

index

Review Report	1
Semi-annual consolidated financial statement review report	2
(Attached) Semi-annual consolidated financial statements	4
Note	11

KUMYANG and its subsidiaries

About the semi-annual consolidated financial statements

Review report

The 70th period

From 2024 January 01

Until 2024 June 30

Hanul Accounting Corporation

Semi-annual consolidated financial statements

Review Report

Kumyang Corporation

Dear Shareholders and Board of Directors

Subject of review Financial Statements

We have reviewed the attached consolidated interim financial statements of Kumyang Corporation and its subsidiaries (hereinafter referred to as the "Consolidated Company"), which consist of the consolidated interim statement of financial position as of June 30, 2024, the consolidated interim statements of comprehensive income for the three-month and six-month reporting periods ended June 30, 2024, the consolidated interim statements of changes in equity and the consolidated interim statements of cash flows for the six-month reporting period then ended, and a summary of significant accounting policies and other descriptive information.

In the financial statements About Korea The management's responsibility

Management has prepared these semi-annual consolidated financial statements in accordance with Korean International Financial Reporting Standard No. 1034, 'Interim Financial Reporting.' It is the responsibility of the Company to present its financial statements fairly and fairly, and to ensure that there are no material misrepresentations due to fraud or error. We are also responsible for the internal controls we determine are necessary to prepare the consolidated financial statements.

The auditor's responsibility

Our responsibility is to review the above semi-annual consolidated financial statements and, based on this review, to report the results of the review of financial statements.

We conducted our review in accordance with the Korean Standards on Review of Quarterly and Semi-Annual Financial Statements. Our review is primarily conducted through inquiries of the financial and accounting personnel of the consolidated company, analytical procedures, and other review procedures. In addition, our review is limited in scope compared to an audit conducted in accordance with the Korean Standards on Auditing, and therefore, we cannot obtain assurance that such procedures will enable the auditor to identify all significant matters that would have been identified in the audit. Accordingly, we do not express an audit opinion.

Review comments

our review, the above semi-annual consolidated financial statements are in compliance with Korean International Financial Reporting Standard No. 1034, 'Interim Financial Reporting' 'Nothing was found to be unfairly represented in terms of importance.

Others

The consolidated interim statements of comprehensive income, consolidated interim statements of changes in equity and consolidated interim statements of cash flows for the six-month reporting period ended June 30, 2023, presented for comparative purposes, were reviewed by another auditor, who stated in his review report dated August 14, 2023 that nothing came to his attention that causes him to believe that the consolidated interim financial statements are not presented fairly, in all material respects, in accordance with Korean International Financial Reporting Standard No. 1034, "Interim Financial Reporting." The financial statements in which the auditor stated that nothing came to his attention that causes him to believe that the consolidated interim financial statements are presented before reflecting the adjustments described in Note 40 to the financial statements, and the consolidated interim statements for comparative purposes as of June 30, 2023 are the financial statements reflecting those adjustments.

In addition, the consolidated financial statements as of December 31, 2023, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the fiscal year ending on the same date (not attached to this review report) were audited by another auditor in accordance with the Korean Standards on Auditing, and were stated in the audit report dated March 27, 2024. Justice opinion It was expressed. For comparative purposes Attached 2023 december 31 days Current The consolidated financial statements are not materially different from the audited financial statements above.

Seoul Metropolitan City Gangnam-gu
14, Teheran-ro 88-gil

Hanul Accounting
Corporation CEO
Shin Seong-seop

2024 August 14

This review report is effective as of the review report date. Accordingly, events or circumstances that may have a significant impact on the consolidated financial statements of the Company may occur between the review report date and the time of reading this report,

Semi-annual Consolidated Financial Statements

KUMYANG and its Subsidiary

The 70th period

From 2024 January 01

Until 2024 June 30

The 69th period

From 2023 January 01

Until 2023 June 30

"The attached semi-annual consolidated financial
statements were prepared by our company."

Kumyang CEO Ryu Kwangjy

head office location :	(address)	77, Nakdong- daero 960beongil, Sasang-gu,
		Busan (Gamjeon-dong)
	(Phone)	(051)310-5822

Semi-annual consolidated financial statements

The 70th End of the first half 2024 June 30

The 69th End of the year 2023 december 31

Corporation and its subsidiaries

(unit: won)

Account subject	annotation	End of the first half		End of the previous term	
Asset					
Current assets			118,418,938,697		122,321,859,157
Cash and cash equivalents	5,31	26,002,187,088		56,301,939,608	
Other financial assets	6.31	3,000,000,000		-	
Accounts Receivable	8,31,36	26,235,271,009		21,589,143,617	
Advance payment		9,300,377,832		8,259,674,494	
Prepaid expenses		459,082,053		503,410,641	
Current income tax assets		100,490		-	
Other receivables	8.31	20,415,583,120		14,849,134,460	
Inventory Assets	9.15	33,006,337,105		20,818,556,337	
Non-current assets			919,031,077,611		581,145,512,482
Other financial assets	6.31	12,621,378		12,621,378	
Profit and Loss - Financial Assets Measured at Fair Value	7,31,39	173,859,051		54,820,264	
Other comprehensive income - Financial assets measured at fair value	31,39	500,000		500,000	
Joint venture and related company investment stocks	10	88,187,473,128		91,645,077,010	
Other receivables	8.31	14,024,087,869		7,690,993,018	
Tangible assets	4,11,14,15,18	672,321,987,992		334,961,790,975	
Investment Property	13,14,15	14,409,122,239		14,666,526,643	
Intangible assets	12	125,552,534,095		130,683,819,100	
Other assets	16	579,680,158		576,663,039	
Deferred corporate tax assets		3,769,211,701		852,701,055	
Total Assets			1,037,450,016,308		703,467,371,639
liability					
Current liabilities			792,434,252,618		410,554,172,880
Accounts Payable	17,31,36	21,637,114,866		16,508,976,794	
Short-term borrowings	19,31,36	548,444,934,624		266,142,350,310	
Current long-term debt	19,31	8,508,416,000		8,508,416,000	
Private loan	19,31	27,892,792,654		25,977,869,385	
Current income tax liabilities		11,594,734,874		19,338,370,611	
Advance payment	36	3,694,834,098		1,523,300,986	
Player earnings		220,481,065		252,627,163	
Deposit		1,500,401,072		660,553,150	
Other payable debts	17,18,31	168,940,543,365		71,641,708,481	
Non-current liabilities			49,405,461,493		46,377,923,408
Private loan	19,31	12,989,447,992		17,876,750,350	
Long-term borrowings	19,31	29,026,916,000		19,231,124,000	
Retirement benefit liabilities	20	1,801,617,367		1,641,615,244	
Other payable debts	17,18,31	410,164,821		385,527,249	
Recovery reserve liabilities		5,152,224,114		4,452,660,632	

Deferred corporate tax liabilities		25,091,199		2,790,245,933	
Total Debt			841,839,714,111		456,932,096,288
capital					
Ownership of the controlling company			159,549,222,735		195,630,461,043
capital	1,21	29,025,018,500		29,025,018,500	
Capital surplus	22	206,520,331,670		206,520,331,670	
Other capital items	23,24	157,542,465		551,085,930	
Accumulated other comprehensive income	25	22,076,690,839		17,370,487,824	
Deficit	26	(98,230,360,739)		(57,836,462,881)	
Non-controlling interest	1		36,061,079,462		50,904,814,308
Total Capital			195,610,302,197		246,535,275,351
Debt and equity aggregate			1,037,450,016,308		703,467,371,639

The attached notes are part of these semi-annual consolidated financial statements.

Semi-annual consolidated comprehensive income statement

The 70th January 1, 2024 to June 30, 2024 Until 30 days

The 69th January 1, 2023 to June 30, 2023 Until 30 days

Corporation and its subsidiaries

(Unit: won)

Subject	annotation	the first half of the year		the first half of the previous year	
		3 months	Cumulative	3 months	Cumulative
Sales	4.36	38,560,729,690	76,135,694,515	37,897,555,331	75,430,680,640
Cost of sales	29.36	34,323,250,442	62,950,705,112	29,319,430,390	60,823,243,256
Gross profit		4,237,479,248	13,184,989,403	8,578,124,941	14,607,437,384
Selling and administrative expenses	27.29	5,055,269,636	31,290,978,988	13,160,948,151	22,130,090,573
Loss of sales	4	817,790,388	18,105,989,585	4,582,823,210	7,522,653,189
Other income	28	802,728,209	1,391,721,600	87,265,973	808,740,397
Other expenses	28	29,483,448,825	29,750,862,060	3,548,570,035	1,799,042,060
Financial income	30.31	1,127,144,756	2,209,863,846	1,220,217,484	2,826,418,291
Financial costs	30.31.36	7,134,317,346	12,205,943,145	1,769,767,736	5,421,817,386
Investment in related company stock profit and loss	10	(1,927,282,381)	(3,568,430,307)	-	-
Net loss before income tax expense		37,432,965,975	60,029,639,651	8,593,677,524	11,108,353,947
Corporate tax revenue	32	2,351,443,202	4,999,603,222	2,598,056,698	2,459,387,296
Half year net loss		35,081,522,773	55,030,036,429	5,995,620,826	8,648,966,651
Ownership of the controlling company		24,473,971,186	40,182,828,846	5,995,620,826	8,648,966,651
Non-controlling interest		10,607,551,587	14,847,207,583	-	-
Other comprehensive income	33	1,395,425,476	4,498,606,740	(3,572,609,624)	(842,717,230)
Not reclassified to profit or loss Other comprehensive income after tax		5,872,886	(211,069,012)	(27,710,250)	(211,534,323)
Defined Benefit Plan Remeasurement Profit and Loss		5,872,886	(211,069,012)	(27,710,250)	(211,534,323)
Reclassified to profit or loss Other comprehensive income after tax		1,389,552,590	4,709,675,752	(3,544,899,374)	(631,182,907)
Overseas business conversion profit and loss		1,205,953,757	4,598,849,327	(3,544,899,374)	(631,182,907)
Equity method capital changes		183,598,833	110,826,425	-	-
Total comprehensive loss		33,686,097,297	50,531,429,689	9,568,230,450	9,491,683,881
Ownership of the controlling company		22,680,871,001	35,687,694,843	9,568,230,450	9,491,683,881
Non-controlling interest		11,005,226,296	14,843,734,846	-	-
Loss per share	34				
Beginning of the term net loss per share		423	694	106	154
Diluted net loss per share		423	694	106	154

The attached notes are part of these semi-annual consolidated financial statements.

