

TATA DAEWOO MOBILITY SALES CO., LTD.

Financial Statements

March 31, 2026 and 2025

(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

Based on a report originally issued in Korean

To the Board of Directors and Shareholder
TATA DAEWOO MOBILITY SALES CO., LTD.:

Opinion

We have audited the financial statements of TATA DAEWOO MOBILITY SALES CO.,LTD. ("the Company"), which comprise the statements of financial position as of March 31, 2026 and 2025, the statements of income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026 and 2025, and its operation, changes in equity and its cash flows for the years then ended in accordance with Accounting Standards for Non-Public Entities in the Republic of Korea ("K-GAAP").

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing (KSAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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.

Other Matter

The procedures and practices utilized in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 KSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used in the preparation of the financial statements and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Samjory Accounting Corp.

Seoul, Korea
May 7, 2026

This report is effective as of May 7, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

TATA DAEWOO MOBILITY SALES CO., LTD.

Financial Statements

March 31, 2026 and 2025

The accompanying financial statements, including all notes, have been prepared by, and are the responsibility of the Company.

Im, Hyoung Jung
Chief Executive Officer
Tata Daewoo Mobility Sales Co., Ltd.

TATA DAEWOO MOBILITY SALES CO., LTD

Statements of Financial Position

As of March 31, 2026 and 2025

(In Korean won)

	<u>Note</u>	<u>2026</u>	<u>2025</u>
Assets			
Cash and cash equivalents		₩ 4,512,188,776	4,112,274,888
Accounts receivables	8	6,066,117,165	5,093,798,259
Other receivables		5,370,500	5,929,390
Accrued income		5,867,464	5,802,190
Current deferred tax assets	11	270,196,658	211,538,607
Total current assets		<u>10,859,740,563</u>	<u>9,429,343,334</u>
Property and equipment, net	4	500,140,262	477,266,808
Intangible assets, net	5	313,416,443	380,577,109
Non-current deferred tax assets	11	442,566,174	363,215,204
Other non-current assets	6	625,148,600	542,148,600
Total non-current assets		<u>1,881,271,479</u>	<u>1,763,207,721</u>
Total assets		<u>₩ 12,741,012,042</u>	<u>11,192,551,055</u>

(Continued)

TATA DAEWOO MOBILITY SALES CO., LTD

Statements of Financial Position, Continued

As of March 31, 2026 and 2025

(In Korean won)

	Note	2026	2025
Liabilities			
Accounts payable	8,15	₩ 2,809,836,018	3,228,340,086
Accrued expenses	8,15	1,234,034,092	1,017,948,637
Withholdings		609,779,578	469,731,466
Income tax payable	11	278,808,399	54,687,647
Total current liabilities		4,932,458,087	4,770,707,836
Provision for retirement benefit	7	1,979,796,060	1,710,489,621
Long-term guarantee deposits received		20,000,000	20,000,000
Total non-current liabilities		1,999,796,060	1,730,489,621
Total liabilities		6,932,254,147	6,501,197,457
Shareholder's equity			
Common stock	1,9	1,000,000,000	1,000,000,000
Retained earnings	10		
Earned surplus reserve		420,000,000	420,000,000
Unappropriated retained earnings		4,388,757,895	3,271,353,598
Total shareholder's equity		5,808,757,895	4,691,353,598
Total liabilities and shareholder's equity		₩ 12,741,012,042	11,192,551,055

See accompanying notes to the financial statements.

TATA DAEWOO MOBILITY SALES CO., LTD.

Statements of Income

For the years ended March 31, 2026 and 2025

(In Korean won)

