ - | ₩ 82,959,888,970 | ₩ - | ₩ 82,959,888,970 |

## 47. Related party transactions

The Group's related parties as of December 31, 2025 are as follows:

| | Name |
|---|---|
| Ultimate parent company | The Government of the Republic of Korea |
| Associates (*) | Philco Resource Ltd., Xian Maxsun KORES New Material Co., Ltd., AMSA/DMSA(Ambatovy), ZhangjiagangWonjin-KORES Industrial Material Co., Ltd., ZhangjiagangWonjin-KORES Resources Recovery Reutilization Co., Ltd., PT. KCT, Mkuju Resources Tanzania Ltd, Springvale SK Kores Pty Ltd. Kangwon Land, Inc., Mungyeong Leisure Town Co., Ltd., Black Valley Country Club Co., Ltd, Kidslala, Inc. |
| Joint venture | Jungchon Natural Graphite Cooperation, Korea Panama Mining Corporation, KLS |
| Other | Korea Development Bank |

(*) For the year ended December 31, 2025, Zhangjiagang Wonjin Industrial Material Co., Ltd., a former associate, was excluded from the scope of the Group's related parties, following its capital reduction and the Group's disposal of all remaining interests. Hym-namu Co., Ltd. was excluded from the scope of the Group's related parties as of the end of the current period following its liquidation during the period. In addition, Korean Boleo Corporation S.A. de C.V. (KBC), formerly an associate, was also excluded from the scope of related parties as of December 31, 2025, as it was transitionally included in the scope of consolidation as a subsidiary following the Group's acquisition of additional interests during the period.

Significant transactions with the related parties (except for finance and equity transactions) for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | | 2025 | | |
|---|---|---|---|---|
| | Name | Interest income | Purchase of goods | Bad debt expense |
| Associates | AMSA/DMSA (Ambatovy) | ₩ 56,496,568,764 | ₩ 296,730,685,703 | ₩ 114,708,515,288 |
| Joint venture | Korea Panama Mining Corporation | 84,164,761,909 | - | - |
| | | ₩ 140,661,330,673 | ₩ 296,730,685,703 | ₩ 114,708,515,288 |

| | | 2024 | | |
|---|---|---|---|---|
| | Name | Interest income | Purchase of goods | Bad debt expense |
| Associates | AMSA/DMSA (Ambatovy) | ₩ 70,047,808,936 | ₩ 306,645,376,196 | ₩ 259,225,557,114 |
| Joint venture | Korea Panama Mining Corporation | 78,937,205,448 | - | - |
| | | ₩ 148,985,014,384 | ₩ 306,645,376,196 | ₩ 259,225,557,114 |

The outstanding receivables and payables arising from the transactions with the related parties (except for contributions) as of December 31, 2025 and 2024 are as follows (Korean won):

| | | December 31, 2025 | | | |
|---|---|---|---|---|---|
| | Name | Loans (*) | Accrued income (*) | Trade receivables (*) | Other receivables |
| Associates | Philco Resource Ltd. | ₩ 3,461,298,539 | ₩ - | ₩ - | ₩ - |
| | Xian Maxun KORES New Material Co., Ltd. | 2,467,141,231 | 743,184,038 | - | - |
| | AMSA/DMSA (Ambatovy) | 324,039,487,979 | 3,029,769,209 | 41,450,403,389 | 15,788,746,219 |
| Joint venture | Korea Panama Mining Corporation | 1,025,994,808,805 | - | - | - |
| | | ₩ 1,355,962,736,554 | ₩ 3,772,953,247 | ₩ 41,450,403,389 | ₩ 15,788,746,219 |

(*) As of December 31, 2025, the Group recognizes allowance for doubtful accounts for loans, accrued income and trade receivables amounting to ₩329,968million, ₩3,773million, ₩41,382million, respectively.