Semi-annual consolidated statement of changes in equity
The 70th January 1, 2024 to June 30, 2024 Until 30 days
The 69th January 1, 2023 to June 30, 2023 Until 30 days

Corporation and its subsidiaries

(Unit: won)

Subject	annotation	Ownership of the controlling company						Non-controlling interest	aggregate
		capital	Capital surplus	Other capital items	Accumulated other comprehensive income	Retained earnings (deficit)	subtotal		
2023-01-01 (the basis of the previous year)		29,025,018,500	69,008,164,401	(1,422,579,193)	18,277,115,836	7,048,596,134	121,936,315,678	-	121,936,315,678
Half year net loss		-	-	-	-	(8,648,966,651)	(8,648,966,651)	-	(8,648,966,651)
Overseas business profit and loss	33	-	-	-	(631,182,907)	-	(631,182,907)	-	(631,182,907)
Remeasurement gains and losses of defined benefit plans	33	-	-	-	-	(211,534,323)	(211,534,323)	-	(211,534,323)
Disposal of treasury stock		-	40,876,577,797	611,960,459	-	-	41,488,538,256	-	41,488,538,256
2023 June 30 days (end of first half)		29,025,018,500	109,884,742,198	(810,618,734)	17,645,932,929	(1,811,904,840)	153,933,170,053	-	153,933,170,053
2024 January 1st (first day of the year)		29,025,018,500	206,520,331,670	551,085,930	17,370,487,824	(57,836,462,881)	195,630,461,043	50,904,814,308	246,535,275,351
Half year net loss		-	-	-	-	(40,182,828,846)	(40,182,828,846)	(14,847,207,583)	(55,030,036,429)
Overseas business profit and loss	33	-	-	-	4,595,376,590	-	4,595,376,590	3,472,737	4,598,849,327
Remeasurement gains and losses of defined benefit plans	33	-	-	-	-	(211,069,012)	(211,069,012)	-	(211,069,012)
Stock compensation expense		-	-	(393,543,465)	-	-	(393,543,465)	-	(393,543,465)
Equity method capital changes	33	-	-	-	110,826,425	-	110,826,425	-	110,826,425
2024 June 30 (end of the first half)		29,025,018,500	206,520,331,670	157,542,465	22,076,690,839	(98,230,360,739)	159,549,222,735	36,061,079,462	195,610,302,197

The attached notes are part of these semi-annual consolidated financial statements.

Semi-annual consolidated cash flow statement
The 70th January 1, 2024 to June 30, 2024 Until 30 days
The 69th January 1, 2023 to June 30, 2023 Until 30 days

Corporation and its subsidiaries

(Unit: won)

Subject	annotation	the first half of the year		the first half of the previous year	
Cash flow from operating activities			(30,023,558,549)		30,989,280,231
Half year net loss		(55,030,036,429)		(8,648,966,651)	
Adjustment items	35	20,082,199,330		9,354,733,923	
Changes in net working capital	35	17,315,143,219		21,375,030,233	
Payment of corporate tax		(8,117,916,207)		11,829,509,872	
Receipt of interest		30,194,994		81,184,976	
Payment of interest		(4,308,698,676)		(3,007,767,342)	
Receipt of dividends		5,555,220		5,555,220	
Cash flow from investing activities			(286,702,234,230)		(83,740,112,461)
Disposal of other financial assets		-		7,041,713,599	
Disposal of other financial assets (non-current)		-		525,000	
Profit and Loss - Disposal of Financial Assets Measured at Fair Value		7,802,778		-	
Decrease in other receivables		175,777,375		1,462,369,743	
Decrease in other receivables (non-current)		15,740,000		3,895,300	
Decrease in other assets (non-current)		25,935,299		49,332,382	
Disposal of tangible assets		432		6,321,155,491	
Acquisition of other financial assets		(3,000,000,000)		(1,216,858,483)	
Acquisition of other financial assets (non-current)		-		(18,000,000)	
Current Profit and Loss - Acquisition of Financial Assets Measured at Fair Value		(120,000,000)		(166,600,000)	
Increase in other receivables		(81,075,543)		(2,460,443,000)	
Increase in other receivables (non-current)		(84,480,000)		(22,493,077)	
Acquisition of tangible assets		(283,641,934,571)		(73,057,288,681)	
Acquisition of investment property		-		(6,001,383,653)	
Increase in advance payments related to investment stocks		-		(15,653,957,696)	
Acquisition of intangible assets		-		(22,079,386)	
Cash flows from financing activities	35		287,128,590,037		55,632,965,695
Net increase/decrease in short-term borrowings		280,449,797,033		3,055,114,142	
Issuance of private bonds		-		10,859,900,000	
Borrowing of long-term loans		10,500,000,000		15,974,920,000	
Repayment of current long-term debt		(704,208,000)		(1,204,206,000)	
Repayment of private debt		(3,000,000,000)		(14,500,000,000)	
Repayment of lease liabilities		(116,998,996)		(41,300,703)	
Sale of treasury stock		-		41,488,538,256	
Changes due to overseas business conversion			9,166,976		(1,320,103,380)
Effect of exchange rate fluctuations on foreign currency cash and cash equivalents			(711,716,754)		1,463,599
Increase (decrease) in cash and cash equivalents			(30,299,752,520)		1,563,493,684
Cash and cash equivalents at the base	5		56,301,939,608		19,402,058,712
Cash and cash equivalents at year end	5		26,002,187,088		20,965,552,396

The attached notes are part of these semi-annual consolidated financial statements.

Annotation

The 70th January 1, 2024 to June 30, 2024 Until 30 days
The 69th January 1, 2023 to June 30, 2023 Until 30 days

KUMYANG and its subsidiaries

1. Company Overview

The general matters concerning the amount of stock company and its subsidiaries subject to the preparation of consolidated financial statements (hereinafter referred to as "consolidated companies" including the company and its subsidiaries) are as follows.:

1-1 Overview of the controlling company

KUMYANG Co., Ltd. (hereinafter referred to as "controlling company") was established as Geumbuk Chemical Industrial Co., Ltd. on November 17, 1955, and changed its name to KUMYANG Co., Ltd. on July 15, 1978, and is headquartered in Jeonjeon-dong, Sasang-gu, Busan as of the end of the second half of the year, with the main business purpose of manufacturing and selling chemical products such as foaming agents. In addition, stocks were listed on the Korea Exchange on December 17, 1976, and as of the end of the second half of the year, major shareholders are as follows.

Shareholder name	Number of shares	Share ratio
Ryu Kwangjy (CEO)	20,676,103	35.62%
Treasury stock	124,626	0.21%
etc	37,249,308	64.17%
total	58,050,037	100.00%

1-2 Overview of Subsidiaries

1-2-1 The status of subsidiaries subject to consolidation as of the end of the current period is as follows.

Company name	capital	Share ratio	Industry	location	Settlement date
KUMYANG CHEMICALS HONGKONG	USD 504,556.00	100.00	Investment business	Hong Kong	december 31 days
Hankum Chemical Co., Ltd.	CNY 13,389,104.22	100.00	Manufacturing and sales industry	china	december 31 days
KUMYANG(LIANYUNGANG) CHEMICAL CO.,LTD.	CNY 60,229,770.00	100.00	Manufacturing and sales industry	china	december 31 days
KUMYANG USA INC.	USD 2,600,000.00	100.00	Wholesale	USA	december 31 days
HAN DONG MAO YI	CNY 4,113,160.00	100.00	Manufacturing and sales industry	china	december 31 days
KUMYANG NEIMENGGU CHEMICAL CO., LTD.	CNY 123,966,061.18	100.00	Manufacturing and sales industry	china	december 31 days
HANKUM NEIMENGGU CHEMICAL CO., LTD.	CNY 89,000,000.00	100.00	Manufacturing and sales industry	china	december 31 days
KUMYANG EUROPE GMBH	EUR 175,000.00	100.00	Wholesale	germany	december 31 days
KUMYANG PAKISTAN LIGHT INDUSTRY (PRIVATE) LIMITED	PKR 622,195,410.58	100.00	Manufacturing and sales industry	Pakistan	december 31 days
MONLAA LLC	MNT 450,360,000	60.00	Mining industry	Mongolia	december 31 days

1-3 The summary financial information of subsidiaries subject to the preparation of consolidated financial statements as of the end of the current half and the end of the previous quarter is as follows.

1-3-1 Half of the year

(Unit: thousand won)

Company name	End of the first half		Half of the year	
	Total assets	Total debt	Sales	Net income
KUMYANG CHEMICALS HONGKONG	9,523,760	-	-	32,102
Hankum Chemical Co., Ltd.	3,711,102	490,119	-	(170,003)
KUMYANG(LIANYUNGANG) CHEMICAL CO.,LTD.	77,755,261	43,564,189	31,692,433	2,886,513
KUMYANG USA INC.	6,596,265	5,801,321	257,726	(309,418)
HAN DONG MAO YI	295,760	-	-	-
KUMYANG NEIMENGGU CHEMICAL CO., LTD.	44,708,974	6,064,627	12,150,224	2,297,026
HANKUM NEIMENGGU CHEMICAL CO., LTD.	22,887,549	7,818,599	-	(568,980)
KUMYANG EUROPE GMBH	1,455,790	1,549,198	87,043	(28,558)
KUMYANG PAKISTAN LIGHT INDUSTRY (PRIVATE) LIMITED	2,807,925	36,883	-	(60,480)
MONLAA LLC	26,043,327	36,856,568	-	(31,804,022)
total	195,785,713	102,181,504	44,187,426	(27,725,820)

The "Condensed Financial Information" above corresponds to the information before the consolidation adjustment is reflected, and the total assets of the consolidated company after the consolidation adjustment are KRW 1,037,450,016,000 and the semi-annual loss is KRW 55,030,036,000.

1-3-2 Previous year

(unit: thousand won)

Company name	End of the previous year		First Half of the previous year	
	Total assets	Total debt	Sales	Net income
KUMYANG CHEMICALS HONGKONG	8,814,886	5,885	-	13,536
Hankum Chemical Co., Ltd.	3,696,118	471,588	-	(133,660)
KUMYANG(LIANYUNGANG) CHEMICAL CO.,LTD.	65,116,689	34,922,174	28,817,622	(225,059)
KUMYANG USA INC.	5,995,379	4,961,582	166,748	(366,789)
HAN DONG MAO YI	280,866	-	-	-
KUMYANG NEIMENGGU CHEMICAL CO., LTD.	39,308,638	4,579,251	14,378,099	(1,814,441)
HANKUM NEIMENGGU CHEMICAL CO., LTD.	21,142,708	7,333,543	-	(555,825)
KUMYANG EUROPE GMBH	1,432,616	1,494,150	62,284	(54,775)
KUMYANG PAKISTAN LIGHT INDUSTRY (PRIVATE) LIMITED	2,616,752	21,813	-	(46,782)
MONLAA LLC	29,841,459	8,859,360	-	-
total	178,246,111	62,649,346	43,424,753	(3,183,795)

The "Condensed Financial Information" above corresponds to the information before the consolidation adjustment is reflected, and the total assets of the consolidated company after the consolidation adjustment are KRW 703,467,372,000 and the semi-annual loss is KRW 8,648,967,000.

