

Doosan Fuel Cell

DOOSAN

2024 2Q IR Presentation

August 2024

Investor Relations



Disclaimer

The information herein is provided for your information purposes only and contains preliminary figures which may be materially different from the final figures.

Forecasts and projections contained in this material are based on current business environments and management strategies, and they may differ from the actual results upon changes and unaccounted variables.

We make no guarantees and assume no responsibility for the use of information provided. We trust your decisions will be based on your own independent judgment.

Financial data in this presentation is on K-IFRS consolidated and separate basis.

The image is a composite. The left side shows a large industrial facility at night, filled with rows of Doosan PureCell units. The right side is a solid blue background with white text. The bottom left shows a close-up of a single Doosan PureCell unit, which is a large, grey, rectangular container with the company logo and name on its side.

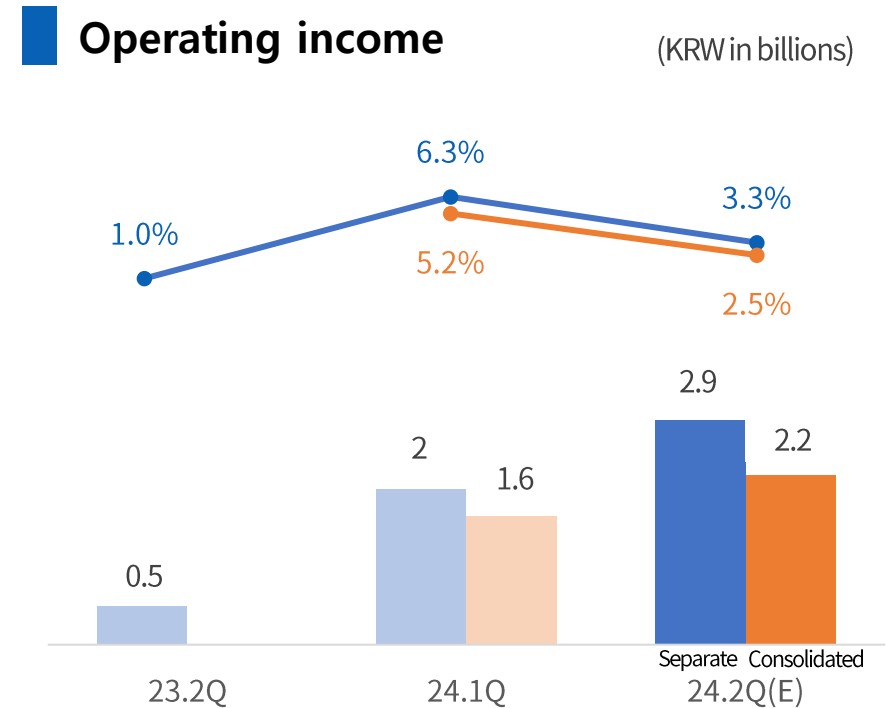
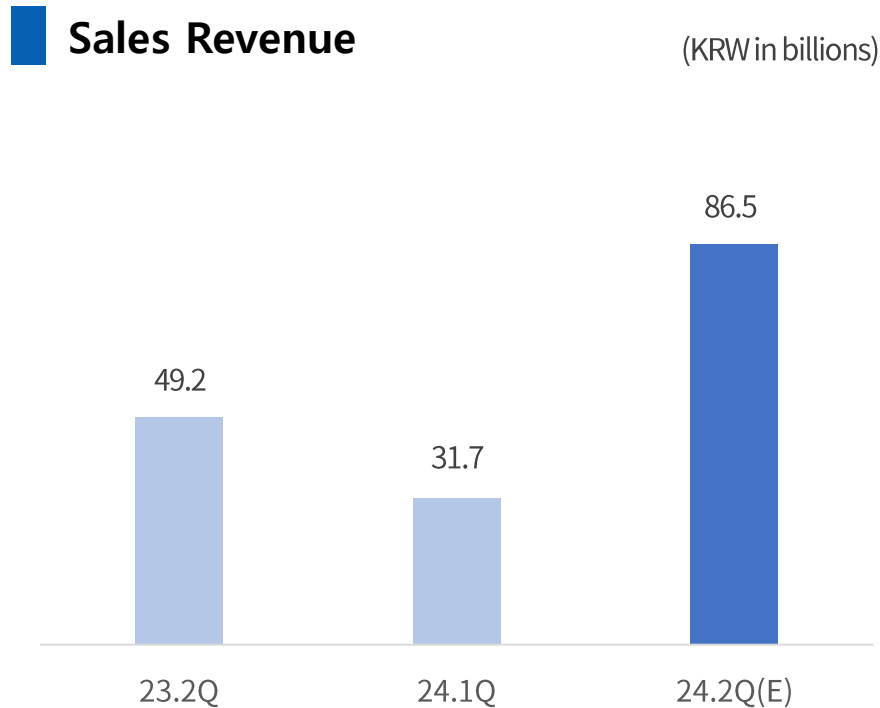
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1. 2024 2Q earnings

