



Investor Relations 2021

# Doosan Fuel Cell 4Q 2020 Earnings Release

## February 2021



## 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 a IFRS separate basis.



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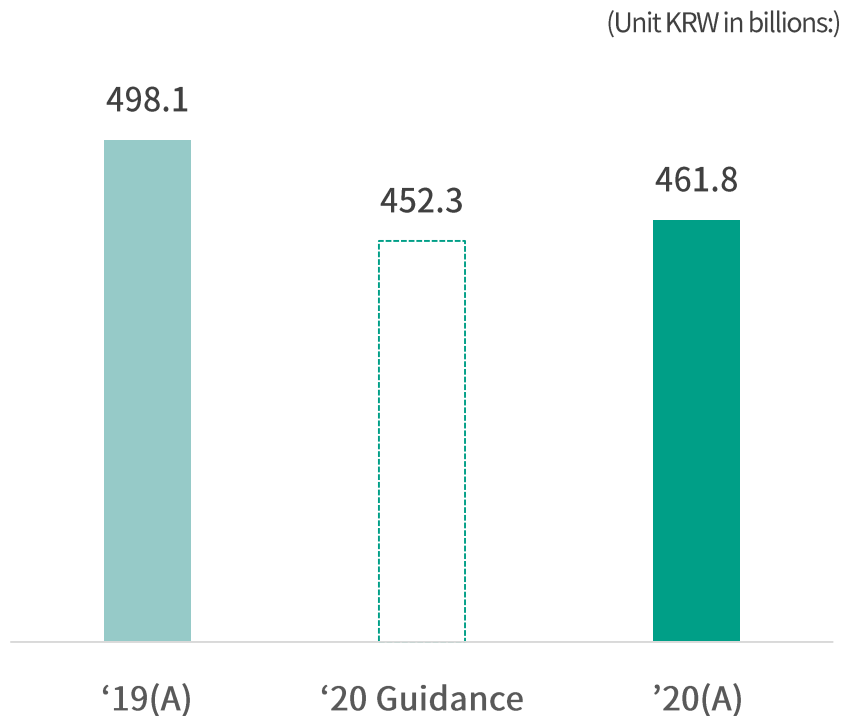
- 2020 Earnings
- 2020 Achievements
- 2021 Business Plan
- Strategy Focus

## 2020 Earnings

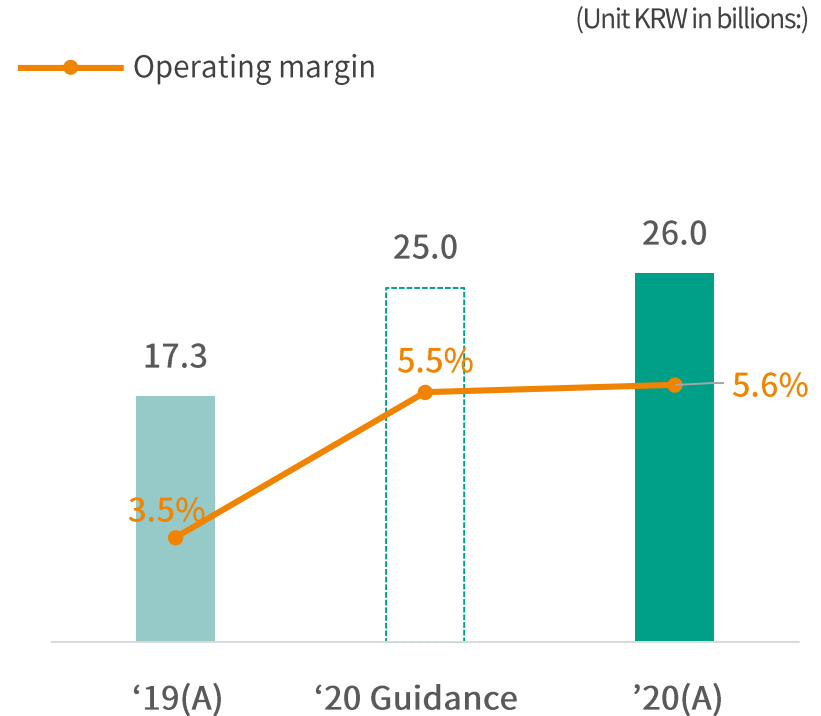
### Sales revenue KRW 461.8 bn and operating income KRW 26.0 bn