1-4. In the non-controlling interest About Korea information

The semiannual gains and losses and cumulative non-controlling interests distributed to the non-controlling interests of the consolidated subsidiary among the semiannual gains and losses and capital of the subsidiary in which the non-controlling interests included in the consolidated company are as follows.:

(Current period)

(Unit : Thousand won)

division	Non-controlling interest ratio (%)	Cumulative from the beginning of the year Non-controlling interest	distributed to non-controlling interests Net income	distributed to non-controlling interests Overseas business profit and loss	Cumulative at the end of the first half Non-controlling interest
MONLAA LLC	40	50,904,814	(14,847,208)	3,473	36,061,079

2. Financial Statement Preparation Standards and Important Accounting Policies

2-1. Financial Statement Preparation Standards

The consolidated semi-annual financial statements of the consolidated company are prepared in accordance with IAS 34 "Interim Financial Reporting" and contain less information than those required in the annual financial statements. To understand the consolidated financial statements for the same period, the annual financial statements for the fiscal year ending December 31, 2023, prepared in accordance with IFRS, must be used together.

interpretations described below. Annual leave for the fiscal year ending December 31, 2023, excluding the impact related to the introduction of It is the same as the accounting policy adopted when preparing the financial statements.

2-1-1. The affiliated company Newly applied Revised and amended Standards and Interpretation

The consolidated company has newly applied the following major revisions and interpretations from the accounting period beginning on January 1, 2024, and the revision of the relevant standards and interpretations has no significant impact on the consolidated semi-annual financial statements of the consolidated company.

- Corporate Accounting Standards No. 1001 'Financial statements Display' (Revised): Current liabilities and Non-current liabilities classification
- Corporate Accounting Standards No. 1001 'Financial statements Display' (Revised): Virtual Assets Public notice
- Corporate Accounting Standards No. 1007 'Cash Flow Statement' and No. 1107 'Financial products: Public Notice (Revised): Supplier Finance Agreement Disclosure of official information
- Corporate Accounting Standards No. 1116 'Lease' (revised): sale after In

the lease It happens Lease debt2-1-2. Standards and revisions not applied

by affiliated companies and interpretation

Standards and interpretations that have been enacted or announced but have not been applied because the effective date has not yet arrivedThe book is as follows:

- 1) Corporate Accounting Standards No. 1021 'Exchange rate fluctuation effect' and No. 1101 'International Accounting Standards Adopted by Korea the first stickTaxi '(Revised): Lack of exchangeability

The amendments require the entity to assess the possibility of exchange for other currencies and to estimate the in-kind exchange rate and disclose the impact on the entity's financial performance, financial position and cash flow if not exchangeable for other currencies. The amendments will take effect in the fiscal year beginning on or after January 1, 2025, with early application permitted. The consolidated company is reviewing the impact of the amendments on its financial statements.

3. Critical accounting estimates and assumptions

The consolidated company makes estimates and assumptions about the future. Estimates and assumptions are continuously evaluated and taken into account other factors, such as past experiences and future events that are reasonably predictable in current circumstances. These accounting estimates may differ from actual results.

The significant accounting estimates and assumptions used in the preparation of semi-annual consolidated financial statements are the same as those applied in the preparation of the previous year's consolidated financial statements, except for the method of estimates used to determine corporate tax costs.

4. Sector Information

The consolidated company discloses the disclosures related to the business sector in accordance with IAS 8, and the consolidated company's business division consists of the foaming agent division, the battery material division, the secondary battery division, and the resource development division.

Management determines the sales segment based on information reviewed and reported by the board of directors conducting resource allocation and performance evaluation. Management makes decisions about the resources to be allocated to the segment and reviews the segment's performance based on the segment's operating profit.

4-1. The information for each sales division is as follows.

(1) Half of the year

(unit : Thousand won)

division	blowing agent	Battery material	Secondary battery	Resource development	commonness	total
Total Sales	110,320,177	946,531	-	-	-	111,266,708
Insider trading	(35,131,014)	-	-	-	-	(35,131,014)
Net sales	75,189,163	946,531	-	-	-	76,135,694
Depreciation expense	1,556,552	311,515	3,449,657	571,128	-	5,888,852
Operating profit(*)	3,006,441	(707,329)	(15,867,481)	(4,537,621)	-	(18,105,990)
Tangible assets	41,023,680	4,912,212	466,713,989	14,563,593	145,108,514	672,321,988

(*) The common sales and management expenses of KRW 7,009 million, which constitute operating profit or loss, were distributed as a proportion of sales in each division.

(2) First half and previous year

(unit : Thousand won)

division	blowing agent	Battery material	Secondary battery	Resource development	commonness	total
Total Sales	111,209,165	381,364	-	-	-	111,590,529
Insider trading	(36,159,848)	-	-	-	-	(36,159,848)
Net sales	75,049,317	381,364	-	-	-	75,430,681
Depreciation expense	5,037,025	264,711	537,903	-	-	5,839,639
Operating profit and loss	(5,603,650)	(471,522)	(1,368,250)	(79,231)	-	(7,522,653)
Tangible assets(*)	38,712,256	2,832,404	228,533,566	12,943,776	51,939,789	334,961,791

(*) This is the amount at the end of the previous period.

4-2. sales From external customers by type revenue

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
blowing agent	26,846,286	49,658,692	23,274,793	49,834,432
PVC	1,684,490	3,200,989	944,496	1,614,609
EVA	640,076	2,713,430	3,910,521	5,262,352
etc	9,389,878	20,562,584	9,767,745	18,719,288
total	38,560,730	76,135,695	37,897,555	75,430,681

4-3. By region From external customers revenue

(Unit: thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
korea	6,315,353	13,649,938	6,570,532	15,336,581
Asia	16,359,854	28,808,475	15,083,781	26,375,203
America	4,618,453	9,407,171	1,964,635	6,299,175
europa	4,100,532	8,526,984	5,537,455	11,728,080
Africa	7,066,300	15,548,524	8,675,232	15,488,828
Oceania	100,238	194,603	65,920	202,814
total	38,560,730	76,135,695	37,897,555	75,430,681

The above regional revenue information is calculated based on the customer's location, and no external customer has sales of 10% or more of the consolidated company's sales to a single customer.

5. Cash and cash equivalents

As of the end of the reporting period, cash and cash equivalents in the statement of financial position and cash flow are the same, and the details are as follows:

(unit : Thousand won)

division	End of the first half	End of the previous year
Cash on hand	13,515	15,960
Short-term deposit	25,988,672	56,285,980
total	26,002,187	56,301,940

6. Other financial assets

6-1 Details of other financial assets as of the end of the reporting period are as follows.

(Unit: thousand won)

division	End of the first half		End of the previous year	
	Fluid	Illuminating	Fluid	Illuminating
Deposit products	3,000,000	12,621	-	12,621

6-2 Details of financial assets with restricted withdrawals among other financial assets of the consolidated company as of the end of the reporting period are as follows:It is as follows.
(unit: Thousand won)

division	End of the first half	End of the previous year	Restrictions
Deposit products	12,621	12,621	Current account opening deposit

7. Profit and Loss - Financial Assets Measured at Fair Value

7-1. As of the end of the reporting period Details of current profit and loss - fair value measurement financial assets It is as follows.

(unit : Thousand won)

division	classification	End of the first half		End of the previous year	
		Acquisition cost	Book value	Acquisition cost	Book value
Non-current items	Equity products	999,225	12,050	999,225	10,842
	Debt products	1,225,896	161,809	1,281,699	43,978
total		2,225,121	173,859	2,280,924	54,820

7-2. Details of the fair value measurement financial assets as of the end of the reporting period are as follows.

(End of the first half)

(Unit : Thousand won)

division	Number of shares (main)	Acquisition cost	Fair value	Valuation profit and loss	
				Half of the year	Cumulative
Equity products					
Hi Investment & Securities Co., Ltd.	15,690	39,225	12,050	1,208	(27,175)
Ridi Co., Ltd.	2,000	960,000	-	-	(960,000)
subtotal		999,225	12,050	1,208	(987,175)
Debt products					
Investment bonds	-	1,057,600	-	-	(1,057,600)
Savings insurance	-	168,296	161,809	5,633	(6,487)
subtotal		1,225,896	161,809	5,633	(1,064,087)
total		2,225,121	173,859	6,841	(2,051,262)

(The end of the previous year)

(Unit : Thousand won)

division	Number of shares	Acquisition cost	Fair value	Valuation profit and loss	
				end of the previous year	Cumulative
Equity products					
Hi Investment & Securities Co., Ltd.	15,690	39,225	10,842	(2,369)	(28,383)
Ridi Co., Ltd.	2,000	960,000	-	(960,000)	(960,000)
subtotal		999,225	10,842	(962,369)	(988,383)
Debt products					
Investment bonds	-	1,225,600	-	(796,895)	(1,225,600)
Savings insurance	-	56,099	43,978	(12,120)	(12,120)
subtotal		1,281,699	43,978	(809,016)	(1,237,720)
total		2,280,924	54,820	(1,771,385)	(2,226,103)

8. Accounts receivable and other receivables

8-1 The details of accounts receivable and other receivables as of the end of the reporting period are as follows.:

(unit : Thousand won)

division	classify	End of the first half	End of the year
Current assets	Accounts Receivable	30,871,447	27,045,603
	(Loss Reserve)	(4,636,176)	(5,456,460)
	Subtotal of accounts receivable	26,235,271	21,589,143
	Receivables	21,014,958	15,464,556
	(Loss Reserve)	(618,723)	(618,723)
	Accrued income	17,897	1,566
	Short-term loan	2,031,451	2,031,735
	(Loss Reserve)	(2,030,000)	(2,030,000)
	Subtotal of other receivables	20,415,583	14,849,134
	Liquid sum	46,650,854	36,438,277
Non-current assets	Long-term loan	441,307	441,307
	(Loss Reserve)	(246,307)	(246,307)
	Receivables (long term)	12,703,521	6,356,458
	security	1,125,567	1,139,535
	Subtotal of other receivables	14,024,088	7,690,993
	Non-current total	14,024,088	7,690,993
Total accounts receivable and other receivables		60,674,942	44,129,270