	Note	2026	2025
Operating revenue	8		
Service fee	₩	45,336,101,303	45,666,715,177
Operating expenses	8,16		
Salaries		(4,228,758,591)	(4,494,467,801)
Retirement benefit		(396,478,216)	(392,995,185)
Other employee benefits		(926,842,903)	(965,150,090)
Utilities		(8,539,644)	(6,629,632)
Vehicle maintenance		(105,142,640)	(105,463,579)
Rental		(665,568,497)	(611,029,810)
Insurance		(504,000)	(386,100)
Depreciation		(129,356,800)	(133,070,545)
Amortization		(67,160,666)	(22,386,889)
Supplies		(30,536,718)	(27,637,796)
Publication		(20,111,033)	(29,111,569)
Communications		(83,040,901)	(82,904,143)
Taxes and dues		(17,846,190)	(24,998,880)
Travel		(111,757,447)	(148,946,943)
Training		(25,595,554)	(66,041,001)
Sales commission		(18,005,282,221)	(20,128,959,749)
Fee and charge		(971,637,313)	(877,594,439)
Entertainment		(54,736,316)	(38,828,900)
Advertising		(218,060,644)	(544,066,004)
Outsourcing		(2,755,516,095)	(2,713,021,869)
Sales promotion		(15,067,634,158)	(12,855,415,021)
Expenditure for meeting		(115,297,229)	(44,225,422)
Others		(14,785,891)	(31,279,054)
Total operating expenses		(44,020,189,667)	(44,344,610,421)
Operating income		1,315,911,636	1,322,104,756
Other income(loss)			
Interest income		108,704,364	104,534,766
Others, net		(2,510,575)	11,782,429
Other income(loss)		106,193,789	116,317,195
Profit before income tax		1,422,105,425	1,438,421,951
Income tax expenses	11	(304,701,128)	(356,662,577)
Profit for the period		₩ 1,117,404,297	1,081,759,374
Earnings Per Share	12	₩ 5,587	5,409

See accompanying notes to the financial statements

TATA DAEWOO MOBILITY SALES CO., LTD.
Statements of Changes in Equity
For the years ended March 31, 2026 and 2025

(In Korean won)

		Common stock	Retained earnings	Total shareholder's equity
Balance at April 1, 2024	₩	1,000,000,000	2,609,594,224	3,609,594,224
Profit for the period		-	1,081,759,374	1,081,759,374
Balance at March 31, 2025	₩	1,000,000,000	3,691,353,598	4,691,353,598
Balance at April 1, 2025	₩	1,000,000,000	3,691,353,598	4,691,353,598
Profit for the period		-	1,117,404,297	1,117,404,297
Balance at March 31, 2026	₩	1,000,000,000	4,808,757,895	5,808,757,895

See accompanying notes to the financial statements.

TATA DAEWOO MOBILITY SALES CO., LTD.

Statements of Cash Flows

For the years ended March 31, 2026 and 2025

(In Korean won)

	2026	2025
Cash flows from operating activities		
Profit for the period	₩ 1,117,404,297	1,081,759,374
Adjustments for:		
Depreciation	129,356,800	133,070,545
Amortization	67,160,666	22,386,889
Retirement benefit	396,478,216	392,995,185
Loss on disposal of property and equipment	16,704,874	25,357,973
Changes in assets and liabilities:		
Accounts receivable	(972,318,906)	(237,367,987)
Other receivables	558,890	2,071,820
Accrued income	(65,274)	(2,309,636)
Prepaid expense	-	79,036,710
Current deferred tax assets	(58,658,051)	62,143,012
Non-current deferred tax assets	(79,350,970)	(60,629,632)
Other payables	(273,479,068)	(476,221,153)
Accrued expenses	216,085,455	(295,025,348)
Withholdings	140,048,112	(76,421,696)
Income tax payable	224,120,752	(328,924,065)
Payment of severance indemnities	(127,171,777)	(111,113,254)
Net cash provided by operating activities	<u>796,874,016</u>	<u>210,808,737</u>
Cash flows from investing activities		
Acquisition of Property and equipment	(313,960,128)	(99,947,000)
Acquisition of intangible assets	-	(400,225,998)
Increase(decrease) in guarantee deposits	(83,000,000)	15,000,000
Net cash used in investing activities	<u>(396,960,128)</u>	<u>(485,172,998)</u>
Cash flows from financing activities	-	-
Net increase(decrease) in cash and cash equivalents	399,913,888	(274,364,261)
Cash and cash equivalents at beginning of year	<u>4,112,274,888</u>	<u>4,386,639,149</u>
Cash and cash equivalents at the end of year	<u>₩ 4,512,188,776</u>	<u>4,112,274,888</u>

See accompanying notes to the financial statements.