## 47. Related party transactions (cont'd)

| | | December 31, 2024 | | | |
|---|---|---|---|---|---|
| | Name | Loans (*) | Accrued income (*) | Trade receivables (*) | Other receivables |
| Associates | Philco Resource Ltd. | ₩ 3,545,967,560 | - | ₩ - | ₩ - |
| | Korean Boleo Corporation on S.A de C.V | 284,773,171,208 | 90,174,963,375 | - | - |
| | Xian Maxun KORES New Material Co., Ltd. | 2,527,491,540 | 761,363,538 | - | - |
| | AMSA/DMSA (Ambatovy) | 235,625,201,940 | 2,182,883,145 | 21,612,887,451 | 13,780,392,450 |
| Joint venture | Korea Panama Mining Corporation | 962,445,264,601 | - | - | - |
| | | ₩ 1,488,917,096,849 | ₩ 93,119,210,058 | ₩ 21,612,887,451 | ₩ 13,780,392,450 |

(*) As of December 31, 2024, the Group recognizes allowance for doubtful accounts for loans, accrued income and trade receivables amounting to ₩526,472 million, ₩93,119 million, ₩21,613 million, respectively.

Significant financial transactions with the related the parties for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | Name | Loan provided(*) | Capital reduction | Dividends received |
|---|---|---|---|---|
| Associate | AMSA/DMSA (Ambatovy) | ₩ 93,896,692,979 | - | - |
| | ZhangjiagangWonjin-KORES Industrial Material Co., Ltd., | - | ₩ 1,628,289,600 | - |
| | Kangwon Land, Inc. | - | - | ₩ 90,777,709,620 |
| | Hym-namu Co., Ltd. | - | ₩ 22,163,924 | - |
| Joint venture | Korea Panama Mining Corporation | ₩ 84,235,836,909 | - | - |
| | KLS | - | ₩ 3,409,382,051 | - |
| | | ₩ 178,132,529,888 | ₩ 5,059,835,575 | ₩ 90,777,709,620 |

(*) Loans to AMSA/DMSA (Ambatovy) and Korea Panama Mining Corporation during the current period include ₩56,550 million and ₩84,165 million, respectively, representing the amounts of interest income and accrued income capitalized into the principal.

| | | 2025 | | | |
|---|---|---|---|---|---|
| | Name | Loan provided(*) | Equity investment | Capital reduction | Dividends received |
| Associate | AMSA/DMSA (Ambatovy) | ₩ 199,180,883,506 | - | - | - |
| | Korean Boleo Corporationon S.A.de C.V. | - | ₩ 16,500,000,940 | - | - |
| | Kangwon Land, Inc. | - | - | - | ₩ 72,156,640,980 |
| | Hym-namu Co., Ltd. | - | - | ₩ 1,360,000,074 | - |
| Joint venture | Korea Panama Mining Corporation | ₩ 78,937,205,448 | - | - | - |
| | KLS | - | - | ₩ 3,173,161,026 | - |
| | | ₩ 278,118,088,954 | ₩ 16,500,000,940 | ₩ 4,533,161,100 | ₩ 72,156,640,980 |

(*) Loans to AMSA/DMSA (Ambatovy) and Korea Panama Mining Corporation for the year ended December 31, 2025 include ₩70,150 million and ₩78,937 million, respectively, representing the amounts of interest income and accrued income capitalized into the principal.

Details of guarantees provided to the related parties as of December 31, 2025 are summarized in Note 48.

As of December 31, 2025, the Company received a capital contribution of ₩415,447 million (₩251,762 million as of December 31, 2024) from its ultimate parent company, the Government of the Republic of Korea.

Furthermore, during the current period, the funding for gallery excavation projects was incorporated into the assets of the Company in accordance with the decision of the Korean government. The major items incorporated into the assets of the Company are as follows, and the Company recognized the acquisition amount of these assets as other income:

| | Amount | |
|---|---|---|
| Cash and cash equivalents | ₩ | 1,311,492,099 |
| Short-term loans | | 6,098,085,110 |
| Allowance for doubtful accounts | | (284,472,003) |
| Present value discount | | (63,521,679) |
| Accrued revenues | | 25,316,400 |
| Allowance for doubtful accounts | | (5,045,304) |
| Prepaid expenses | | 471,025,421 |
| Other receivables | | 3,239,880 |
| Allowance for doubtful accounts | | (3,239,880) |
| Long-term loans | | 9,560,771,190 |
| Allowance for doubtful accounts | | (207,209,562) |
| Present value discount | | (325,488,457) |
| | ₩ | 16,580,953,215 |