8-2. The amount of receivables by age in the current half and prior term accounts receivable and other receivables are as follows.:

(First half of the year)

(Unit : Thousand won)

division	Half of the year			
	Accounts Receivable	liquidity Other receivables	Illiquidity Other receivables	total
Non-overdue receivables	20,944,745	20,415,583	14,024,088	55,384,416
Overdue but individually unimpaired bonds				
6 months below	3,279,311	-	-	3,279,311
6-9 months	1,781,404	-	-	1,781,404
9-12 months	249,486	-	-	249,486
12 months over	2,828,509	-	-	2,828,509
Individually impaired bonds	1,787,992	2,648,723	246,307	4,683,022
total	30,871,447	23,064,306	14,270,395	68,206,148

(Previous year)

(Unit: Thousand won)

division	Previous year			
	Accounts Receivable	liquidity Other receivables	Illiquidity Other receivables	total
Non-overdue receivables	19,613,758	14,849,134	7,690,993	42,153,886
Overdue but individually unimpaired bonds				
6 months below	2,291,146	-	-	2,291,146
6-9 months	1,016,944	-	-	1,016,944
9-12 months	541,561	-	-	541,561
12 months over	827,390	-	-	827,390
Individually impaired bonds	2,754,804	2,648,723	246,307	5,649,833
total	27,045,603	17,497,857	7,937,300	52,480,760

8-3 The changes in the provision for bad debt in the first half and the first half of previous year are as follows:

(Current period)

(Unit : Thousand won)

division	beginning of the term	Depreciation (refund)	the removal of bonds	End of the term
Accounts Receivable	5,456,460	(820,284)	-	4,636,176
Current Other Receivables	2,648,723	-	-	2,648,723
Non-current other receivables	246,307	-	-	246,307

(First half of previous year)

(Unit: Thousand won)

division	beginning of the term	Depreciation (refund)	the removal of bonds	End of the term
Accounts Receivable	6,543,251	162,089	(1,966,741)	4,738,599
Current Other Receivables	648,723	544,410	-	1,193,133
Non-current other receivables	-	124,558	-	124,558

8-4. Among the sales of accounts receivable that do not meet the conditions for removal, the amount that constitutes the balance of accounts receivable as of the end of the current half is KRW 4,448,781 (KRW 4,478,776,000 at the end of the previous term), and the transferred amount received is recorded in the interest-bearing amount (short-term borrowings) (see Note 19).

9. Inventory Assets

9-1 The details of inventory assets as of the end of the reporting period are as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
goods	1,207,585	1,135,331
product	12,918,302	5,989,534
Raw materials	16,007,266	13,292,615
Stored goods	2,168,063	122,196
Undelivered goods	705,121	278,880
total	33,006,337	20,818,556

9-2 As of the end of the reporting period, the allowance for valuation losses by inventory asset is as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
goods	1,365	9,088
product	461,700	473,889
Raw materials	5,832,361	123,892
total	6,295,426	606,869

During the current period, the inventory valuation loss (recover) recognized as a cost of sales in relation to inventory assets is KRW 5,688,557,000 (the previous half: KRW (-)777,116).

10. Joint venture and related company investment stocks

10-1. As of the end of the reporting period Joint ventures and Details of investment stocks in related companies It is as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
Joint venture investment stock	-	-
Investment in related company stocks	88,187,473	91,645,077
total	88,187,473	91,645,077

10-2. As of the end of the reporting period Joint ventures and Details of investment stocks in related companies It is as follows.

(unit : Thousand won)

division		Main business activities	Incorporation and Business location	Ownership percentage (%)		Closing month
				End of the first half	End of the previous year	
Joint venture	Kumyang Innovation Co., Ltd.	Manufacturing and sales industry	korea	50.00	50.00	december
Affiliated companies	CHARLIZE RESSOURCES SAS	Mining development	Democratic Republic of the Congo	50.00	50.00	december
Affiliated companies	SM Lab Co., Ltd.	Manufacturing and sales industry	korea	22.31	22.31	december
Affiliated companies	Intown Inc.	Software Development up	korea	21.79	21.79	december
Affiliated companies	Hydrogen Mobility Cooperative	Research and development	korea	21.74	21.74	december

10-3. As of the end of the reporting period, the acquisition price and book value of investment shares of joint ventures and related enterprises are as follows.

(unit : Thousand won)

division		Acquisition cost		Book value	
		End of the first half	End of the previous year	End of the first half	End of the previous year
Joint venture	Kumyang Innovation Co., Ltd. (*1)	1,000,000	1,000,000	-	-
Affiliated companies	CHARLIZE RESSOURCES SAS	12,408,530	12,408,530	4,654,151	5,322,624
Affiliated companies	SM Lab Co., Ltd.	115,324,895	115,324,895	82,790,222	85,579,353
Affiliated companies	Intown Inc.	200,000	200,000	743,100	743,100
Affiliated companies	Hydrogen Mobility Cooperative (*1)	20,000	20,000	-	-
total		128,953,425	128,953,425	88,187,473	91,645,077

(*1) The cumulative loss of the non-reflective equity method of the joint venture that was not recognized due to the suspension of the equity method is KRW 1,160,375,000.

10-4. As of the end of the reporting period, the changes in the book value of shares invested by joint enterprises and affiliated enterprises are as follows.

(unit : Thousand won)

division	Company name	beginning of the term	Equity method profit and loss	Equity method capital changes	End of the first half
Joint venture	Kumyang Innovation Co., Ltd.	-	-	-	-
Affiliated companies	CHARLIZE RESSOURCES SAS	5,322,624	(683,430)	14,957	4,654,151
Affiliated companies	SM Lab Co., Ltd.	85,579,353	(2,885,001)	95,870	82,790,222
Affiliated companies	Intown Inc.	743,100	-	-	743,100
Affiliated companies	Hydrogen Mobility Cooperative	-	-	-	-
total		91,645,077	(3,568,430)	110,826	88,187,473

10-5 10-5 The summary financial information of joint ventures and related entity investment shares as of the end of the reporting period is as follows.

(unit : Thousand won)

Company name	Total assets	Total debt	Total capital	Sales	Current profit and loss
Kumyang Innovation Co., Ltd.	270,636	2,579,764	(2,309,128)	-	-
CHARLIZE RESSOURCES SAS	9,665,471	357,168	9,308,303	-	(1,366,859)
SM Lab Co., Ltd.	215,645,076	23,035,572	192,609,504	2,162,912	(9,877,360)
Intown Inc.	7,379,607	3,968,574	3,411,033	-	-
Hydrogen Mobility Cooperative	15,551	42,328	(26,778)	-	-

10-6 10-6 The details of the adjustment from the net assets of the affiliates to the carrying amount of their shares in the affiliates as of the end of the reporting period are as follows:

(unit : Thousand won)

Company name	Goodwill	Eliminate insider trading	total
SM Lab Co., Ltd.	40,179,582	(360,540)	39,819,042

11. Tangible assets

The changes in the carrying amount of tangible assets are as follows:

(unit : Thousand won)

division	land(*)	building(*)	Structure	Machinery(*)	Vehicle transporter	Tools and Instruments	Assets under construction	Usage rights asset	total
Acquisition cost									
the beginning of the previous year	37,008,227	17,375,287	13,830,046	38,105,410	760,624	5,930,771	44,054,626	3,979,216	161,044,207
acquisition	-	580,611	14,100	111,480	-	601,160	78,984,433	22,079	80,313,863
disposal	-	(520,009)	(22,000)	-	(140,157)	(32,399)	(6,310,767)	(799,343)	(7,824,675)
Alternative	(2,139,512)	15,396,987	556,200	6,626,670	-	329,652	(35,779,729)	-	(15,009,732)
Exchange rate fluctuation amount	(107,570)	38,590	(28,813)	(130,040)	(4,429)	(6,015)	66,789	(7,094)	(178,582)
First half of the year	34,761,145	32,871,466	14,349,533	44,713,520	616,038	6,823,169	81,015,352	3,194,858	218,345,081
Beginning of the terms	126,222,738	35,259,169	14,541,105	64,058,878	1,195,176	8,791,247	122,597,985	4,402,697	377,068,995
acquisition	1,847,674	470,384	85,100	1,756,212	27,049	1,544,294	334,708,395	296,980	340,736,088
disposal	-	-	(83,465)	(708,600)	-	(85,414)	(133,251)	-	(1,010,730)
Alternative	-	13,274,957	-	21,709,300	-	1,249,000	(36,233,257)	-	-
Exchange rate fluctuation amount	118,997	936,078	745,062	1,832,593	68,228	165,132	230,540	160,345	4,256,975
End of the first half	128,189,409	49,940,588	15,287,802	88,648,383	1,290,453	11,664,259	421,170,412	4,860,022	721,051,328
Accumulated depreciation									
the beginning of the previous year	-	(5,475,245)	(6,239,160)	(16,317,575)	(484,755)	(4,763,814)	-	(1,077,776)	(34,358,325)
Depreciation expense	-	(481,300)	(264,679)	(4,581,522)	(32,114)	(228,051)	-	(103,423)	(5,691,089)
disposal	-	363,074	19,781	-	129,767	32,349	-	799,343	1,344,314
Exchange rate fluctuation amount	-	1,337	20,699	82,845	363	5,072	-	2,329	112,645
First half of the year	-	(5,592,134)	(6,463,359)	(20,816,252)	(386,739)	(4,954,444)	-	(379,527)	(38,592,455)
Beginning of the terms	-	(6,355,168)	(6,454,765)	(19,843,052)	(314,719)	(5,071,279)	-	(1,373,189)	(39,412,172)
Depreciation expense	-	(939,997)	(163,986)	(3,581,314)	(108,955)	(649,696)	-	(187,499)	(5,631,447)
disposal	-	-	25,156	240,881	-	84,788	-	-	350,825
Exchange rate fluctuation amount	-	(264,408)	(335,229)	(564,244)	(9,983)	(154,403)	-	(13,247)	(1,341,514)
End of the first half	-	(7,559,573)	(6,928,824)	(23,747,729)	(433,657)	(5,790,590)	-	(1,573,935)	(46,034,308)
Accumulated damages									
the beginning of the previous year	-	(199,801)	(476,597)	(1,392,621)	-	(7,849)	(646,792)	-	(2,723,660)
First half of the year	-	(199,801)	(476,597)	(1,392,621)	-	(7,849)	(646,792)	-	(2,723,660)
Beginning of the terms	-	(195,314)	(464,875)	(1,382,815)	-	(7,766)	(644,262)	-	(2,695,032)
Impairment loss	-	-	-	-	-	-	-	-	-
End of the first half	-	(195,314)	(464,875)	(1,382,815)	-	(7,766)	(644,262)	-	(2,695,032)
Book value									
End of the first half	128,189,409	42,185,701	7,894,103	63,517,839	856,796	5,865,903	420,526,150	3,286,087	672,321,988
Beginning of the terms	126,222,738	28,708,687	7,621,465	42,833,011	880,457	3,712,202	121,953,723	3,029,508	334,961,791

(*) Land, buildings and machinery were provided as collateral in connection with the borrowings of the affiliated company (see Note 14-1).