2Q earnings: sales 86.5 billion won, operating income 2.9 billion won

- PPLT delivery begins, and sales increase QoQ
- From the second half of the year, '23 CHPS secured volume is recognized as sales, and performance improvement is expected to become more pronounced
- Consolidated financial statements¹⁾ baseline sales are the same, and operating profit decreased by KRW 0.7 billion



1) Acquired 100% of shares of HyAxiom Motors and incorporated into subsidiary corporation subject to consolidation of the Company ('24.01.02)

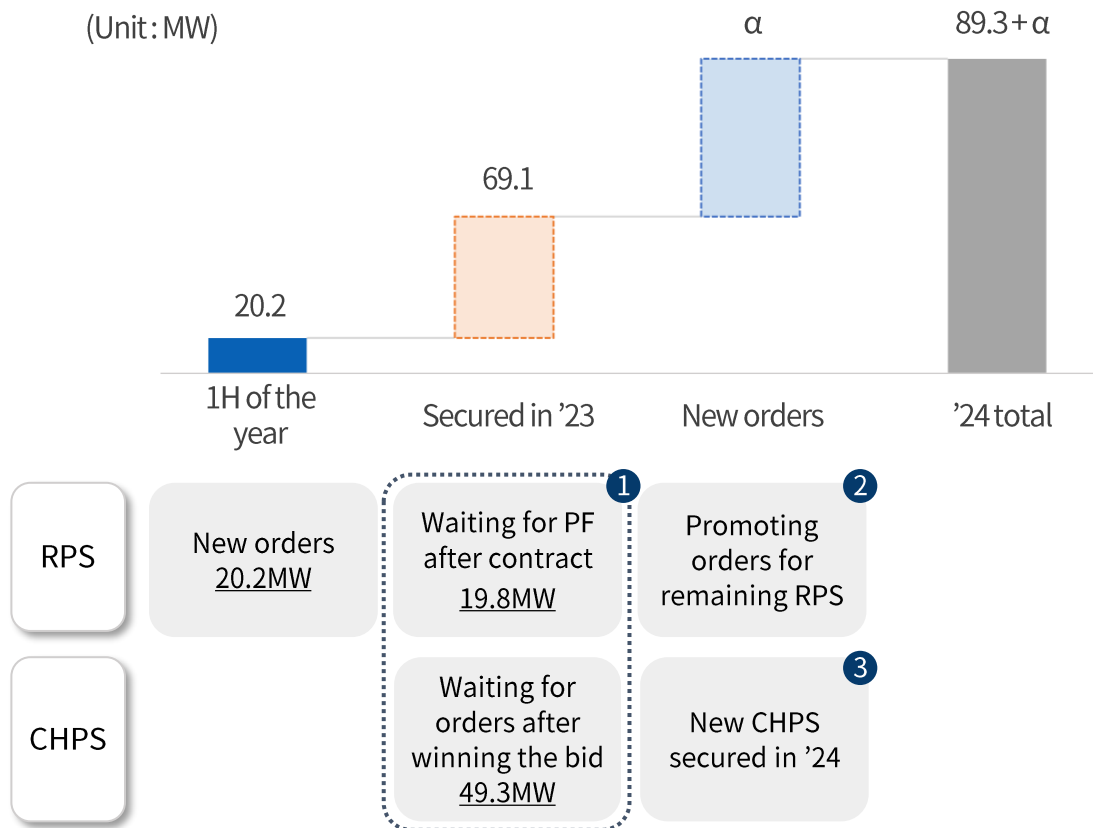
2. Order outlook

Accumulated orders for the first half of the year recorded 20.2 MW

- Expected to increase annual orders when '23 secured volume and new orders are added in the second half of the year

'24 Order outlook

(Unit: MW)



1 Awaiting orders for secured volume

- Currently preparing to sign PF and PPLT contracts
- Expected to begin sales recognition by getting orders in the second half of the year

2 Working to win RPS Remaining orders

- Having two additional PJT orders in '24
- Forecast RPS project by the end of '26¹⁾