The compensations to management for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | 2024 | |
|---|---|---|---|---|
| Short term | | | | |
| Short term employee benefits | ₩ | 709,208,760 | ₩ | 719,865,180 |
| Pension benefits | | 49,833,304 | | 45,211,703 |
| | ₩ | 759,042,064 | ₩ | 765,076,883 |

## 48. Collateral assets

Details of collateral assets provided to the related parties as of December 31, 2025 are as follows(Korean won):

| Receiver | Collateral assets | Book value | | | | Purpose of collateral |
|---|---|---|---|---|---|---|
| | | 2025 | | 2024 | | |
| Franco-Nevada(BARBADOS) CORPORATION(*1) | Shares and loans of KPMC | ₩ | 1,086,981,646,055 | ₩ | 1,172,354,649,601 | Settlement of gold forward sales |
| SUMMIT AMBATOVY MINERAL RESOURCES INVESTMENT B.V.(*2) | Shares of AMSA and DMSA | | - | | - | Pledge of shareholder's receivables |

(*1) Minera Panama, S.A. ("MPSA"), established for the Cobre Panama project of the Company, is an affiliate of the joint venture KPMC. To finance its investment costs, MPSA entered into a gold and silver forward sales agreement with Franco-Nevada (BARBADOS) CORPORATION ("FN"). KPMC entered into a guarantee agreement to ensure the fulfillment of the sales obligations and to indemnify FN for potential losses. In connection with KPMC's guarantee, the Company has pledged its investment interest in KPMC as collateral to FN.

(*2) To secure the shareholder's receivables, which represent the residual debt following the debt restructuring of the Ambatovy project's Project Financing(PF) debt, the shareholders provide mutual collateral over their respective shares in the project. The acquisition cost of the Ambatovy shares pledged as collateral is ₩2,758.8 billion; however, their carrying amount is nil (₩0) due to the application of the equity method of accounting.

## 49. Commitments

Details of the major commitments between the Group and financial institutions as of December 31, 2025 are as follows (Korean won):

| Commitments | Financial institutions | Currency | Limit | Outstanding balance |
|---|---|---|---|---|
| General loans | Hana Bank | KRW | 20,000,000,000 | - |
| General loans | Kookmin Bank | KRW | 3,000,000,000 | - |
| General loans | SY MIRE 2nd | KRW | 120,000,000,000 | 120,000,000,000 |
| General loans | Lucky star 2nd | KRW | 200,000,000,000 | 200,000,000,000 |
| General loans | National Resources 1st | KRW | 155,000,000,000 | 155,000,000,000 |
| General loans | Korea Energy Agency | KRW | 7,847,668,000 | 7,847,668,000 |
| General loans | One-trust 1st | KRW | 290,000,000,000 | 290,000,000,000 |
| General loans | Partners 1st | KRW | 200,000,000,000 | 200,000,000,000 |
| General loans | With GM 19th | KRW | 60,000,000,000 | 60,000,000,000 |
| CP loans | Hana bank | KRW | 900,000,000,000 | 900,000,000,000 |

### Refinancing commitments

The shareholders of the Ambatovy project, including the Group, have provided a Cash Deficiency Support (CDS) agreement of USD 100 million to facilitate debt restructuring and ensure the project's liquidity. Under this agreement, the Group is obligated to provide loans to the Ambatovy project up to a limit of USD 45.8 million, corresponding to its ownership interest, upon request for additional funding. As of the end of the current period, the total amount loaned to the Ambatovy project under this agreement is USD 31.2 million."

### KAC commitments

The Group has invested in AMSA/DMSA through KAC (“Korea Ambatovy Consortium”) with POSCO INTERNATIONAL Corporation and STX Corporation. The operator (SHERRITT INTERNATIONAL Corp.) transferred part of its shares to Sumitomo Corporation and AHL (“Ambatovy Holdings Limited”) in November 2017, remaining shares to Sumitomo Corporation and AHL2 (“Ambatovy Holdings Ⅱ Limited”) in August 2020. KAC has rights and obligations to the shares held by AHL (10.32%) and AHL2 (5.01%).

