

# Doosan Fuel Cell

**DOOSAN**

## 2Q 2022 Earnings Call

July 27, 2022

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 a IFRS separate basis.

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# 1. 2Q Earnings

2Q Earnings

Order Outlook

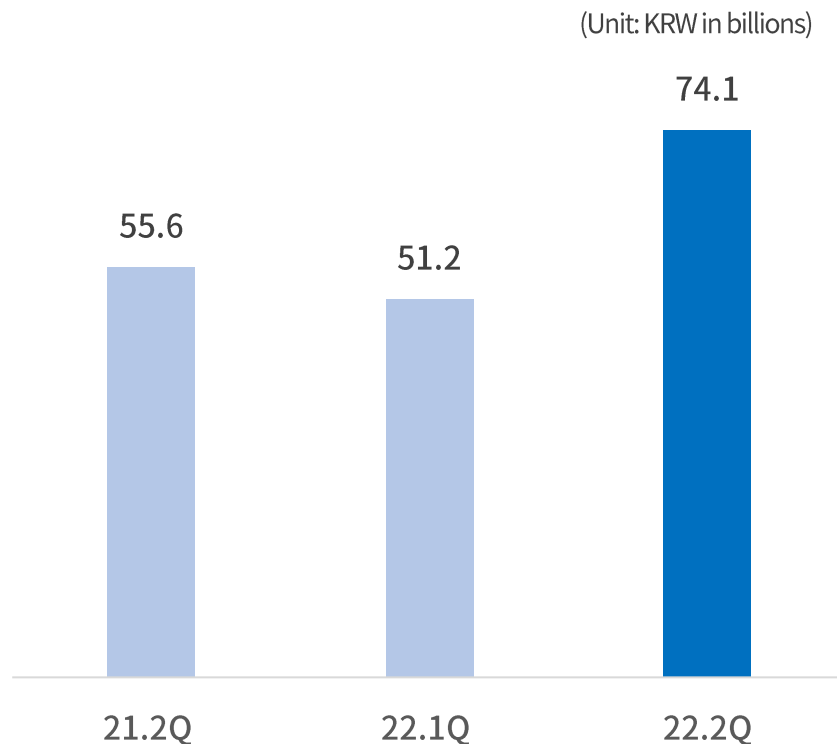
New Biz Update

Technology Roadmap

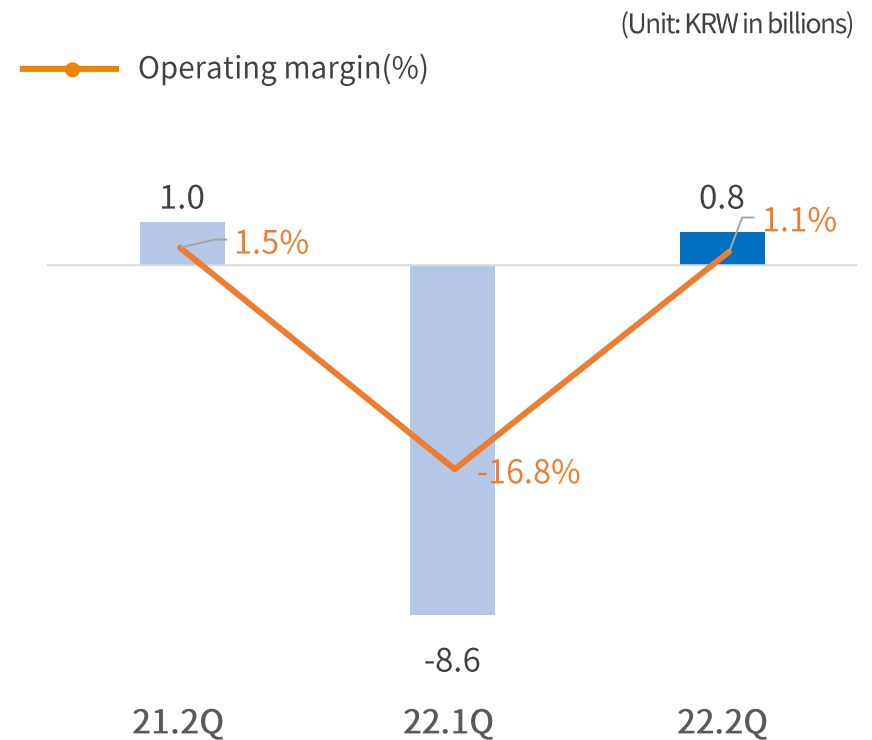
## Sales revenue of KRW 74.1 bn, operating income 0.8bn