TATA DAEWOO MOBILITY SALES CO., LTD.

Notes to the Financial Statements

1. Reporting Entity

Tata Daewoo Mobility Sales Co., Ltd. (the “Company”), located in Seoul, Republic of Korea, is engaged in sales agent service of commercial vehicles. The Company was incorporated on April 9, 2010.

As of March 31, 2025, the Company’s capital stock is totals ₩1,000 million and its common shares are wholly owned by Tata Daewoo Mobility Co., Ltd.

On November 1, 2024, the Company changed its name from Tata Daewoo Commercial Vehicle Sales & Distribution Co., Ltd. to Tata Daewoo Mobility Sales Co., Ltd.

2. Basis of Preparation

Financial statements have been condensed, restructured and translated into English with certain expanded descriptions from the Korean language financial statements.

(1) Statement of compliance

The Company prepared the financial statements in accordance with Accounting Standards for Non-Public Entities in the Republic of Korea (“K-GAAP”).

The accompanying financial statements are not intended to present the financial position, results of operations, changes in equity and cash flows in accordance with accounting principles and practices generally accepted in countries other than the Republic of Korea. Accordingly, the accompanying financial statements are for use by those knowledgeable about Korean accounting principles and their application in practice.

(2) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(3) Use of estimates and judgments

The preparation of the financial statements in conformity with K-GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 11 – Income Taxes

TATA DAEWOO MOBILITY SALES CO., LTD.

Notes to the Financial Statements

3. Significant Accounting Policies

The significant accounting policies applied by the Company in preparation of its financial statements are included below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(1) Cash and cash equivalents

Cash and cash equivalents include cash, cash equivalent securities, including checks issued by others and checking accounts, ordinary deposit and financial instruments that can be easily converted into cash and whose value changes due to changes in interest rates are not material, with maturities (or date of redemption) of three months or less from acquisition.

(2) Allowance for doubtful accounts

The Company provides an allowance for doubtful accounts to cover estimated losses that may arise from non-collection of its receivables. The estimate of losses is based on the review of the aging and current status of outstanding receivables.

(3) Property and equipment

Property and equipment are stated at cost (acquisition cost or manufacturing cost, plus expenditures directly related to preparing the asset ready for use in time and bringing asset to the required place, net of sales discount given). Assets acquired from investment in kind, by donation or free of charge are stated at fair value. When an asset is exchanged for a similar kind of asset, the asset received is stated at the carrying value of the asset given. When an asset is exchanged for a different kind of asset, the asset received is stated at the fair value of the asset given. When there is uncertainty as to the fair value of the asset given, the asset received is recorded at its fair value.

If the costs incurred after acquisition or completion increases the future economic benefit of an asset, such costs are capitalized if the costs can be objectively measured and incurred to replace an existing asset; such existing asset is removed from the financial statements. Costs incurred to repair and to maintain assets are expensed as incurred.

In accordance with the Company's policy, borrowing costs in relation to the manufacture, purchase, construction or development of assets are charged to current operations as incurred.

Property and equipment are depreciated using the straight-line method over their economic useful lives, which are determined from the time when the assets are ready for use (ready for their intended use by the management in time and place). Depreciation expense is recognized as operating expense as incurred.

Depreciation is computed using the straight-line method over the following economic useful lives:

	<u>Useful lives (years)</u>
Tools	6
Furniture and fixtures	6
Computers	6

3. Significant Accounting Policies, Continued

(4) Intangible assets

Intangible assets are initially recognized at acquisition cost (purchase cost, plus expenditures directly related to preparing the asset ready for use) and subsequently presented at amortized cost. Software are amortized when the capitalized assets can be used or sold (over six years). Amortization is included in the operating expense.

(5) Impairment of assets

At the end of each reporting period, the Company reviews the carrying values of assets, except for financial assets and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying value of the asset is reduced to its recoverable amount, and an impairment loss is immediately recorded in profit or loss. If a tangible asset (an individual asset or cash-generating unit) has an indication of impairment and cash flow from disposition of asset is less than its carrying amount, the carrying value of the asset is reduced to the net proceed on disposition, and an impairment loss is immediately recorded in profit or loss.