## 50. Litigations

Details of litigations as of December 31, 2025 are as follows (Korean won):

| Defendant | Plaintiff | Details (*) | | Amount | Cases | Progress |
|---|---|---|---|---|---|---|
| KOMIR | Mr. Kim and others | Claim for payment of disaster compensation | ₩ | 11,596,575,536 | 73 | 34 litigations, first trial in progress<br>20, second trial in progress<br>19, third trial in progress |
| KOMIR | Mr. Kang and others | Claim for the difference in mine closure cost assistance | ₩ | 1,199,550,264 | 3 | First trial in progress |
| KOMIR | Mr. Kim and others | Claim for the difference in coal production reduction subsidies | ₩ | 1,506,429,173 | 2 | First trial in progress |
| KOMIR | Kangwon Land Inc. | Claim for loss | ₩ | 592,180,000 | 2 | First trial in progress |
| KOMIR | Seungrok Tech Co., Ltd. | Claim for construction cost | ₩ | 2,750,105,730 | 1 | Third trial in progress |

(*) As of December 31, 2025, the Group assesses that the likelihood of losing litigations is remote. Accordingly, management believes that even if the outcomes of these cases are finalized, their financial impact will not be significant; therefore, no provisions for such contingencies have been recognized.

### Concession contract of Minera Panama S.A. (the “MPSA”)

Korea Panama Mining Corporation, an equity method investee of the Group, owns a 17.96% stake in MPSA (Minera Panama S.A.). The Supreme Court of Panama ruled Law 9 unconstitutional on September 25, 2018, which governed the mining rights contract between the Government of Panama and MPSA. Accordingly, negotiations were conducted between the government of Panama and MPSA to revise the mining rights contract, and an agreement was reached to revise the mining rights contract in March 2023. The amendment to the mining rights contract was published in the Official Gazette on October 20, 2023 as Law No.406 and officially came into effect in 2023. However, on November 28, 2023, the law faced another ruling of unconstitutionality by the Supreme Court of Panama. Since December 2023, mining operations have been suspended, and the facility is currently operating under a minimal maintenance. KOMIR is preparing for international arbitration against the Government of Panama.

## 51. Cash flow statement

Details of material transactions not involving cash inflows and outflows for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | 2024 |
|---|---|---|
| Transfer of current portion from long-term borrowings and bonds payable | ₩ 1,874,455,049,911 | ₩ 1,256,172,648,235 |
| Transfer of current portion from long-term loans | 106,186,152,005 | 102,993,604,820 |
| Changes in retained earnings in equity method | 2,403,836,903 | (5,080,504,618) |
| Changes in equity due to disposal of investments in subsidiaries | (71,501,993,478) | - |
| Share of other comprehensive income of associates and joint ventures | (6,399,247,403) | 52,258,463,461 |
| Reclassification of construction-in-progress | 65,556,672,232 | - |
| Transfer to loans from accrued interest | 139,814,444,608 | 149,087,200,452 |
| Transfer of current portion from financial liabilities at FVTPL | 1,222,563,064 | 56,418,960,508 |
| Acquisition of residual assets (land) following the liquidation of an associate | 441,119,870 | - |
| Write-off of receivables through offset with allowance | 2,766,022,178 | - |
| Modification of short-term borrowings contract | - | 100,000,000,000 |
| Changes in assets and liabilities arising from changes in the scope of consolidation | (686,761,634,273) | - |
| Classification as assets held-for-sale | 60,459,185,406 | - |