- Sales revenue increased QoQ due to resumption of new orders and reflection of sales
- Turned to profit from improved product mix and decline in one-time expenses

### Quarterly Sales Revenue



### Quarterly Operating Income



### Maintain the 2022 order target of 240MW

- Maintain the 240MW target as new orders with resumption of new order in the domestic market and additional order in China in 2Q

#### 2022 Order Intake Strategy

##### (1) New orders under RPS

- Resumption of mid to small scale orders

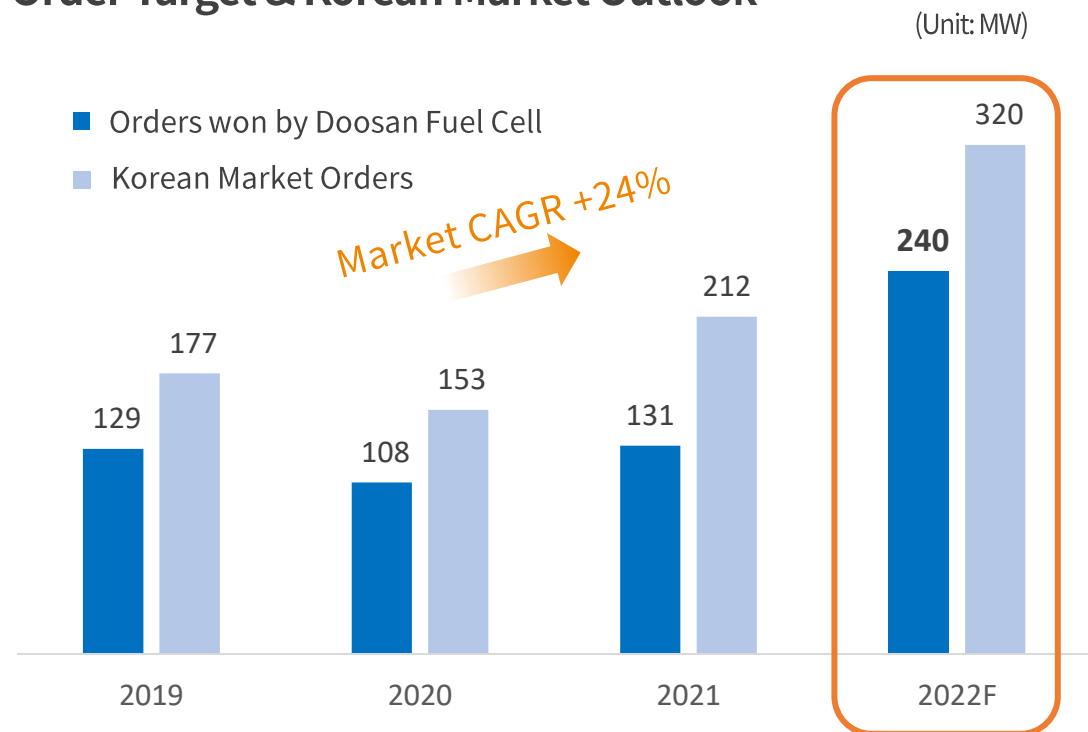
##### (2) Big project development

- Direct import of gas, individual rating will improve economics of stationary fuel cells

##### (3) Tri-gen model and export expansion

- Receiving Tri-gen model orders and expanding export to China

#### Order Target & Korean Market Outlook



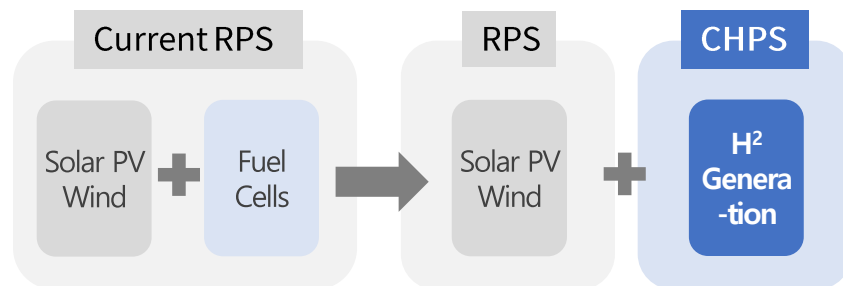
\* Orders won by Doosan Fuel Cell in 2021 and 2022F include export

## Promulgation of hydrogen law revision (CHPS<sup>(1)</sup>, Mandatory power generation of clean hydrogen) on June 10, 2022