Also, regardless of impairment loss indicators, assets not in use and assets held for future use are estimated for recoverable amounts.

(6) Accrued severance indemnities

In accordance with the Company's policy, all employees with more than one year of service are entitled to receive lump-sum severance payments upon termination of their employment, based on their current salary and years of service.

(7) Income tax

The Company recognizes deferred tax assets or liabilities for the temporary differences between the carrying amount of an asset and liability for the financial reporting purposes and the amounts used for income tax purposes. A deferred tax liability is generally recognized for all taxable temporary differences, with some exceptions, and a deferred tax asset is recognized to the extent when it is probable that taxable income will be available against which the deductible temporary difference can be utilized in the future. Deferred tax asset (liability) is classified as a current or non-current asset (liability) depending on the classification of related asset (liability) in the statements of financial position. Deferred tax asset (liability), which does not relate to a specific asset (liability) account in the statements of financial position, such as a deferred tax asset recognized for tax loss carry forwards, is classified as a current or non-current asset (liability) depending on the expected reversal period. Deferred tax assets and liabilities in the same tax jurisdiction and in the same current or non-current classification are presented on a net basis. Current and deferred income tax expenses are included in income tax expense in the statements of income, and additional income tax or tax refunds for the prior periods are included in income tax expense for the current period, when recognized.

(8) Financial instruments

Financial assets and financial liabilities are recognized only when the Company becomes a party to the financial instrument. At the date of initial recognition, financial assets and financial liabilities are measured at fair value minus transaction costs that are directly attributable to the acquisition.

Subsequent to initial recognition, financial assets and financial liabilities are measured at amortized cost except to securities, derivative, and designation as at fair value through profit or loss.

(9) Revenue Recognition

Revenues for the sales agent service of commercial vehicles are recognized when related revenue activities are completed, revenues are measurable and economic benefits are highly expected.

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

3. Significant Accounting Policies, Continued

(10) Basic earnings per share

The Company calculates the basic earnings per share by dividing the number of common shares outstanding during the period by the weighted average number of shares for the accounting period attributable to the common stock and presents it in the statement of income.

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

4. Property and Equipment

(1) Property and equipment and related accumulated depreciation as of March 31, 2026 and 2025 are summarized as follows:

<i>(In Korean won)</i>		<u>2026</u>	<u>2025</u>
Tools	₩	59,880,000	59,880,000
Furniture and fixtures		1,347,551,196	1,290,936,268
Computers		82,014,700	68,694,700
Total cost		<u>1,489,445,896</u>	<u>1,419,510,968</u>
Less: accumulated depreciation		<u>(989,305,634)</u>	<u>(942,244,160)</u>
Property and equipment, net	₩	<u>500,140,262</u>	<u>477,266,808</u>

(2) Changes in property and equipment for the years ended March 31, 2026 and 2025 are as follows:

<i>(In Korean won)</i>		<u>2026</u>				
		<u>April 1, 2025</u>	<u>Acquisitions</u>	<u>Disposals</u>	<u>Depreciation</u>	<u>March 31, 2026</u>
Tools	₩	14,558,998	-	-	(3,646,668)	10,912,330
Furniture and fixtures		451,920,984	155,615,128	(16,704,874)	(121,556,680)	469,274,558
Computers		10,786,826	13,320,000	-	(4,153,452)	19,953,374
	₩	<u>477,266,808</u>	<u>168,935,128</u>	<u>(16,704,874)</u>	<u>(129,356,800)</u>	<u>500,140,262</u>

<i>(In Korean won)</i>		<u>2025</u>				
		<u>April 1, 2024</u>	<u>Acquisitions</u>	<u>Disposals</u>	<u>Depreciation</u>	<u>March 31, 2025</u>
Tools	₩	18,205,666	-	-	(3,646,668)	14,558,998
Furniture and fixtures		357,774,385	244,972,000	(25,357,973)	(125,467,428)	451,920,984
Computers		14,743,275	-	-	(3,956,449)	10,786,826
	₩	<u>390,723,326</u>	<u>244,972,000</u>	<u>(25,357,973)</u>	<u>(133,070,545)</u>	<u>477,266,808</u>