- Sales revenue decreased by 7% YoY due to decline in inventory sales, however, operating income improved by 51% YoY driven by enhancement in fuel cells and service profitability

#### Sales Revenue



#### Operating Income



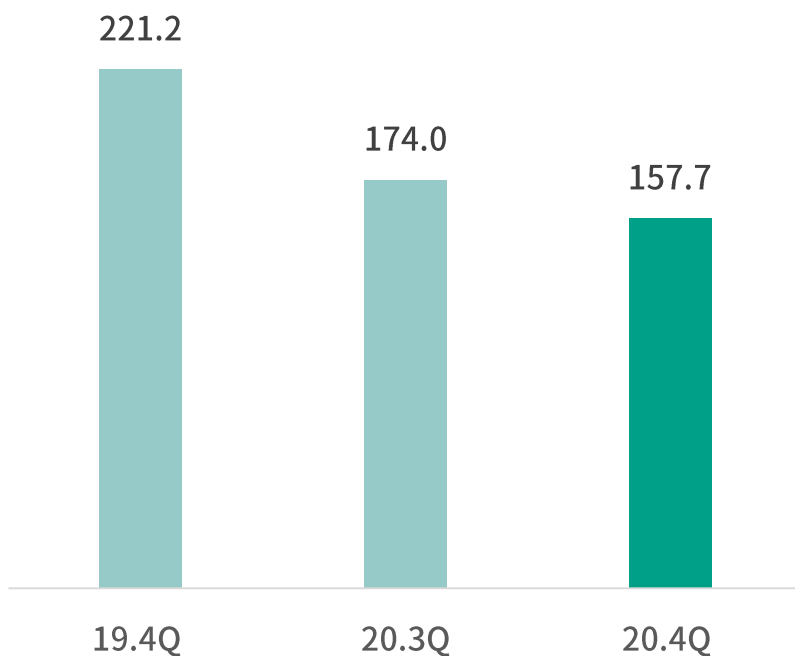
## [Back-up] 4Q Sales Revenue and Operating Income

### 4Q sales revenue KRW 157.7 bn and operating income KRW 5.6 bn

- Sales revenue declined due to stock-out in the previous quarter
- Operating income was negatively impacted by the decline in sales proposition of products manufactured in Korea

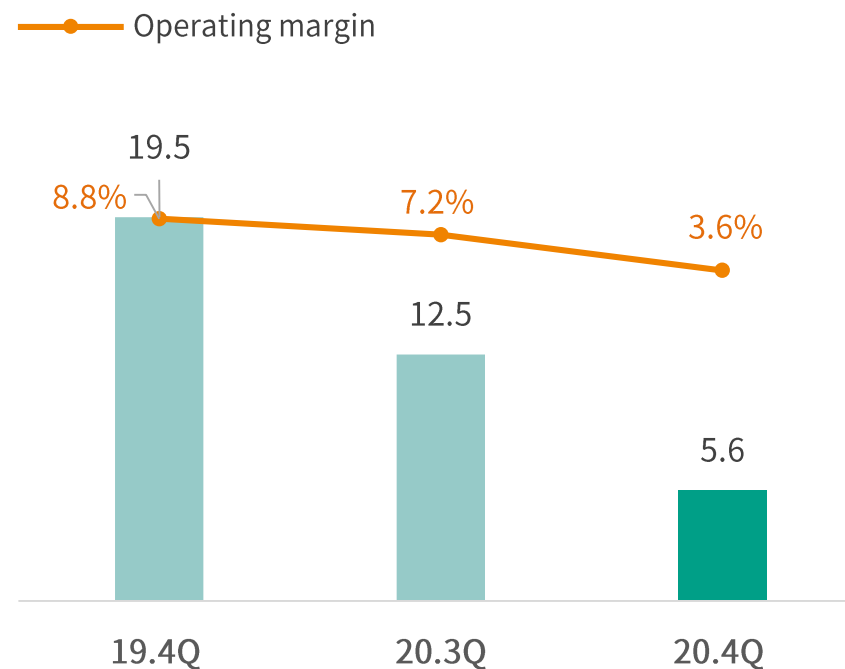
#### Quarterly Sales Revenue

(Unit KRW in billions:)



#### Quarterly Operating Income

(Unit KRW in billions:)