3 New CHPS Secured '24

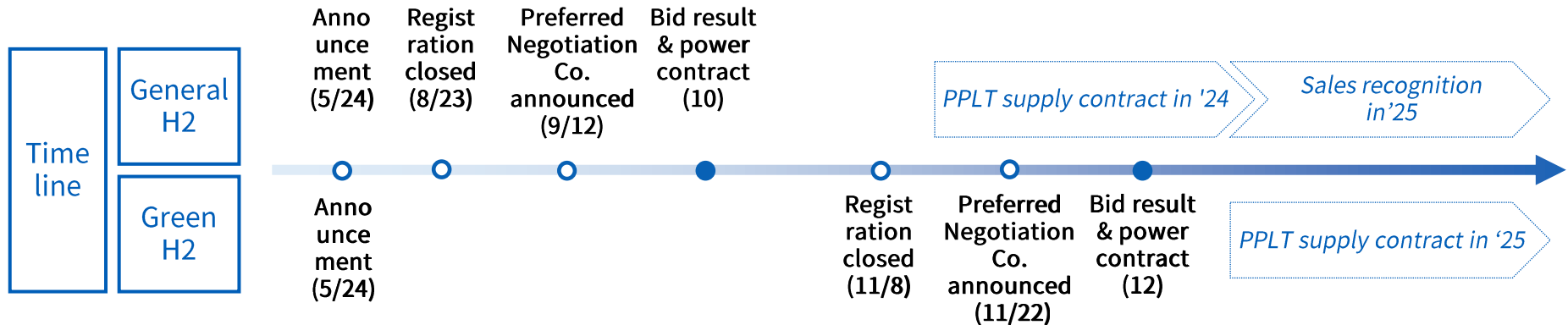
- Completed opening of bidding market for hydrogen power generation in '24 (5/24)
- General market size is 170-180 MW; Target: MS 50% ↑

1) Only projects that have obtained construction plan approval by '23. 12.09, can be implemented, and orders can be placed by the end of '26, considering the validity period of approval (3yr)

3. Market trend

Completed the opening of the bidding market for general and clean H2 power generation in '24

- Target to the general H2 power generation market at least 50% M/S and enter the clean H2 power generation market



| | | General H2 | Clean H2 |
|---------------------|----------------------------|--|---|
| Des crip tion | Volume | 1,300GWh | 6,500GWh ¹⁾ |
| | Target | Fuel Cell | Fuel cells and mixed power generation facilities(LNG-H2, Coal-Ammonia) |
| | Fuel | clean/reforming/byproduct H2 | Clean H2 ²⁾ |
| | Mix ratio | - | More than 20% of power generation |
| | Evaluati on criteria | Price(60%) | Power generation unit price |
| | | Non-price(40%) | Industrial/economic contribution, distributed power characteristics, system acceptance, etc |
| | Settlement method | Settlement of difference between bid price and electricity market price | Settlement of difference between bid price and electricity market price |
| | Contract terms | 2 years of preparation period, 20 years of transaction period - Penalty in case of not doing commercial operation within two years after the conclusion of the power contract | Preparation period of 3 years, transaction period of 15 years - Penalty for not doing commercial operation within 3 years after the conclusion of the power contract (applicable to 4 years only for the initial contract) |

1) Considering the delay in the start of commercial operations and the lack of hydrogen mixing rate, the actual purchase amount in '27 is expected to be 3,500 GWh

2) Greenhouse gas emissions per kg of H2 production are less than 4 kg





4. Management Activities - Next generation H2 combustion Model

The development of a next generation H2 combustion Model(M500) is completed and mass-produced from the 2H

- Enhance product competitiveness by increasing the output of the H2 model, a carbon-free power source
- Improve customer's PJT economics by lowering unit investment costs

Next generation H2 combustion Model(M500)

"Add CSA(110 kW) of existing Hydrogen models from 4 to 5 to improve fuel cell power"

| Type | | Fuel | | |
|--------|--------|--|--|---|
| | | NG | LPG/NG Dual | Hydrogen |
| Output | 440 kW |  |  |  |
| | 550 kW | - | - |  |

New

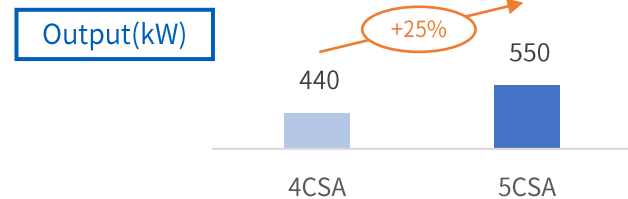
'24.2Q
Prototyping and
validation,
First order