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

5. Intangible Assets

(1) Details of intangible assets as of March 31, 2026 and 2025 are as follows:

(In Korean won)

		2026			2025		
		Acquisition cost	Accumulated amortization	Book value	Acquisition cost	Accumulated amortization	Book value
Software	₩	402,963,998	(89,547,555)	313,416,443	402,963,998	(22,386,889)	380,577,109

(2) Changes in intangible assets for the years ended March 31, 2026 and 2025 are as follows:

(In Korean won)

		2026			
		April 1, 2025	Acquisitions	Amortization	March 31, 2026
Software	₩	380,577,109	-	(67,160,666)	313,416,443

(In Korean won)

		2025			
		April 1, 2024	Acquisitions	Amortization	March 31, 2025
Software	₩	35,738,000	367,225,998	(22,386,889)	380,577,109

6. Other Non-Current Assets

Other non-current assets as of March 31, 2026 and 2025 are summarized as follows:

(In Korean won)

		2026	2025
Guarantee deposits	₩	482,273,000	399,273,000
Others		142,875,600	142,875,600
	₩	<u>625,148,600</u>	<u>542,148,600</u>

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

7. Accrued severance indemnities

Changes in retirement and severance benefits for the years ended March 31, 2026 and 2025 are as follows:

<i>(In Korean won)</i>	<u>2026</u>	<u>2025</u>
Provision for retirement and severance benefits at beginning of the year	₩ 1,710,489,621	1,428,607,690
Accrual for retirement and severance benefits	396,478,216	392,995,185
Payment of severance indemnities	<u>(127,171,777)</u>	<u>(111,113,254)</u>
Provision for retirement and severance benefits at end of the year	<u>₩ 1,979,796,060</u>	<u>1,710,489,621</u>

8. Related Party Transactions

(1) Details of parent and subsidiary relationships as of March 31, 2026 are as follows:

<u>Relationship</u>	<u>Related parties</u>
Ultimate controlling party	Tata Motors Limited
Immediate Parent	Tata Daewoo Mobility Co., Ltd. ("TDM")
Others	Subsidiaries, associates, and joint ventures of immediate or ultimate parent
Entity with significant influence	Tata Sons Private Limited and others

(2) Significant transactions which occurred in the normal course of business with related parties for the years ended March 31, 2026 and 2025 are as follows:

<i>(In Korean won)</i>		<u>2026</u>	<u>2025</u>
<u>Transaction</u>	<u>Name</u>		
Sales agent service to	TDM	₩ 45,336,101,303	45,666,715,177
Other to	TDM	338,974,580	252,000,000
	Tata Technologies Pte. Ltd. (*)	89,908,000	74,256,024
	Tata Sons Private Limited	172,117	-
Purchase from	Tata Technologies Pte. Ltd.	-	259,845,924

(*) The entity ceased to be a subsidiary of the ultimate parent in November 2025.

(3) Account balances with related parties as of March 31, 2026 and 2025 are as follows:

① As of March 31, 2026

<i>(In Korean won)</i>		<u>Receivables</u>	<u>Payables</u>	
<u>Name</u>		<u>Accounts receivable - trade</u>	<u>Accounts payable - other</u>	<u>Accrued expenses</u>
TDM	₩	6,066,117,165	24,335,564	-

② As of March 31, 2025

<i>(In Korean won)</i>		<u>Receivables</u>	<u>Payables</u>	
<u>Name</u>		<u>Accounts receivable - trade</u>	<u>Accounts payable - other</u>	<u>Accrued expenses</u>
TDM	₩	5,093,798,259	23,100,000	-

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

9. Shareholder's Equity

Common stock as of March 31, 2026 and 2025 are as follows:

<i>(In Korean won except for share data)</i>	<u>2026</u>	<u>2025</u>
Number of shares:		
Authorized	800,000 shares	800,000 shares
Issued and outstanding	200,000 shares	200,000 shares
Par value	₩ 5,000	5,000
Common stock	₩ <u>1,000,000,000</u>	<u>1,000,000,000</u>

10. Retained Earnings

(1) Earned surplus reserve;

The Korean Commercial Code requires the Company to appropriate a legal reserve in an amount equal to at least 10% of cash dividends for each accounting period until the reserve equals 50% of stated capital. The legal reserve may be used to reduce a deficit or may be transferred to common stock in connection with a free issue of shares.