- Transition from the RPS<sup>(2)</sup> system competing with renewables to CHPS that separates hydrogen power generation

### Overview of CHPS Policy

- Mandatory power generation with hydrogen
- Introduction of the bidding market for hydrogen power generation
- Step-by-step expansion of clean hydrogen use



### Policy Impact

- ✓ Market and bidding management system to be specified with enforcement ordinance and rules
- ✓ Stable deployment of stationary fuel cells without competition with renewables
- ✓ Incentives for clean hydrogen

(1) CHPS: Clean Hydrogen Portfolio Standard

(2) RPS: Renewable Portfolio Standard

## Securing growth engines by diversifying sales sources as new businesses are being materialized

	Status in the 1 <sup>st</sup> Half	Plans for the 2 <sup>nd</sup> Half
Maritime Fuel Cell	<ul style="list-style-type: none"><li>LOI was signed for a consortium with Shell and KSOE thereby testing maritime fuel cells</li></ul>	<ul style="list-style-type: none"><li>✓ To conclude the consortium agreement with Shell and others</li><li>✓ Consultations with global ship owners underway to diversify fuels and ship type</li></ul>
Mobility Power Pack	<ul style="list-style-type: none"><li>Signed an MOU with Ballard Power System and HyAxiom for development of PEM fuel cell mobility applications</li></ul>	<ul style="list-style-type: none"><li>✓ Completion of partnership structure with OEMs and fleet owners for early entry into business in 2023</li></ul>
Export To China	<ul style="list-style-type: none"><li>Achieved the 2<sup>nd</sup> PAFC export to China<ul style="list-style-type: none"><li>- Received a new order for hydrogen model(4.8MW) utilizing green hydrogen</li></ul></li></ul>	<ul style="list-style-type: none"><li>✓ Negotiation underway for additional new orders in China</li><li>✓ Mid- to long-term volume expansion and supply plan are under consideration</li></ul>

### 3. New Business Update (Continued)

2Q Earnings

Order Outlook

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## Global partnership in developing technology and early market dominance

### Maritime Fuel Cell: First Mover Strategy

- ✓ System development/classification completion by 2024 and commercialization in 2025

#### Consortium



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KSOE  
한국조선해양

Charterer

Fuel Cell

Ship Builder

#### Fuel Diversification

Natural Gas

Methanol

Ammonia

#### Ship Type Diversification



LNG carrier



Container ship



Cruise ship



LNG bunkering vessel

### Mobility Power Pack: Winning Team

- ✓ Securing technology and demand to preoccupy the H<sub>2</sub> bus in Korean and overseas market