'24.3Q
Design
improvement

'24.4Q
Mass production

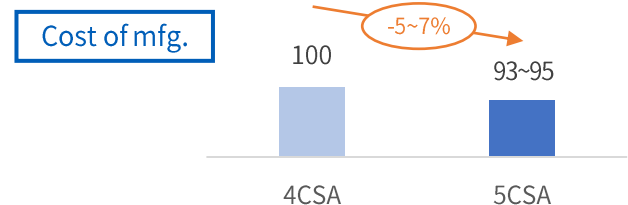
1 Output ↑

- Generating more power in the same area as traditional models
- Maximizing the benefits of smaller fuel cells per generation



2 Cost saving

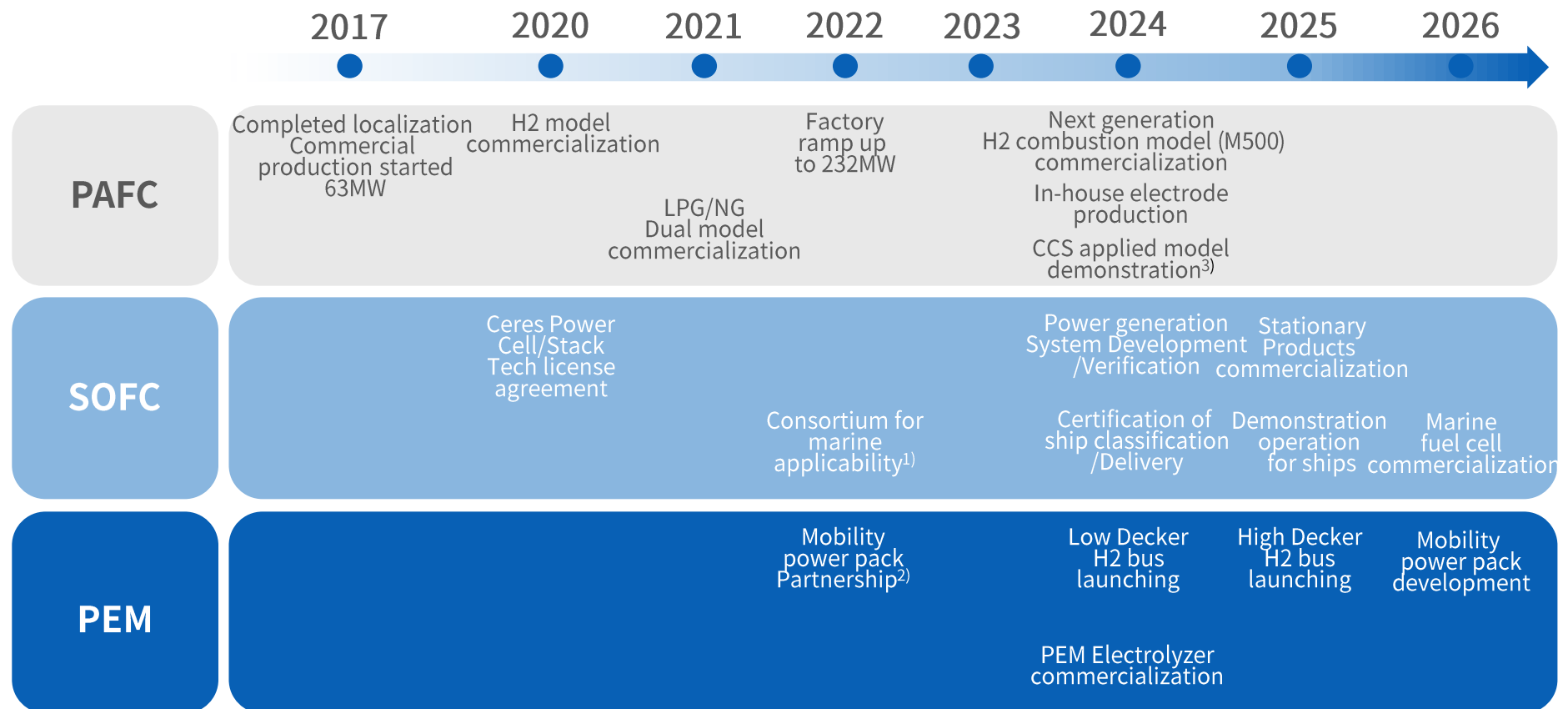
- Lower manufacturing costs per kW due to minimal platform and component changes
- Improve profitability due to cost savings



5. New biz Roadmap

Utilizing various technologies to build new growth engine

- Securing new growth engines through power generation·marine SOFC and mobility biz