(2) Statements of Appropriations of Retained Earnings

<i>(In Korean won)</i>	<u>2026</u>	<u>2025</u>
	<u>(Date of appropriation: June 25, 2026)</u>	<u>(Date of appropriation: June 4, 2025)</u>
Retained earnings before appropriations		
Beginning of the year	₩ 3,271,353,598	2,189,594,224
Profit for the period	<u>1,117,404,297</u>	<u>1,081,759,374</u>
End of the year	<u>4,388,757,895</u>	<u>3,271,353,598</u>
Unappropriated retained earnings to be carried forward to subsequent year	₩ <u>4,388,757,895</u>	<u>3,271,353,598</u>

11. Income Tax

(1) The components of income tax expense for the years ended March 31, 2026 and 2025 are as follows:

<i>(In Korean won)</i>	<u>2026</u>	<u>2025</u>
Current tax expense	₩ 442,710,149	355,149,197
Changes in deferred tax for temporary differences	<u>(138,009,021)</u>	<u>1,513,380</u>
Income tax recognized in continuing operation	₩ <u>304,701,128</u>	<u>356,662,577</u>

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

11. Income Tax, Continued

(2) The income tax expense calculated by applying statutory tax rates to the Company's income before income taxes for the period differs from the actual tax expense in the statements of income for the years ended March 31, 2026 and 2025 for the following reasons:

(In Korean won)

		<u>2026</u>	<u>2025</u>
Income before income taxes	₩	1,422,105,425	1,438,421,951
Tax rate		20.9%	20.9%
Income taxes at normal tax rates		297,220,033	300,630,188
Tax effects of permanent differences		65,119,237	62,398,589
Others		<u>(57,638,142)</u>	<u>(6,366,200)</u>
Income tax expense	₩	<u>304,701,128</u>	<u>356,662,577</u>
Effective tax rate		21.43%	24.80%

(3) Changes in temporary differences and deferred tax assets for the years ended March 31, 2026 and 2025 are as follows:

(In Korean won)

<u>Account</u>	<u>2026</u>			
	<u>April 1, 2025</u>	<u>Decrease</u>	<u>Increase</u>	<u>March 31, 2026</u>
Temporary differences (current):				
Accrued expenses	₩ 1,017,948,637	1,017,948,637	1,234,034,092	1,234,034,092
Accrued income	<u>(5,802,190)</u>	<u>(5,802,190)</u>	<u>(5,867,464)</u>	<u>(5,867,464)</u>
	<u>1,012,146,447</u>	<u>1,012,146,447</u>	<u>1,228,166,628</u>	<u>1,228,166,628</u>
Tax rate	20.9%			22.0%
Current deferred tax assets	<u>211,538,607</u>			<u>270,196,658</u>
Temporary differences (non-current):				
Accrued severance indemnities	1,710,489,621	127,171,777	396,478,216	1,979,796,060
Depreciation vehicle for business use	<u>27,382,167</u>	<u>2,666,667</u>	<u>7,152,865</u>	<u>31,868,365</u>
	<u>1,737,871,788</u>	<u>129,838,444</u>	<u>403,631,081</u>	<u>2,011,664,425</u>
Tax rate	20.9%			22.0%
Non-current deferred tax assets	<u>363,215,204</u>			<u>442,566,174</u>
Deferred tax assets	₩ <u>574,753,811</u>			<u>712,762,832</u>