## 51. Cash flow statement (cont'd)

Changes in liabilities arising from financing activities for each of the two years in the period ended December 31, 2025 are as follows (Korean won):

| | 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| | January 1 | Cash flow from financing activities | Exchange rate fluctuation | Amortization | Transfer | Others(*) | December 31 |
| Short-term borrowings | ₩ 600,000,000,000 | ₩ (30,000,000,000) | ₩ - | ₩ - | ₩ - | ₩ - | ₩ 570,000,000,000 |
| Short-term bonds | - | 19,892,220,082 | - | - | - | - | 19,892,220,082 |
| Current portion of long-term borrowings | 1,048,836,841,945 | (826,318,393,300) | (10,054,511,103) | 19,786,115,926 | 617,424,136,849 | (234,817,395,924) | 614,856,794,393 |
| Current portion of bonds payable | 254,573,090,183 | (252,745,000,000) | (1,905,000,000) | 76,909,817 | 1,257,030,913,062 | - | 1,257,030,913,062 |
| Current lease liabilities | 679,314,353 | (1,285,391,859) | 7,300,002 | 75,685,364 | 997,902,255 | 1,066,658,052 | 1,541,468,167 |
| Sub-total | 1,904,089,246,481 | (1,090,456,565,077) | (11,952,211,101) | 19,938,711,107 | 1,875,452,952,166 | (233,750,737,872) | 2,463,321,395,704 |
| Long-term borrowings | 1,832,757,554,026 | 599,300,000,000 | (21,182,843,081) | 23,620,737,638 | (617,424,136,849) | (454,248,713,692) | 1,362,822,598,042 |
| Borrowings from Special Account for Energy and Resources | 7,847,668,000 | - | - | - | - | - | 7,847,668,000 |
| Bonds payable | 4,470,453,987,974 | 879,367,580,217 | (63,323,100,000) | 5,077,600,418 | (1,257,030,913,062) | - | 4,034,545,155,547 |
| Non-current lease liabilities | 671,233,595 | - | | 1,622,974 | (997,902,255) | 1,501,632,369 | 1,176,586,683 |
| Sub-total | 6,311,730,443,595 | 1,478,667,580,217 | (84,505,943,081) | 28,699,961,030 | (1,875,452,952,166) | (452,747,081,323) | 5,406,392,008,272 |
| Total | ₩ 8,215,819,690,076 | ₩ 388,211,015,140 | ₩ (96,458,154,182) | ₩ 48,638,672,137 | ₩ - | ₩ (686,497,819,195) | ₩ 7,869,713,403,976 |

(*) It includes the decrease in borrowings arising from changes in the scope of consolidation.

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | January 1 | Cash flow from financing activities | Exchange rate fluctuation | Amortization | Transfer | Others | December 31 |
| Short-term borrowings | ₩ 165,000,000,000 | ₩ 535,000,000,000 | ₩ - | ₩ - | ₩ (100,000,000,000) | ₩ - | ₩ 600,000,000,000 |
| Current portion of long-term borrowings | 904,052,477,013 | (1,000,000,000,000) | 19,996,745,845 | 23,188,061,035 | 1,101,599,558,052 | - | 1,048,836,841,945 |
| Current portion of bonds payable | 825,333,701,840 | (855,592,000,000) | 24,593,090,596 | 5,665,207,564 | 254,573,090,183 | - | 254,573,090,183 |
| Current lease liabilities | 739,659,573 | (864,242,351) | (5,521,427) | 35,314,050 | 515,334,253 | 258,770,255 | 679,314,353 |
| Sub-total | 1,895,125,838,426 | (1,321,456,242,351) | 44,584,315,014 | 28,888,582,649 | 1,256,687,982,488 | 258,770,255 | 1,904,089,246,481 |
| Long-term borrowings | 2,292,256,758,296 | 438,885,589,060 | 50,687,337,072 | 50,078,945,350 | (1,001,599,558,052) | 2,448,482,300 | 1,832,757,554,026 |
| Borrowings from Special Account for Energy and Resources | 7,847,668,000 | - | - | - | - | - | 7,847,668,000 |
| Bonds payable | 3,456,544,048,207 | 933,647,873,000 | 330,113,487,530 | 4,721,669,420 | (254,573,090,183) | - | 4,470,453,987,974 |
| Non-current lease liabilities | 637,610,355 | - | 15,973,581 | 2,988,456 | (515,334,253) | 529,995,456 | 671,233,595 |
| Sub-total | 5,757,286,084,858 | 1,372,533,462,060 | 380,816,798,183 | 54,803,603,226 | (1,256,687,982,488) | 2,978,477,756 | 6,311,730,443,595 |
| Total | ₩ 7,652,411,923,284 | ₩ 51,077,219,709 | ₩ 425,401,113,197 | ₩ 83,692,185,875 | ₩ - | ₩ 3,237,248,011 | ₩ 8,215,819,690,076 |