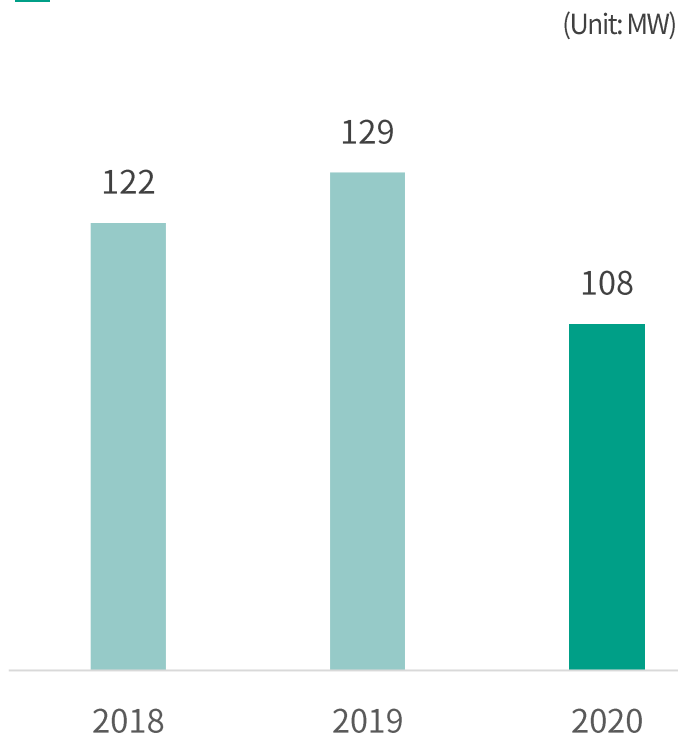


## 2020 Achievements (1)

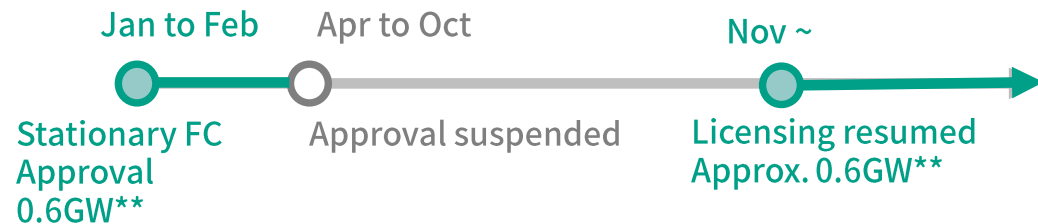
### Achieved new orders of 108MW and market share 70% 3 years in a row

- Temporary approval suspension\* ceased orders in 3Q, however, as the government resumed to approve projects in November, orders have been received since 4Q

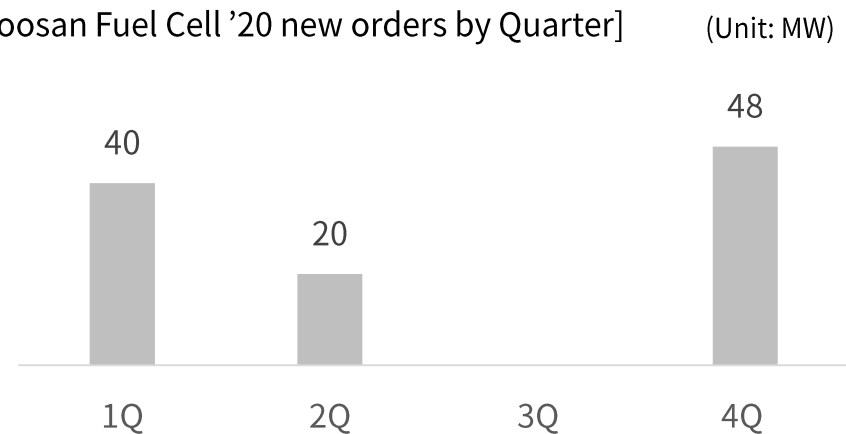
#### Annual New Orders



#### 2020 Approval of Stationary Fuel Cell



#### [Doosan Fuel Cell '20 new orders by Quarter]



\* Electricity Enterprise Act revised to extend stationary fuel cell preparation period to be 4 years from 10 years

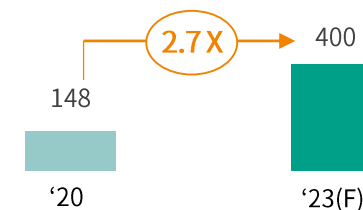
\*\*Source: Korea Electricity Commission