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

11. Income Tax, Continued

(In Korean won)	Account	2025			
		April 1, 2024	Decrease	Increase	March 31, 2025
Temporary differences (current):					
	Accrued expenses	₩ 1,312,973,985	1,312,973,985	1,017,948,637	1,017,948,637
	Accrued income	(3,492,554)	(3,492,554)	(5,802,190)	(5,802,190)
		<u>1,309,481,431</u>	<u>1,309,481,431</u>	<u>1,012,146,447</u>	<u>1,012,146,447</u>
	Tax rate	20.9%			20.9%
	Current deferred tax assets	<u>273,681,619</u>			<u>211,538,607</u>
Temporary differences (non-current):					
	Accrued severance indemnities	1,428,607,690	111,113,254	392,995,185	1,710,489,621
	Depreciation vehicle for business use	19,170,167	-	8,212,000	27,382,167
		<u>1,447,777,857</u>	<u>111,113,254</u>	<u>401,207,185</u>	<u>1,737,871,788</u>
	Tax rate	20.9%			20.9%
	Non-current deferred tax assets	<u>302,585,572</u>			<u>363,215,204</u>
	Deferred tax assets	₩ <u>576,267,191</u>			<u>574,753,811</u>

(4) Deferred tax assets have been recognized as the Company has determined it is probable that future profits will be available against which the Company can utilize the related benefit.

(5) Prepaid tax (Income Tax Payable) as of March 31, 2026 and 2025 are as follows:

(In Korean won)	2026	2025
Current income tax asset	₩ 163,901,750	284,827,750
Current income tax liability	<u>(442,710,149)</u>	<u>(339,515,397)</u>
Current income tax liability, net	₩ <u>(278,808,399)</u>	<u>(54,687,647)</u>

TATA DAEWOO MOBILITY SALES CO., LTD.
Notes to the Financial Statements

12. Earnings per share

The Company's earning per share for the years ended March 31, 2026 and 2025 are as follows:

(In Korean won except for share data)

	<u>2026</u>	<u>2025</u>
Net Income	₩ 1,117,404,297	1,081,759,374
Weighted-average number of common shares outstanding (*)	<u>200,000</u>	<u>200,000</u>
Earnings per share	₩ <u>5,587</u>	<u>5,409</u>

(*) Weighted-average number of common shares outstanding for the years ended March 31, 2026 and 2025, is the same as the issued number of shares, as there was no change in outstanding shares of common stock for the years ended March 31, 2026 and 2025.

13. Employee Welfare

In connection with the employee welfare, the Company maintains various employee welfare programs, including scholarship, medical insurance, workers' compensation, paid absence, subsidies to pension contributions and others.

14. Non-cash Investing and Financing Activities

Significant non-cash investing and financing activities for the years ended March 31, 2026 and 2025 are as follows :

(In Korean won)

	<u>2026</u>	<u>2025</u>
Increase(Decrease) of other payables due to acquisition of property and equipment	₩ (145,025,000)	145,025,000
Increase(Decrease) of other payables due to acquisition of Intangible Assets	-	(33,000,000)

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Notes to the Financial Statements

15. Financial Instruments

(1) The maturity analysis of financial liabilities as of March 31, 2026 and 2025 are as follows:

(In Korean won)

Account	2026		
	3 months or less	3-12 months	Total
Accounts payable	₩ 2,809,836,018	-	2,809,836,018
Accrued expenses	890,637,000	-	890,637,000
Total	₩ 3,700,473,018	-	3,700,473,018

(In Korean won)

Account	2025		
	3 months or less	3-12 months	Total
Accounts payable	₩ 3,228,340,086	-	3,228,340,086
Accrued expenses	657,583,000	52,000,000	709,583,000
Total	₩ 3,885,923,086	52,000,000	3,937,923,086

(2) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

16. Value Added Information

Details of value-added information included in operating expenses for the years ended March 31, 2026 and 2025 are as follows:

(In Korean won)

	2026	2025
Wages and salaries	₩ 4,228,758,591	4,494,467,801
Provision for severance indemnities	396,478,216	392,995,185
Employee welfare	926,842,903	965,150,090
Rent	665,568,497	611,029,810
Depreciation	129,356,800	133,070,545
Amortization	67,160,666	22,386,889
Taxes and dues	17,846,190	24,998,880

17. Date of Authorization for Issue

The financial statements were authorized for issue on April 30, 2026, at the board of directors and will be approved at the annual shareholder's meeting to be held on June 25, 2026.