## 52. Material uncertainty of going concern

The Group's consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern. Therefore, assets and liabilities were accounted for under the assumption that they could be recovered or repaid at book value through the ordinary course of business activities. However, the following circumstances raise significant doubts about this going concern assumption:

| | December 31, 2025 | |
|---|---|---|
| Net asset | ₩ | (3,161,885,733,149) |
| Net current liability | | (1,445,874,111,725) |
| Operating loss | | (170,252,377,890) |
| Operating loss, continuing operations | | (85,945,187,579) |
| Operating loss, discontinued operations | | (84,307,190,311) |
| Loss for the period | | (344,380,289,124) |
| Loss for the period, continuing operations | | (192,261,850,883) |
| Loss for the period, discontinued operations | | (152,118,438,241) |
| Operating cashflows | | (566,319,055,421) |

The Group's response to the issue of continuing as a going concern is as follows: In order to repay borrowings and bond payables maturing within one year, as of December 31, 2025, the Group plans to refinance domestic and foreign bond repayments by issuing new bonds to the extent of bond allowed for the issuance, and plans to raise other necessary funds through investment through policy support from Korean government, borrowings and long-term commercial paper. It is expected that the continued existence of the Group as a going concern will be determined by the decision of Korean government.

In situations where questions are raised about the validity of the going concern assumption that is premised on the preparation of the Group's financial statements, there is significant uncertainty whose validity depends on the success or failure of the financing plan necessary for debt repayment and other funding needs. If there is a disruption in these plans and it is difficult for the Group to continue as a going concern, the going concern assumption is not valid and the Group's assets and liabilities may not be recovered or repaid at book value through the normal course of business activities. If the going concern premise is not valid as a result of uncertainty, revisions to the amount and classification of assets and liabilities and related profit and loss items may occur, and these matters are not reflected in the financial statements.

## THE ISSUER

**Korea Mine Rehabilitation and Mineral Resources Corporation**
199 Hyeoksin-ro, Wonju-si
Gangwon-do 26464
Korea

## PRINCIPAL PAYING AGENT, TRANSFER AGENT, PAYING AGENT AND EXCHANGE AGENT

**Citibank, N.A., London Branch**
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB
United Kingdom

## REGISTRAR

**Citibank, N.A., London Branch**
c/o Citibank, N.A., Dublin Branch
1 North Wall Quay
Dublin 1
Ireland

## LEGAL ADVISERS

*To the Issuer as to Korean law*

**Yulchon**
Parnas Tower, 38F
521 Teheran-ro, Gangnam-gu
Seoul 06164
Korea

*To the Dealers as to United States law*

**Cleary Gottlieb Steen & Hamilton LLP**
19F, Ferrum Tower
19, Eulji-ro, Jung-gu
Seoul 04539
Korea

## INDEPENDENT AUDITORS

**Ernst & Young Han Young**
2-8th Floor, Taeyoung Bldg.
111 Yeouigongwon-ro, Yeongdeungpo-gu
Seoul 07241, Korea

## DEALERS

**BNP PARIBAS**
63/F, Two International Finance Centre
8 Finance Street, Central
Hong Kong

**Citigroup Global Markets Limited**
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB

**Crédit Agricole Corporate and Investment Bank**
27th Floor, Two Pacific Place
88 Queensway
Hong Kong

**The Hongkong and Shanghai Banking Corporation Limited**
Level 17, HSBC Main Building
1 Queen's Road Central
Hong Kong

## SINGAPORE LISTING AGENT

**Shook Lin & Bok LLP**
1 Robinson Road
#18-00 AIA Tower
Singapore 048542




A.Plus International
FINANCIAL PRESS LIMITED
260380119