12. Intangible assets

The changes in the carrying amount of intangible assets are as follows:

(Current period)

(Unit : Thousand won)

division	Mining rights	Goodwill	total
beginning of the term	113,588,409	17,095,410	130,683,819
Depreciation	(5,698,653)	-	(5,698,653)
Exchange rate fluctuations	567,368	-	567,368
End of the term	108,457,124	17,095,410	125,552,534

(First half)

(Unit: Thousand won)

division	Industrial Property Rights	Development cost	etc	total
Beginning of the previous year	514	1,009,254	364	1,010,132
Impairment loss	-	(1,009,254)	-	(1,009,254)
First half of the year	514	-	364	878

13. Investment Property

13-1. As of the end of the current half of the year, the fair value of the investment property is KRW 15,563 million, and it was provided as collateral in relation to the borrowings of the consolidated company..

(unit : Thousand won)

division	End of the first half			End of the previous year		
	Acquisition cost	Accumulated depreciation	Book value	Acquisition cost	Accumulated depreciation	Book value
building	2,139,512	-	2,139,512	2,139,512	-	2,139,512
land	12,870,220	(600,610)	12,269,610	12,870,220	(343,206)	12,527,014
total	15,009,732	(600,610)	14,409,122	15,009,732	(343,206)	14,666,526

End of the first half today Investment property Fair value is It is 15,563 million won, The affiliated company's Debt and In relation towas provided as collateral (see Note 14-1).

13-2. Half of the year and first half of the year Chinese investment real estate The change details of the book value are It is as follows.

(Current period)

(Unit : Thousand won)

division	beginning of the term	Depreciation	End of the term
land	2,139,512	-	2,139,512
building	12,527,014	(257,404)	12,269,610
total	14,666,526	(257,404)	14,409,122

(First half of the previous year)

(Unit: Thousand won)

division	beginning of the term	Substitute(*)	Depreciation	End of the term
land	-	2,139,512	-	2,139,512
building	-	12,870,220	(85,801)	12,784,419
total	-	15,009,732	(85,801)	14,923,931

(*) First half middle Investment Property 15,009,732 thousand won In the assets under construction Has been replaced.

14. Collateralized assets, etc.

14-1. As of the end of the current half, the assets provided as collateral to financial institutions in relation to the loans, etc. of the consolidated company are as follows.

(Unit: Thousand won)

Collateralized Assets	Collateral amount	Related account subject	Related amount	Secured party
Land, buildings, machine device, Investment property , etc.	67,151,360 USD 5,350,000	Interest-bearing loan	45,500,332	Busan Bank
	17,750,000 USD 4,300,000 DEM 1,285,000		23,000,000	Industrial Bank of Korea
	CNY 16,350,000		CNY 6,000,000	Rural Commercial Bank
	CNY 29,730,689		CNY 10,000,000	Bank of China
total	84,901,360 USD 9,650,000 DEM 1,285,000 CNY 46,080,689		68,500,332 CNY 16,000,000	

14-2. As of the end of the current half of the year, payment guarantees provided by others are

as follows.

Warranty	Provider	detail	
Busan Bank	Technology Credit Guarantee Fund	Loan payment guarantee	1,000,000
Industrial Bank of Korea	Korea Trade Insurance Corporation		5,000,000
etc	Seoul Guarantee Insurance	License Guarantee	1,591,499
		Payment guarantee	19,600
		Tax payment guarantee	12,750,100
total			20,361,199

14-3. As of the end of the current half of the year, the consolidated company is receiving a joint guarantee (113,433 million won) from the CEO in relation to the borrowings of financial institutions and payment guarantees provided.

15. Insured Assets

15-1. As of the end of the current half and the end of the previous period, the insurance coverage for the consolidated company's inventory and tangible assets is as follows.

Types of insurance	Subsidiary assets	Amount of deposit (thousand won)
Fire insurance, etc.	Inventory assets and buildings, machinery and equipment, investmentsSelf-owned real estate, etc.	118,376,753 CNY 79,020,903

15-2. As of the end of the current half, KRW 42,731,793,000 (KRW 31,181,793,000 at the end of the previous term) has been pledged to the Korea Development Bank, etc.

16. Other assets

Details of other assets as of the end of the reporting period are as follows:

(Unit : Thousand won)

division	End of the first half	End of the previous year
Illuminating		
Membership	21,012	21,012
Bonds of promise	1,500,000	1,500,000
Reserve for bad debts on debt obligations	(1,500,000)	(1,500,000)
Other investment assets	558,668	555,651
total	579,680	576,663

17. Accounts payable and other payables

As of the end of the reporting period, the details of accounts payable and other payables are as follows.

(unit : Thousand won)

division	Subject	End of the first half	End of the previous year
Current liabilities	Accounts Payable	21,637,115	16,508,977
	Other payable debts		
	Accrued Payments	157,274,767	67,549,606
	Present value discount	(193,485)	(801,595)
	Unpaid expenses	11,653,176	4,759,356
	Rental deposit	6,000	6,000
	Lease debt	200,086	128,341
	Subtotal of other payables	168,940,544	71,641,708
	Liquid sum	190,577,659	88,150,685
Non-current liabilities	Other payable debts		
	Long-term unpaid balance	162,013	162,013
	Lease debt	248,152	223,514
	Subtotal of other payables	410,165	385,527
	Non-current total	410,165	385,527
total		190,987,824	88,536,212

18. Lease

18-1. The changes in usage assets and lease liabilities in the period are as follows.

(Current period)

(Unit : Thousand won)

division	Usage rights asset				Lease debt
	land	building	Vehicle transporter	total	
beginning of the term	2,679,159	62,513	287,835	3,029,507	351,855
increase	-	252,926	44,054	296,980	201,211
Depreciation	(66,675)	(76,887)	(43,937)	(187,499)	-
Interest expense	-	-	-	-	12,170
Payment	-	-	-	-	(116,999)
Foreign exchange difference	147,099	-	-	147,099	-
End of the term	2,759,583	238,552	287,952	3,286,087	448,237

The small and short-term leases incurred in relation to leases during the current half of the year are KRW 301,229,000.

(First half of the previous year)

(Unit : Thousand won)

division	Usage rights asset				Lease debt
	land	building	Vehicle transporter	total	
beginning of the term	2,754,886	90,215	56,340	2,901,441	140,014
increase	22,079	-	-	22,079	-
Depreciation	(59,547)	(31,866)	(12,008)	(103,421)	-
Interest expense	-	-	-	-	2,302
Payment	-	-	-	-	(43,603)
Foreign exchange difference	(4,768)	-	-	(4,768)	-
End of the term	2,712,650	58,349	44,332	2,815,331	98,713

During the first half of the year, the small and short-term rent incurred in relation to the lease is KRW 101,965,000.

18-2. During the first half and first half of the year, the total cash outflow of leases is KRW 418,228,000 and KRW 143,265,000, respectively.

19. Interest-bearing loan

The details of interest borrowings as of the end of the reporting period are as follows. (See Note 14 for details of collateral provision.)

(Unit : Thousand won)

division	End of the first half	End of the previous year
Short-term borrowings	548,444,935	266,142,350
Current long-term debt	8,508,416	8,508,416
Private debt (current)	27,892,793	25,977,869
Private debt (non-current)	12,989,448	17,876,750
Long-term borrowings	29,026,916	19,231,124
total	626,862,508	337,736,509

19-1. Short-term borrowings

(unit : Thousand won)

By loan type	Borrower	Annual interest rate (%)	End of the first half	End of the previous year
Accounts Receivable Secured Loan	Busan Bank	6.32~8.05%	3,664,794	4,175,850
	Kookmin Bank	6.76~7.57%	783,987	302,926
General funds	Busan Bank	5.99~6.70%	7,965,000	7,965,000
	Industrial Bank of Korea	5.63%	23,000,000	23,000,000
	KJ International	4.50%	140,075,343	143,871,032
	KYECO	4.50%	97,994,516	66,417,434
	Ryu Kwangjy	4.50%	243,229,744	-
	Rural Commercial Bank	3.00~3.45%	4,951,180	2,893,440
	China Merchants Bank	3.10%	1,142,580	-
	Industrial and Commercial Bank of China	3.00%	1,904,300	-
	Bank of China	3.70%	1,904,300	1,808,400
	Bank of Mongolia	32.40%	3,376,464	-
	individual	-	2,397,514	2,276,775
Trade Finance	Busan Bank	5.80~5.85	9,055,213	6,192,180
	Daegu Bank	6.60	2,000,000	2,000,000
	Industrial Bank of Korea	5.36	5,000,000	5,239,313
total			548,444,935	266,142,350

19-2. Long-term borrowings

(unit : Thousand won)

Borrower	By loan type	Annual interest rate (%)	End of the first half	End of the previous year
Busan Bank	General funds	6.17~7.14	37,535,332	27,739,540
Deduction : 1 year The repayment due date is due soon			(8,508,416)	(8,508,416)
After deduction			29,026,916	19,231,124

19-3. Private loan

(unit : Thousand won)

Details	Date of issue	Expiration date	Repayment terms	Annual interest rate (%)	End of the first half	End of the previous year
52nd No-Guarantee Private equity	2023-06-15	2024-06-15	Installment payment	7.70	-	3,000,000
54th No-Guarantee Private equity	2023-06-29	2024-06-29	Maturity date award ring	7.70	3,000,000	3,000,000
46th No-Guarantee Private equity	2021-08-26	2024-08-26	Maturity date award ring	3.14	20,000,000	20,000,000
53rd No-Guarantee Private equity	2023-06-26	2025-06-26	Maturity date award ring	5.74	4,900,000	4,900,000
51st No-Guarantee Private equity	2022-08-25	2025-08-25	Maturity date award ring	5.54	13,000,000	13,000,000
Deduction: Private bond discount issuance amount					(17,759)	(45,381)
Net amount					40,882,241	43,854,619
Deduction : 1 year The repayment due date is due soon					(27,892,793)	(25,977,869)
Deduction successor					12,989,448	17,876,750

19-4. Loan and Private loan Repayment plan

(unit : Thousand won)

type	End of the first half Balance	Repayment amount		
		1 year within	1 year over 2 years within	2 years over 3 years within
Loan	585,980,267	556,953,351	27,731,336	1,295,580
Private loan	40,882,241	27,892,793	12,989,448	-
total	626,862,508	584,846,144	40,720,784	1,295,580

20. Retirement benefits

20-1. The details of retirement benefit liabilities and defined benefit assets as of the end of the current half and the end of the previous quarter are as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
Present value of defined benefit obligations	5,501,445	5,033,171
Fair value of external reserve assets	(3,699,828)	(3,391,556)
Retirement benefit liabilities	1,801,617	1,641,615

20-2. The cost of pay recognized in relation to the retirement benefit plan for the current and first half of the year is as follows.