## 2020 Achievements (2)

### Policy Permanence in Korea

- Technology localization and ecosystem with SME\* engagement contributed to policy formation in Korea
  - H2 Act enacted, the first in the world; policy continuity secured
- HPS introduction to build a foundation for future growth (annual order of 350~400MW forecasted)

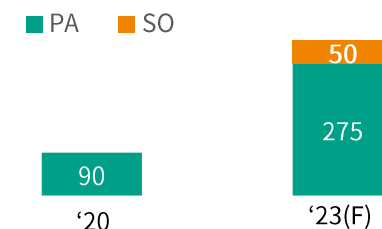
Order Market for Stationary Fuel Cells in Korea (MW)



### Led Capacity Expansion In Korea

- Started PAFC expansion to meet domestic and global demand in a timely manner
  - Domestic vendors to expand their facility in line with the plan
- Initiated the development of SOFC tech and the plant to build a plant in Korea with 50 MW capacity by 2023

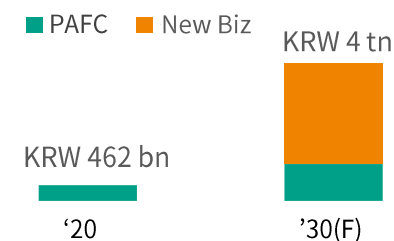
Capacity Expansion Plan (MW)



### Selected New Growth Engine

- Develop new growth engines by utilizing our technology platform and human resources
- Set strategy for 3 key areas
  - Maritime fuel cells, electrolyzers, fuel cells for commercial vehicles

Long-term Sales Revenue Target



\* SME: Small and Medium sized enterprises

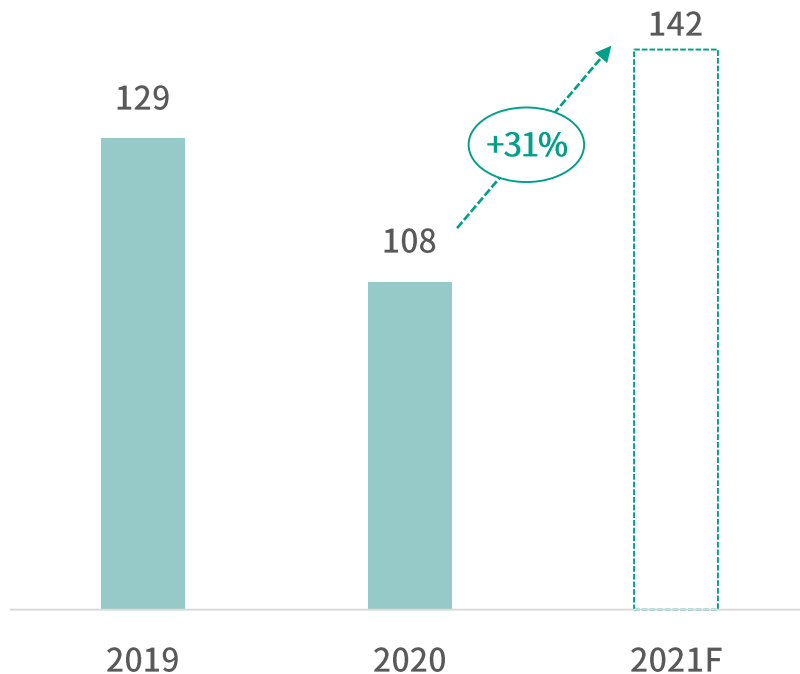
## 2021 Business Plan (1): New Order Target

### Aims to receive new order of 142MW

- To develop various project including CHP during transition period of HPS

#### 2021 New Order Target

(Unit: MW)



#### Business Highlights

- Promote orders during transition period of HPS to be effective in 2022
- Business development on various applications
  - CHP, byproduct H<sub>2</sub>, LNG cold energy, etc.
- M/S target in Korea: 70%



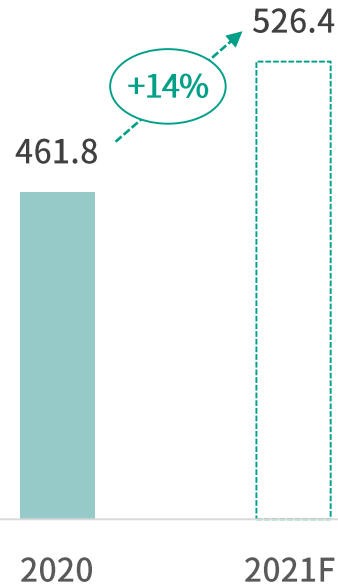
## 2021 Business Plan (2): Sales Revenue and Operating Income