**BALLARD®**

**DOOSAN**



#### Commercial vehicle



Bus, truck,  
special vehicle

H2 Vehicle  
OEM



Fleet Owner





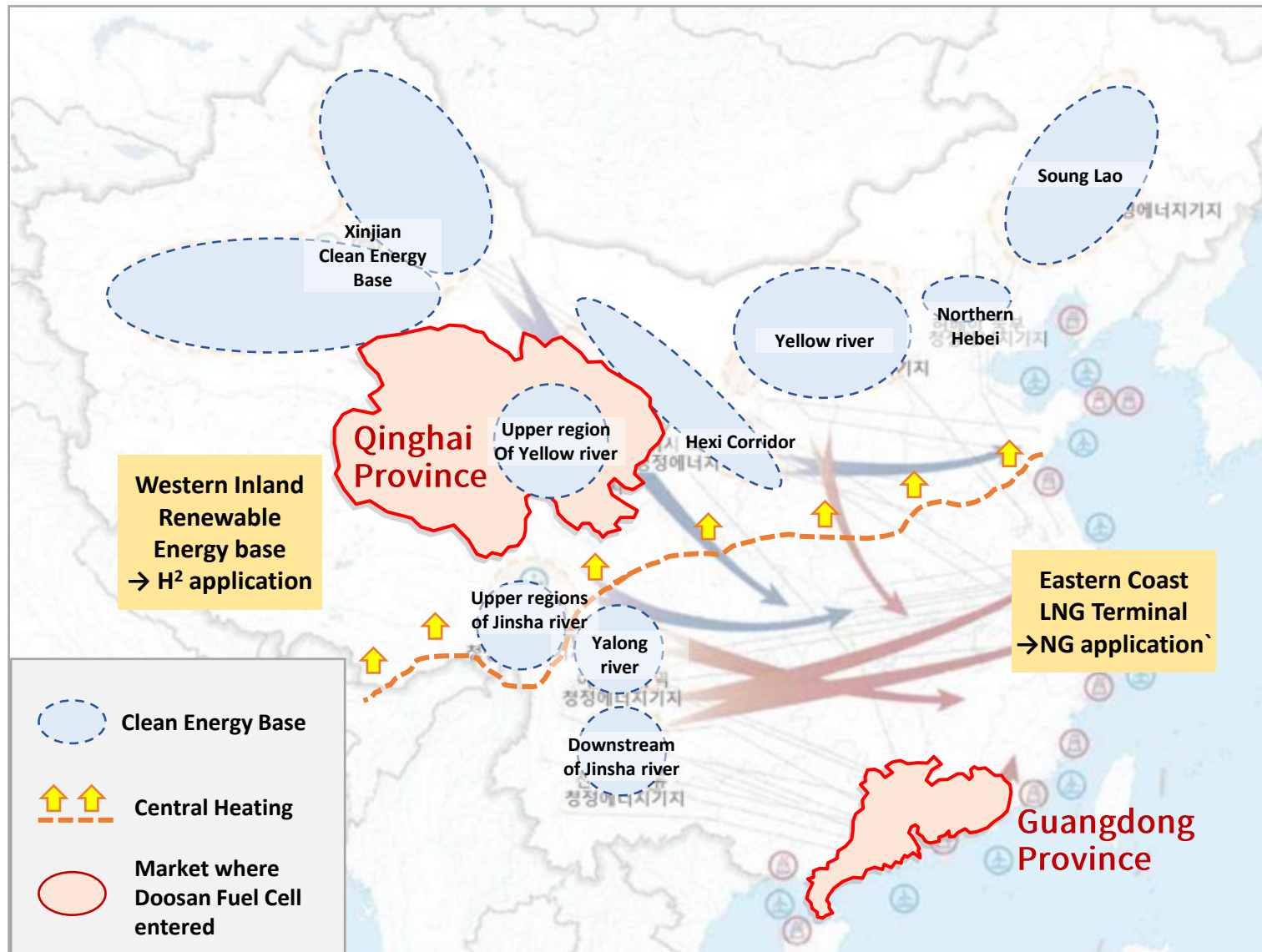
# [Back-up] Target Market in China (Stationary Fuel Cells)