(unit : Thousand won)

division	Half of the year	First half of the previous year
Current service cost	851,882	397,236
Net interest expense on retirement benefit liabilities	26,217	26,355
total	878,099	423,591
Cost of sales	68,521	56,082
Selling and administrative expenses	809,578	367,509
total	878,099	423,591

21. capital

21-1 The number of authorized shares of the parent company is 200,000,000 shares, and the amount of one share is KRW 500. As of the end of the current half, 58,050,037 common shares were issued, and the capital stock is KRW 29,025,019,000.

21-2 The changes in the capital stock for the current period are as follows.

(unit : Thousand won)

Types of stocks	Beginning of the term	Increase/decrease	End of the term
Ordinary stocks	29,025,019	-	29,025,019

22. Capital surplus

The details of capital surplus as of the end of the reporting period are as follows:

(unit : Thousand won)

division	End of the first half	End of the previous year
Stock issuance excess payment	59,207,793	59,207,793
Profit from disposal of own stock	146,497,605	146,497,605
Other capital surplus	814,934	814,934
total	206,520,332	206,520,332

23. Other capital components

23-1. The details of other capital items of the consolidated company as of the end of the reporting period are as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
Treasury stock	(76,266)	(76,266)
Stock options	233,809	627,352
total	157,543	551,086

23-2. The consolidated company's treasury stocks are acquired and held to stabilize stock prices and enhance shareholder value, and the changes in treasury stocks during the current half of the year are as follows.

(unit : Thousand Won, shares)

division	Beginning of the term	Increase	decrease	End of the term
Number of shares held	124,626	-	-	124,626
amount	76,266	-	-	76,266

24. Stock-based compensation

24-1. In accordance with the resolution of the board of directors, the consolidated company has granted limited-transfer shares (RSU) to the executives and employees of the consolidated company, and the main contents are as follows.

division	2022.12.15 The teaching part	2023.08.01 The teaching part
Grant stocks	Kumyang Corporation Common Stock	Kumyang Corporation Common Stock
Number of shares granted	100,000 shares	20,000 shares
Option Value Per Share	25,499 won	151,897 won
Event price	0 won (event price) doesn't exist)	
Full condition	Achieve set conditions by a specific deadline	
Deadline for achieving conditions	2027-12-31	2028-07-31

24-2. Changes in the quantity of shares subject to transfer restrictions (RSU) during the current half and the prior term are as follows.

(unit : main)

division	Half of the year	Previous year
beginning of the term	100,000	100,000
grant	-	20,000
extinction	(40,000)	(20,000)
End of the term	60,000	100,000
Currently available for event at the end of the term	-	-

24-3. Half of the year and first half of the year At medium cost The recognized stock-based compensation is It is as follows.

(unit : Thousand won)

division	Half of the year	Half of the previous year
Stock Compensation Expense (Refund)	(393,543)	-

25. Accumulated other comprehensive income

(unit : Thousand won)

The cumulative total of other comprehensive income of the consolidated company as of the end of the reporting period is as follows.

division	End of the first half	End of the previous year
Overseas business conversion profit and loss	7,272,627	2,677,251
Equity method capital changes	26,668	(84,159)
Tangible asset revaluation gain (*)	14,777,396	14,777,396
total	22,076,691	17,370,488

(*) The consolidated company uses the revaluation amount in accordance with past accounting standards prior to the date of transition to IFRS as the deemed cost at that time and accounts for it as accumulated other comprehensive income.

26. Deficit

The details of the consolidated company's deficit as of the end of the reporting period are as follows.

(unit : Thousand won)

division	End of the first half	End of the previous year
Statutory reserves	1,429,050	1,429,050
Profit reserve (*)	1,429,050	1,429,050
Unclaimed deficit	(99,659,410)	(59,265,512)
total	(98,230,360)	(57,836,462)

In accordance with the provisions of the Commercial Act, the consolidated company accumulates more than 10% of cash dividends as profit reserves for each settlement period

(*) until 50% of the capital stock is reached. The profit reserves cannot be distributed in cash, but capital transfer or deficit compensation is possible, and if the total amount of capital reserves and profit reserves exceeds 1.5 times the capital stock (according to the resolution of the general shareholders' meeting), the capital reserves and profit reserves may be reduced within the excess amount.

27. Selling and administrative expenses

(unit : Thousand won)

division	Half of the year		Half of the previous year	
	3 months	Cumulative	3 months	Cumulative
salary	3,340,644	7,231,914	2,345,668	4,608,219
Stock Compensation Expense (Refund)	(634,381)	(393,543)	-	-
Retirement benefits	464,729	809,578	197,800	367,509
Welfare expenses	562,353	1,933,191	212,040	889,558
Travel expenses and transportation expenses	104,876	406,804	128,633	238,126
Communication costs	32,426	70,596	51,577	93,042
hire	236,495	356,493	66,309	115,404
Depreciation expense	1,165,091	3,274,960	1,541,299	2,091,316
Amortization of intangible assets (*)	(6,642,496)	-	-	-
premium	(83,987)	199,387	472,639	563,578
Transportation costs	1,011,307	2,310,430	1,102,840	2,366,543
Payment Fee	1,171,299	5,382,790	131,389	1,358,663
Loss of income	(49,864)	(820,284)	2,758,505	2,567,451
Research and development expenses	3,668,285	7,781,957	1,576,238	2,985,406
etc	708,493	2,746,706	2,576,011	3,885,274
total	5,055,270	31,290,979	13,160,948	22,130,089

(*) Half of the year Amortization of intangible assets is the amount of raw materials Replaced with acquisition cost.

28. Other income and other expenses

28-1 The main details of other income are as follows:

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Profit from disposal of tangible assets	27,169	27,169	-	-
National subsidy revenue	37,583	112,090	23,523	98,667
miscellaneous profit	737,976	1,252,462	63,743	710,073
total	802,728	1,391,721	87,266	808,740

28-2 The main details of other expenses are as follows:

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Loss on disposal of tangible assets	144,191	144,191	39,282	159,205
Donation	36,972	231,701	212,257	240,863
Miscellaneous losses	434,639	507,323	155,584	329,526
Loss on valuation of inventory assets	-	-	50,471	60,194
Intangible asset impairment loss	-	-	1,009,254	1,009,254
Loss of operating income	28,867,647	28,867,647	-	-
etc	-	-	2,081,722	-
total	29,483,449	29,750,862	3,548,570	1,799,042

29. Classification by nature of cost

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
of raw materials used	16,921,058	28,835,909	13,589,879	25,430,155
Employee benefits	8,104,523	16,866,216	2,927,431	7,117,069
Depreciation expense and Amortization of intangible assets	1,947,084	11,587,505	4,393,914	5,776,890
Product purchase amount	10,632,694	24,015,901	4,913,707	14,334,166
Changes in inventory assets	(9,747,283)	(9,979,652)	8,358,938	13,573,215
fare	1,048,247	2,403,701	1,132,761	2,426,300
Payment Fee	1,545,637	6,254,865	333,982	1,883,061
Loss of income	(49,864)	(820,284)	2,758,505	2,567,451
Water and electricity bills	1,092,837	2,239,324	693,595	1,240,303
Test analysis fee	1,053,594	2,447,405	1,816,532	1,891,613
Other expenses	6,829,993	10,390,794	1,561,135	6,713,111
Total (*)	39,378,520	94,241,684	42,480,379	82,953,334

(*) This is the sum of cost of sales, selling expenses, and administrative expenses on the comprehensive income statement .

30. Financial income and financial expenses

30-1 The main contents of financial income are as follows:

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Interest income	32,811	53,500	51,987	85,331
Dividend income	5,555	5,555	5,555	5,555
Foreign exchange profit	771,106	1,336,824	642,523	1,378,775
Foreign exchange gains	314,454	805,841	520,152	1,356,757
Profit and Loss - Valuation Gain on Financial Assets Measured at Fair Value	3,219	8,144	-	-
total	1,127,145	2,209,864	1,220,217	2,826,418

30-2 The main contents of financial costs are as follows:

(unit : Thousand won)

division	Half of the year		First half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Interest expense	5,508,381	8,929,772	1,669,824	3,394,875
Foreign exchange loss	766,455	1,195,634	626,027	1,538,516
Foreign currency translation loss	858,179	2,079,235	(608,902)	324,428
Profit and Loss - Loss on Valuation of Financial Assets Measured at Fair Value	1,302	1,302	82,819	163,998
total	7,134,317	12,205,943	1,769,768	5,421,817

31. Classification of financial products by category

31-1 The details of financial assets by category of consolidated companies as of the end of the current half are as follows.(unit : Thousand won)

division	Account subject	At depreciated cost Measuring financial assets	Profit and loss - fair value Measuring Financial Assets	Other comprehensive income - fair value Value Measuring Financial Assets
Current assets	Cash and cash equivalents	26,002,187	-	-
	Accounts receivable and other receivables	46,650,854	-	-
	Other financial assets	3,000,000	-	-
	subtotal	75,653,041	-	-
Non-current assets	Accounts receivable and other receivables	14,024,088	-	-
	Equity securities	-	12,050	500
	Debt securities	-	161,809	-
	Other financial assets	12,621	-	-
	subtotal	14,036,709	173,859	500
total		89,689,750	173,859	500

31-2 The details of financial liabilities by category of consolidated companies as of the end of the current half are as follows.