1) Working with with Shell, DNV, and HD Korea Shipbuilding & Marine Engineering, 600kW SOFC will be installed as the ship's auxiliary power unit (APU) to demonstrate for a year from '25

2) Doosan FC, Ballard Power Systems and HyAxiom signed a MOU to develop power packs for mobility and H2 bus supply projects

3) Working with Korea Hydro & Nuclear Power, Airrane and Korea Engineering Consultants, CCS(Carbon Capture Storage) applied fuel cell demonstration will be carried out for a year

Q&A Session



Appendix. Financial statement(1/2)

Summary of financial statement

| Separated | | | | | |
|--------------------------------|---------|---------|---------|--------|--------|
| (KRW in billions) | 23.4Q | 24.1Q | 24.2Q | YoY | QoQ |
| Total assets | 1,070.8 | 1,140.4 | 1,133.2 | 62.4 | -7.2 |
| Current asset | 648.1 | 693.5 | 672.2 | 24.1 | -21.3 |
| Non-current asset | 422.8 | 446.9 | 461.0 | 38.2 | 14.1 |
| Total liabilities | 558.2 | 627.6 | 620.0 | 61.8 | -7.6 |
| Current liabilities | 287.4 | 285.0 | 346.4 | 59.0 | 61.3 |
| Advanced Received | 12.3 | 23.9 | 19.1 | 6.8 | -4.8 |
| Non-current liabilities | 270.8 | 342.6 | 273.6 | 2.8 | -69.0 |
| Total capital | 512.7 | 512.8 | 513.3 | 0.6 | 0.4 |
| Leverage ratio | 109% | 122% | 121% | 11.9%p | -1.6%p |
| Debt | 377.5 | 459.0 | 445.0 | 67.5 | -14.0 |
| Cashable assets ⁽¹⁾ | 51.6 | 68.6 | 29.6 | -22.0 | -39.0 |
| Net debt ⁽²⁾ | 325.9 | 390.4 | 415.4 | 89.5 | 25.0 |

(1) cash and cashable assets + short-term financial instruments + short-term financial assets

(2) Loan - Cashable Assets

| Consolidated | | | |
|--------------|---------|--------|--------|
| 24.1Q | 24.2Q | impact | QoQ |
| 1,139.8 | 1,132.0 | -1.2 | -7.8 |
| 693.1 | 670.6 | -1.6 | -22.5 |
| 446.7 | 461.4 | 0.3 | 14.7 |
| 628.8 | 621.3 | 1.3 | -7.5 |
| 285.3 | 346.8 | 0.4 | 61.4 |
| 23.9 | 19.1 | - | -4.8 |
| 343.4 | 274.5 | 0.9 | -68.9 |
| 511.0 | 510.7 | -2.5 | -0.3 |
| 123% | 122% | 0.9%p | -1.4%p |
| 459.0 | 445.0 | - | -14.0 |
| 72.7 | 31.4 | 1.8 | -41.4 |
| 386.3 | 413.6 | -1.8 | 27.4 |

Appendix. Financial statement(2/2)

Summary of Income Statement

| Separated | | | | | | Consolidated | | | |
|-------------------|-------|-------|-------|----------------|----------------|--------------|-------|--------|---------|
| (KRW in billions) | 23.2Q | 24.1Q | 24.2Q | YoY | QoQ | 24.1Q | 24.2Q | Impact | QoQ |
| Revenue | 49.2 | 31.7 | 86.5 | 75.9% | 173.0% | 31.7 | 86.5 | - | 172.9% |
| Operating income | 0.5 | 2.0 | 2.9 | 488.9% | 44.0% | 1.6 | 2.2 | -0.7 | 31.4% |
| - Profit ratio(%) | 1.0% | 6.3% | 3.3% | 2.3%p | -3.0%p | 5.2% | 2.5% | -0.8%p | -2.7%p |
| EBITDA | 4.4 | 6.6 | 7.3 | 65.4% | 10.4% | 6.3 | 6.6 | -0.7 | 5.4% |
| - Profit ratio(%) | 9.0% | 20.8% | 8.4% | -0.5%p | -12.4%p | 19.8% | 7.6% | -0.8%p | -12.1%p |
| Pre-tax profit | -2.2 | -0.2 | 0.5 | Turn to profit | Turn to profit | -0.6 | -0.2 | -0.8 | 61.0% |
| Net income-total | -0.3 | 0.1 | 0.4 | Turn to profit | 193.3% | -0.2 | -0.3 | -0.8 | -38.5% |