**Sales Revenue of KRW 526.4 bn and Operating Income of KRW 33.0 bn**

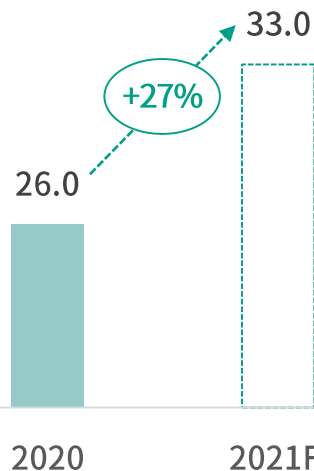
### 2021 Guidance

(Unit KRW in billions;)

[Sales Revenue]



[Operating Income]



### Business Highlights

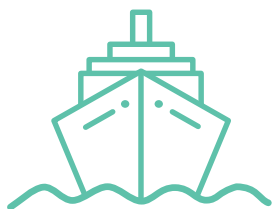
- Capacity expansion by efficiency improvement for the existing plant (90→127MW)
- Production volume increase and cost-cutting activities is expected to improve profitability

# Strategy Focus

## Item

## Progress

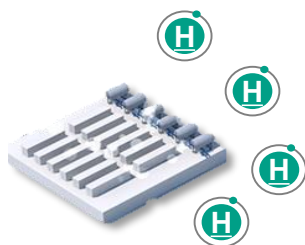
## Strategic Goals



Maritime fuel cells

- Collaboration talks underway with a global ship owner on development and commercialization of fuel cell to power ships
- Fuel cells to supply electricity under consideration
- Hired a consulting company for development

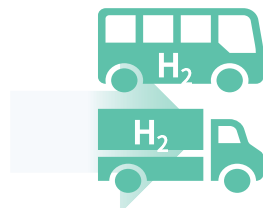
- Pilot demonstration in '24
- Develop partnership before the demonstration for commercialization



Electrolyzers

- Aim to engage in government projects for MW class electrolyzer development

- Multi-MW class PEM electrolyzer development
  - '22: Pilot demonstration
- Commercialization in '24
  - To obtain track record and build mass production



Commercial Vehicle  
Powerpack

- Making partnership with global H<sub>2</sub> mobility companies underway

- 'Feasibility study partner selection in '21
- Commercialization in '24
  - Build mass production



# APPENDIX

## Summary of Financial Position

-Increase in Cash and cash equivalents and Shareholders' equity driven by successful equity raising of KRW 336 bn in December 2020

(Unit: KRW bn)	'20.3Q	'20.4Q	Change
<b>Total Assets</b>	<b>476.2</b>	<b>790.2</b>	<b>314.0</b>
Current Assets	381.2	652.0	270.8
Non-current Assets	95.0	138.2	43.2
<b>Total Liabilities</b>	<b>296.3</b>	<b>277.6</b>	<b>-18.6</b>
Current Liabilities	185.4	264.6	79.1
Advances received	101.4	53.2	-48.2
Non-current Liabilities	110.9	13.1	-97.8
<b>Shareholder's Equity</b>	<b>179.9</b>	<b>512.5</b>	<b>332.7</b>
Share Capital	476.2	790.2	314.0
<b>Leverage Ratio</b>	<b>165%</b>	<b>54%</b>	
<b>Debt</b>	<b>99.0</b>	<b>99.0</b>	<b>0</b>
<b>Cash and Cash Equivalents*</b>	<b>107.8</b>	<b>392.8</b>	<b>285.0</b>
<b>Net Debt**</b>	<b>-8.8</b>	<b>-293.8</b>	<b>-285.0</b>

\* Cash and cash equivalents +ST financial instruments + ST financial assets

\*\* Debt- Cash and cash equivalents and etc.

## Summary of Income Statement

(Unit: KRW bn)	'19.4Q	'20.3Q	'20.4Q	YoY	QoQ
Sales Revenue	221.2	174.0	157.7	-29%	-9%
Operating Income	19.5	12.5	5.6	-71%	-55%
Margin(%)	9%	7%	4%		
EBITDA	20.9	14.0	7.2	-66%	-49%
Margin(%)	9%	8%	5%		
Income before Tax	16.0	10.1	0.5	-97%	-95%
Net Income	11.9	7.4	1.1	-91%	-85%

# Q&A Session



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