(unit : Thousand won)

division	Account subject	Financial liabilities measured at amortized cost
Current liabilities	Accounts payable and other payables	190,577,658
	Interest-bearing loan	584,846,143
Current Liabilities		775,423,801
Non-current liabilities	Other payable debts	410,165
	Interest-bearing loan	42,016,364
Non-current liabilities		42,426,529
total		817,850,330

31-3 The details of financial assets by category of consolidated companies as of the end of the previous period are as follows.

(unit : Thousand won)

division	Account subject	At depreciated cost To measure Financial assets	Profit and loss - fair valueMeasuring Financial Assets	Other comprehensive income - fair value tooth Measuring Financial Assets
Current assets	Cash and cash equivalents	56,301,940	-	-
	Accounts receivable and other receivables	36,438,278	-	-
	subtotal	92,740,218	-	-
Non-current assets	Other receivables	7,690,993	-	-
	Equity securities	-	10,842	500
	Debt securities	-	43,978	-
	Other financial assets	12,621	-	-
	subtotal	7,703,614	54,820	500
total		100,443,832	54,820	500

31-4 The details of financial liabilities by category of consolidated companies as of the end of the previous period are as follows.(unit : Thousand won)

division	Account subject	Financial liabilities measured at amortized cost
Current liabilities	Accounts payable and other payables	88,150,685
	Interest-bearing loan	300,628,636
Current Liabilities		388,779,321
Non-current liabilities	Other payable debts	385,527
	Interest-bearing loan	37,107,874
Non-current liabilities		37,493,401
total		426,272,722

31-5 financial product category are as follows:

31-5-1 financial product category for the first half of the year are as follows. (Unit: Thousand won)

division	At depreciated cost Measuring financial assets	Profit and loss - fair value Measuring Financial Assets	At depreciated cost Measuring financial liabilities	total
Interest income	53,500	-	-	53,500
Dividend income	-	5,555	-	5,555
Valuation profit	-	8,144	-	8,144
Foreign exchange gains (Note 1)	2,074,925	-	67,740	2,142,665
Total Revenue	2,128,425	13,699	67,740	2,209,864
Interest expense	-	-	8,929,772	8,929,772
Loss of valuation	-	1,302	-	1,302
Foreign currency loss (Note 1)	259,469	-	3,015,400	3,274,869
Total loss	259,469	1,302	11,945,172	12,205,943

(note 1) Foreign currency gains are the sum of foreign exchange valuation gains and foreign exchange gains, and foreign currency losses are the sum of foreign exchange valuation losses and foreign exchange losses.

31-5-2 Net profit and loss by category of financial instruments in the first half are as follows.
(Unit: Thousand won)

division	At depreciated cost Measuring financial assets	Profit and loss - fair value Measuring Financial Assets	At depreciated cost Measuring financial liabilities	total
Interest income	85,331	-	-	85,331
Dividend income	-	5,555	-	5,555
Foreign exchange gains (Note 1)	2,039,738	-	695,795	2,735,533
Total Revenue	2,125,069	5,555	695,795	2,826,419
Interest expense	-	-	3,394,875	3,394,875
Loss of valuation	-	163,998	-	163,998
Foreign currency loss (Note 1)	1,721,533	-	141,412	1,862,945
Total loss	1,721,533	163,998	3,536,287	5,421,818

(note 1) Foreign currency gains are the sum of foreign exchange valuation gains and foreign exchange gains, and foreign currency losses are the sum of foreign exchange valuation losses and foreign exchange losses.

32. Corporate tax expense

The income tax expense was calculated by adjusting the adjustments recognized in the first half of the year related to the previous year's income tax burden, deferred income tax changes due to temporary differences and extinction, and income tax expenses related to items recognized outside of profit or loss. The average effective tax rate is not disclosed separately in the current half due to the generation of income tax.

33. Other comprehensive income

The details of the consolidated company's other comprehensive income included in the consolidated income statement are as follows:

(unit : Thousand won)

division	Half of the year		Half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Total before tax :				
Overseas business conversion profit and loss	1,205,953	4,598,848	(3,544,899)	(631,183)
Equity method capital changes	183,598	110,826	-	-
Remeasurement factors for retirement benefit liabilities	7,637	(274,472)	(35,526)	(271,198)
Total pre-tax amount	1,397,188	4,435,202	(3,580,425)	(902,381)
Corporate tax effects:				
Overseas business conversion profit and loss	-	-	-	-
Equity method capital changes	-	-	-	-
Remeasurement factors for retirement benefit liabilities	(1,764)	63,403	7,816	59,664
Corporate tax effect	(1,764)	63,403	7,816	59,664
Corporate tax effect After deduction Net amount :				
Overseas business conversion profit and loss	1,205,953	4,598,848	(3,544,899)	(631,183)
Equity method capital changes	183,598	110,826	-	-
Remeasurement factors for retirement benefit liabilities	5,873	(211,069)	(27,710)	(211,534)
Corporate tax effect After deduction Net amount total	1,395,424	4,498,605	(3,572,609)	(842,717)

34. Earnings per share

34-1 Beginning of the term earnings per share

The controlling company's 1 of common stock Beginning of the term earnings per share of The calculation details are as follows.

(unit : Won, shares)

division	Half of the year		Half of the previous year	
	3 months	Cumulative	3 months	Cumulative
Owner of the controlling company Half year net loss	24,473,971,186	40,182,828,846	5,995,620,826	8,648,966,651
Weighted average number of common shares outstanding (*)	57,925,411	57,925,411	56,578,987	56,154,557
Net loss per share	423	694	106	154

(*) Current period Calculation of weighted average number of common shares outstanding

<3 months>

division	Number of common shares outstanding	multiplication of fractions	Weighted average Number of common shares outstanding
Number of shares issued	58,050,037	5,282,553,367	58,050,037
Treasury stock	(124,626)	(11,340,966)	(124,626)
total	57,925,411	5,271,212,401	57,925,411

<Accumulated>

division	Number of common shares outstanding	multiplication of fractions	Weighted average Number of common shares outstanding
Number of shares issued	58,050,037	10,565,106,734	58,050,037
Treasury stock	(124,626)	(22,681,932)	(124,626)
total	57,925,411	10,542,424,802	57,925,411

(*) Calculation of weighted average number of common shares outstanding in the first half
<3 months>

division	Number of common shares outstanding	multiplication of fractions	Weighted average Number of common shares outstanding
Number of shares issued	58,050,037	5,282,553,367	58,050,037
disposal of own shares	1,000,000	40,000,000	439,560
Treasury stock	(2,324,626)	(173,865,592)	(1,910,611)
total	56,725,411	5,148,687,775	56,578,987

<Accumulated>

division	Number of common shares outstanding	multiplication of fractions	Weighted average Number of common shares outstanding
Number of shares issued	58,050,037	10,507,056,697	58,050,037
disposal of own shares	1,000,000	40,000,000	220,994
Treasury stock	(2,324,626)	(383,081,932)	(2,116,475)
total	56,725,411	10,163,974,765	56,154,557

34-2. Diluted earnings per share

As of the end of the current half, the consolidated company's profit or loss per diluted share is the same as the basic profit or loss per share due to the semi-dilution effect of potential common stock.

35. Cash flow statement

35-1 Cash and cash equivalents in the statement of cash flows are the same as cash and cash equivalents in the statement of financial position (see Note 4). The consolidated company's cash flow statement was prepared by indirect method, and the details of adjustments to cash flows from operating activities and changes in net operating capital are as follows.

(unit : Thousand won)

Subject	Half of the year	First half of the previous year
Adjustment items:		
Corporate tax revenue	(4,999,603)	(1,925,585)
Interest income	(53,500)	(85,331)
Interest expense	8,929,772	3,420,707
Dividend income	(5,555)	(5,555)
Retirement benefits	878,098	423,591
Depreciation expense	5,888,852	5,839,639
Loss of income	(820,284)	2,158,971
Miscellaneous losses	17,400	-
Foreign exchange gains	(805,841)	(1,280,683)
Foreign currency translation loss	2,079,235	253,640
Profit and Loss - Valuation Gain on Financial Assets Measured at Fair Value	(8,144)	-
Profit and Loss - Loss on Valuation of Financial Assets Measured at Fair Value	1,302	163,998
Loss on disposal of tangible assets	144,191	159,205
Profit from disposal of tangible assets	(27,169)	-
Equity method loss	3,568,430	-
Stock Compensation Expense (Refund)	(393,543)	-
Loss on valuation of inventory assets	5,688,558	(777,117)
Intangible asset impairment loss	-	1,009,254
Adjustment system	20,082,199	9,354,734
Changes in net working capital:		
Accounts Receivable	(515,543)	5,962,084
Inventory Assets	(11,212,722)	15,381,631
Other receivables	(10,846,079)	(6,686,902)
Advance payment	(445,314)	2,571,503
Player earnings	(32,146)	(43,690)
Prepaid expenses	62,030	166,594
Accounts Payable	2,913,570	(3,759,573)
Other payable debts	35,458,764	7,932,407

Deposit	158,357	3,741
Advance payment	2,766,795	41,211
Retirement benefit liabilities	(737,331)	(385,279)
External reserve assets	(255,238)	191,303
Changes in net working capital	17,315,143	21,375,030

35-2 Key non-cash transactions of investments and financial activities not included in the cash flow statement include:

(unit : Thousand won)

list	Half of the year	First half of the previous year
Assets under construction Replace main account	36,233,257	35,921,579
Reclassification of liquidity of long-term borrowings	704,208	-
Substitution of advance payment for assets under construction	115,851	-
Accrued Accounts Payable for Acquisition of Tangible Assets	53,594,380	805,093
Substitution of investment property for tangible assets	-	15,009,732
Capitalization of borrowing costs	3,202,793	-
Reclassification of liquidity of private debt	4,894,961	-
Receivables for disposal of machinery and equipment	409,632	-
Recognition of right-of-use assets	296,980	-
Liquidity replacement of lease liabilities	176,574	-

35-3 The changes in liabilities arising from cash flows in financial activities during the current and first half of the year are as follows.