2Q Earnings

Order Outlook

New Biz Update

Technology Roadmap



## 4. Technology Roadmap

2Q Earnings

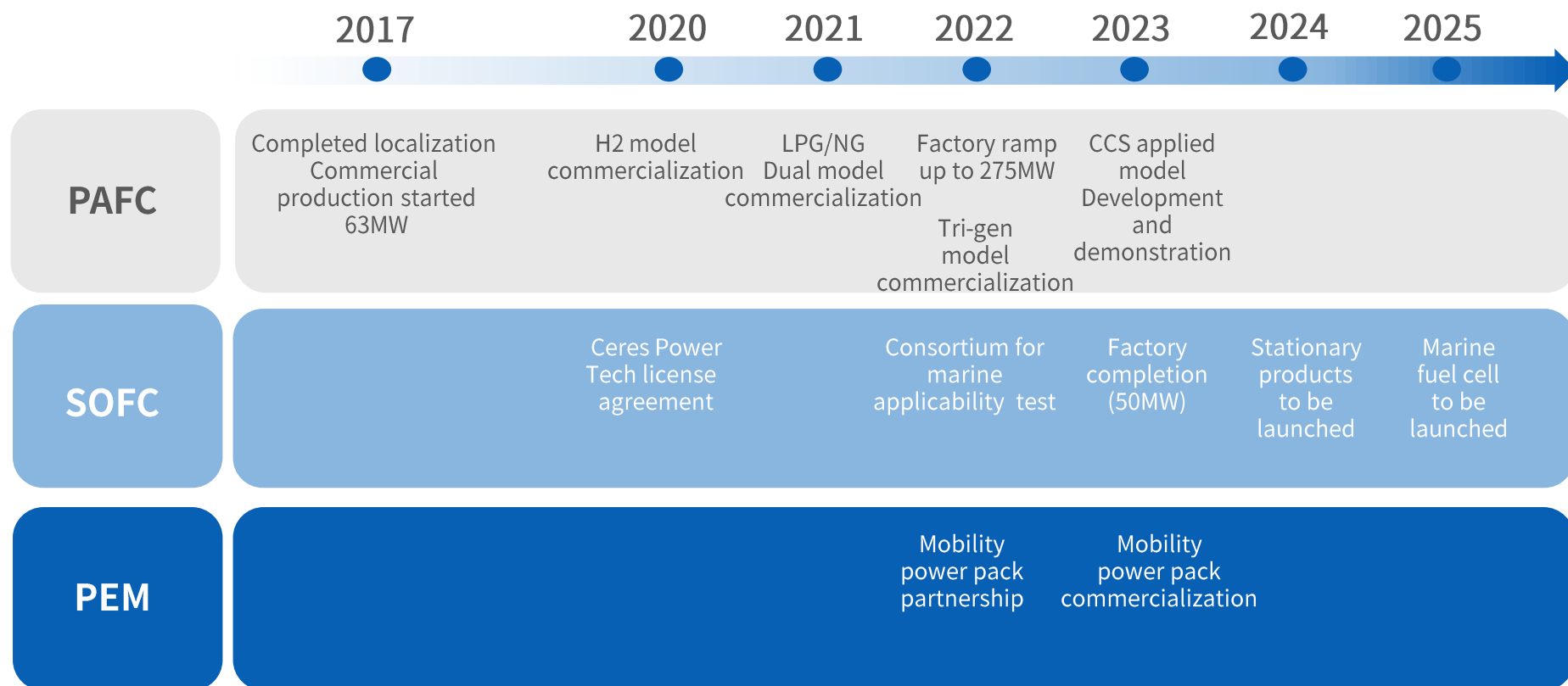
Order Outlook

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### Utilizing various technologies to build new growth engine

- PAFC to be completed in Oct. 2022 and SOFC to be completed in 2023 will expand our business horizon
- Maritime fuel cells and Mobility Powerpack partnership will mature so that new growth engine will be secured
- In response to national net zero strategy, we plan to develop CCS<sup>(1)</sup>-applied PAFC, ammonia-based SOFC and H<sub>2</sub> model improvement



(1) CCS: Carbon Capture Storage

## Summary of Financial Position

(Unit: KRW in billions)	21.Q2	22.Q1	22.Q2	YoY	QoQ
<b>Total Assets</b>	<b>867.3</b>	<b>736.7</b>	<b>764.6</b>	<b>-102.7</b>	<b>27.9</b>
Current Assets	706.4	516.1	525.1	-181.2	9.1
Non-current Assets	160.9	220.6	239.5	78.6	18.9
<b>Total Liabilities</b>	<b>358.8</b>	<b>221.4</b>	<b>249.5</b>	<b>-109.4</b>	<b>28.1</b>
Current Liabilities	336.1	112.6	138.3	-197.9	25.7
Advanced Received	103.2	18.0	17.0	-86.2	-1.0
Non-current Liabilities	22.7	108.8	111.2	88.5	2.4
<b>Shareholder's Equity</b>	<b>508.5</b>	<b>515.3</b>	<b>515.1</b>	<b>6.7</b>	<b>-0.1</b>
<b>Total Liabilities and Equity</b>	<b>867.3</b>	<b>736.7</b>	<b>764.6</b>	<b>-102.7</b>	<b>27.9</b>
<b>Leverage Ratio</b>	<b>71%</b>	<b>43%</b>	<b>48%</b>		
<b>Debt</b>	<b>99.0</b>	<b>7.50</b>	<b>75.0</b>	<b>-24.0</b>	<b>0</b>
<b>Cash and Cash Equivalents<sup>(1)</sup></b>	<b>367.1</b>	<b>162.4</b>	<b>67.0</b>	<b>-300.1</b>	<b>-95.4</b>
<b>Net Debt<sup>(2)</sup></b>	<b>-268.1</b>	<b>-87.4</b>	<b>8.0</b>	<b>276.1</b>	<b>95.4</b>

(1) Cash and cash equivalents + ST financial instruments + ST financial assets

(2) Debt- Cash and cash equivalents and etc.

## Summary of Income Statement

(KRW in billions)	21.2Q	22.1Q	22.2Q	YoY	QoQ
Sales Revenue	55.6	51.2	74.1	33%	45%
Operating Income	1.0	-8.6	0.8	-23%	Turned Profit
Margin(%)	1.9%	-16.8%	1.1%		
EBITDA	3.0	-5.9	3.6	18%	Turned Profit
Margin(%)	5.4%	-11.5%	4.8%		
Income before Tax	0.6	-4.3	-0.5	Turned Loss	Loss
Net Income	0.4	-2.9	0.1	-81%	Turned Profit



# Q&A Session

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