(first half of the current term)

(Unit : thousand won)

division	beginning of the term	Financial Cash Flow	Effects due to other changes		End of the first half
			Foreign exchange difference	Depreciation etc.	
Loan	293,881,890	290,245,589	1,852,787	-	585,980,266
Private loan	43,854,620	(3,000,000)	-	27,621	40,882,241
Lease debt	351,855	(116,999)	-	213,381	448,237
total	338,088,365	287,128,590	1,852,787	241,002	627,310,744

(first half of the previous term)

(Unit : thousand won)

division	beginning of the term	Financial Cash Flow	Effects due to other changes		End of the term
			Foreign exchange difference	Depreciation etc.	
Loan	61,382,927	17,802,013	6,270	-	79,191,210
Private loan	52,429,036	(3,640,100)	-	35,755	48,824,691
Convertible bonds	140,014	(41,301)	-	-	98,713
total	113,951,977	14,120,612	6,270	35,755	128,114,614

36. Transactions with special related parties

36-1 Reporting period end date The current status of special relations is as follows.

division	Company name	
	End of the first half	End of the previous year
Joint venture	Kumyang Innovation Co., Ltd.	Kumyang Innovation Co., Ltd.
Affiliated companies	CHARLIZE RESSOURCES SAS	CHARLIZE RESSOURCES SAS
	Intown Co., Ltd.	Intown Co., Ltd.
	SM Lab Co., Ltd.	SM Lab Co., Ltd.
	Hydrogen Mobility Cooperative	Hydrogen Mobility Cooperative
Other special related persons	KJ International Co. , Ltd.	KJ International Co. , Ltd.
	KYECO Co. , Ltd.	KYECO Co. , Ltd.
	KUNMING KUMYANG IMPORT & EXPORT CO., LTD	KUNMING KUMYANG IMPORT & EXPORT CO., LTD
	Eco First	Eco First

36-2 The major trading details are as follows:

(unit : Thousand won)

Company name	sales		Purchase		Interest expense	Cash contribution
	Half of the year	First half of the previous year	Half of the year	First half of the previous year	Half of the year	First half of the previous year
KYECO Co. , Ltd.	259,242	-	-	-	1,617,498	-
KJ International Co. , Ltd.	456,482	877,186	-	-	3,080,958	-
SM Lab Co., Ltd.	179,262	-	2,141,297	39,500	-	-
CHARLIZE RESSOURCES SAS	-	-	-	-	-	12,408,530
KUNMING KUMYANG IMPORT & EXPORT CO., LTD	-	-	3,454,595	2,060,355	-	-
Key Management Team	-	-	-	-	2,578,902	-
total	894,986	877,186	5,595,892	2,099,855	7,277,358	12,408,530

36-3 of the end of the first half and the previous quarter are as follows.

(unit : Thousand won)

Company name	Accounts Receivable		Advance payment, etc.	Accounts Payable		Advance payment	Loan	
	End of the first half	End of the previous year	End of the previous year	End of the first half	End of the previous year	End of the previous year	End of the first half	End of the previous year
KYECO Co. , Ltd.	-	-	-	-	-	-	97,994,516	66,417,434
KJ International Co. , Ltd.	189,751	-	-	-	-	-	140,075,343	143,871,032
SM Lab Co., Ltd.	-	-	-	1,522,199	357,721	-	-	-
KUNMING KUMYANG IMPORT & EXPORT CO., LTD	-	-	-	336,659	863,099	-	-	-
Eco First	-	156,310	-	-	-	20,055	-	-
Key Management Team	-	-	70,000	-	-	-	243,229,744	-
total	189,751	156,310	70,000	1,858,858	1,220,820	20,055	481,299,603	210,288,466

36-4 Compensation for key executives

The compensation details for the major executives of the consolidated company are as follows, and the major executives included full-time executives (full-time registered/non-registered directors and full-time auditors) who have important authority and responsibility for the planning, operation, and control of the consolidated company's corporate activities.

(unit : Thousand won)

division	Half of the year	First half of the previous year
Short-term salary	2,042,558	1,818,719
Other long-term employee benefits	5,743	-
Stock Compensation Expense (Refund)	(27,548)	-
Retirement benefits	86,092	51,154
total	2,106,845	1,869,873

37. Terms and Conditions

37-1. The key agreements with financial institutions as of the end of the current half and the end of the previous quarter are as follows

(unit : Thousand won)

division	Financial institutions	End of the first half	End of the previous year
Trade Finance	Daegu Bank	2,000,000	2,000,000
	Industrial Bank of Korea	5,000,000	5,000,000
	subtotal	7,000,000	7,000,000
Import letter of credit	Busan Bank	USD 12,500,000	USD 12,500,000
	Industrial Bank of Korea	USD 1,000,000	USD 1,000,000
	subtotal	USD 13,500,000	USD 13,500,000
D/A, D/P	Busan Bank	4,380,000	4,380,000
	Kookmin Bank	USD 1,000,000	USD 1,000,000
	subtotal	4,380,000 USD 1,000,000	4,380,000 USD 1,000,000
Accounts Receivable Collateralized Loan	Daegu Bank	-	2,000,000
	Hana Bank	1,000,000	1,000,000
	subtotal	1,000,000	3,000,000
Comprehensive Foreign Currency Payment Guarantee	Kookmin Bank	USD 500,000	USD 500,000
total		USD 15,000,000 12,380,000	USD 15,000,000 14,380,000

37-2. etc Main Terms and Conditions

37-2-1. As of the end of the reporting period, the contractual agreements related to the acquisition of tangible assets that are not recognized in the financial statements are as follows:

(unit : Thousand won)

division	End of the first half
Tangible assets (*1)	632,532,098
Investment Share (*2)	13,266,860
Performance of services (*3)	277,840
total	646,076,798

(*1) The consolidated company has entered into a conditional agreement with COM Co., Ltd. of a total of KRW 42,200 million to acquire machinery. As of the end of the half-year, the remaining agreement amount excluding KRW 6,205 million, which was recorded as unpaid amount, is KRW 31,189 million.

(*2) The consolidated company has a contract to secure a stake of up to 60% in CHARLIZE RESOURCES SAS for the development and drilling activities of mines located in the Democratic Republic of the Congo. According to the agreement, the consolidated company has secured a 50% stake in the second phase of in-depth exploration activities. The consolidated company will pay an additional \$9,550,000 depending on the results of future exploration.

(*3) The consolidated company has a service agreement with MTARGO LLC for the development of new mines in Mongolia, and an additional payment of \$200,000 will be paid according to the development results.

37-2-2 . As of the end of the second half of the year, the consolidated company has delegated voting rights at the general shareholders' meeting to the founder (CEO of SM Lab) through an agreement between shareholders in relation to SM Lab Co., Ltd., and holds the right to nominate two directors of SM Lab Co., Ltd., the right to claim the joint sale, and the right to jointly sell.

37-3. Pending Litigation case

As of the end of the current half of the year, there is one case in which the consolidated company is pending as a defendant at home and abroad, and the details are not disclosed as we believe that the details of the case may affect the outcome of the lawsuit. As of the end of the current half of the year, the amount and timing of the outflow of resources due to the lawsuit are uncertain, so the impact on the financial statements cannot be reasonably predicted.

38. Financial Risk Management

The consolidated company is exposed to a variety of financial risks such as market risk (exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, and liquidity risk due to its various activities.

The semi-annual consolidated financial statements do not include all financial risk management and disclosures required in the annual consolidated financial statements, so please refer to the annual consolidated financial statements as of December 31, 2023.

The risk management department and other risk management policies of the consolidated company have not changed significantly since the end of the previous period.

39. Fair value hierarchy of financial products

The consolidated company classifies fair value measurements according to a fair value sequence system that reflects the significance of inputs used to measure the fair value of financial instruments, and the level of fair value sequence system is as follows.

division	Significance of input variables
Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Input variables for assets or liabilities that are observable directly or indirectly
Level 3	Input variables for assets or liabilities that are not based on observable market data

The fair value of financial instruments traded in an active market is calculated on the basis of market prices announced at the end of the current half and at the end of the previous period. If the published price is readily and regularly available through an exchange, seller, broker, industrial group, rating agency or supervisory authority, and if such a price represents an actual market transaction that occurs regularly between independent parties, it is considered an active market and these instruments are included in Level 1. The instruments included in Level 1 consist mostly of listed stocks classified as profit or loss-fair value-measuring financial assets.

The fair value of financial instruments that are not traded in active markets is determined using valuation techniques. These valuation techniques use the most observable market information possible and minimize enterprise-specific information. At this time, if all significant input variables required to measure the fair value of the product are observable, the product is included in Level 2.

If one or more significant inputs are not based on observable market information, the commodity is included in Level 3.

The valuation techniques used to measure the fair value of a financial instrument include.

- the published market price or dealer price of a similar commodity
- The fair value of derivatives is measured by discounting the amount to present value using the forward exchange rate as of the end of the year

Other techniques such as discounting cash flows are used for the remaining financial instruments. For accounts receivable and other receivables classified as current assets, the book value is estimated to be a reasonable approximation of the fair value.

39-1. End of the first half

(unit : Thousand won)

division	Subject	Level 1	Level 3	total
Profit and Loss - Financial Assets Measured at Fair Value	Hi Investment & Securities Co., Ltd. stocks	12,050	-	12,050
	Savings insurance	-	161,809	161,809
subtotal		12,050	161,809	173,859
Other comprehensive income - Financial assets measured at fair value	Subscription fund of the investment association	-	500	500
		-	500	500
total		12,050	162,309	174,359

39-2. End of the previous year

(unit : Thousand won)

division	Subject	Level 1	Level 3	total
Profit and Loss - Financial Assets Measured at Fair Value	Hi Investment & Securities Co., Ltd. stocks	10,842	-	10,842
	Savings insurance	-	43,978	43,978
subtotal		10,842	43,978	54,820
Other comprehensive income - Financial assets measured at fair value	Subscription fund of the investment association	-	500	500
		-	500	500
total		10,842	44,478	55,320

39-3. 'level 3' Applicable Financial products Change history

(unit : Thousand won)

Financial assets	Half of the year	Previous year
beginning of the term	44,478	1,641,437
acquisition	120,000	222,699
disposal	(7,803)	(37,931)
adjustment	-	(12,711)
Profit and loss recognized in profit or loss	5,633	(1,769,016)
End of the term	162,309	44,478

40. Restatement of the statement of cash flows

The consolidated company found an error related to the statement of cash flows for the first half of the year at the time of settlement of the current half. The past statement of cash flows shown in comparison has been revised, and the details are as follows:

40.1 Cash flow statement

(unit : won)

division	Before modification	After modification
Half year net income	(9,427,148,956)	(8,648,966,651)
Adjustment items	10,132,916,228	9,354,733,923

40.2 Related Notes

(unit : Thousand won)

division	Before modification	After modification
Adjustment items		
Loss on valuation of inventory assets	1,066	(777,117)
Adjustment system	10,132,917	9,354,734