

DOOSAN

Doosan Enerbility Co., Ltd.

2024 1Q Earnings Release



DOOSAN

Disclaimer

Please note that this data is prepared for the convenience of investors, and some of the contents may change according to the results of external audits.

This material is prepared as reference material for investors to make investment decisions, and we do not provide any guarantees to investors or assume responsibility for the contents of this material. In addition, we trust that our investors' investments will be made based on their independent and independent judgment.

The financial information in this document is based on Managerial consolidated¹⁾, IFRS consolidated, and IFRS parent basis.

1) Managerial consolidated : IFRS parent + Overseas Subsidiaries results

Contents



1. 2024 1Q Results

2. 2024 1Q Highlights

2024 1Q Results Summary - Managerial Consolidation

- Orders decreased YoY due to the base effect of large PJT orders* in '23
- Sales increased YoY thanks to recent order growth
- Net profit increased YoY thanks to revaluation gains on investment in NuScale equity
- Net debt decreased YoY thanks to cash-in from PJT advance payments
- L/E ratio increased with “Due for Contract Work(Liability)” from advance payments

Summary

(Unit: KRW Bn, %)

	'23.1Q	'23.4Q	'24.1Q	YoY	QoQ
Orders	4,304	3,011	633	-85.3%	-79.0%
Backlog	17,458	16,050	14,983	-14.2%	-6.6%
Sales	1,662	2,413	1,700	+2.2%	-29.5%
EBIT	85	49	74	-13.1%	+49.1%
(%)	5.1%	2.1%	4.4%	-0.7%p	+2.3%p
EBITDA	121	85	107	-14	+21
Net Profit	36	-257	72	+35	+329
Net Debt	2,877	1,905	1,993	-884	+87
Liability/Equity	119.6%	136.9%	136.6%	+17.1%p	-0.2%p

*Shin Hanul #3,4, Kazakhstan CCPP

2024 1Q Results Summary - Consolidation

- Sales and EBIT achieved similar levels to the previous year
- Net income increased YoY thanks to stock revaluation profit in Enerbility
- Net debt decreased YoY with advance payment received and Bobcat's net cash driven by strong operating activities

Summary

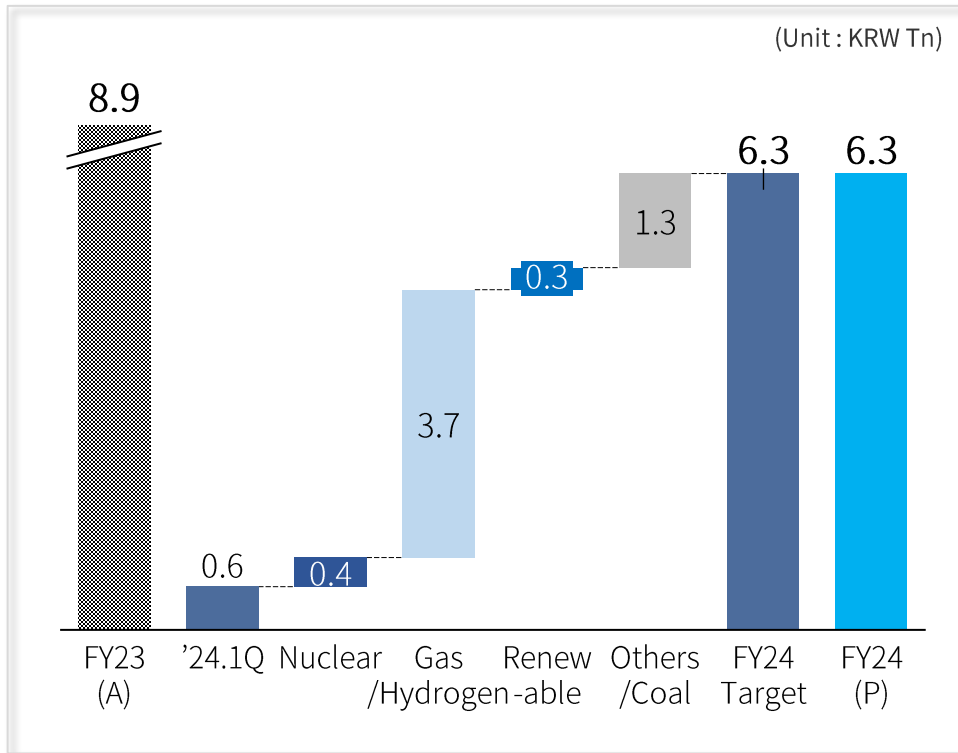
(Unit: KRW Bn, %)

	'23.1Q	'23.4Q	'24.1Q	YoY	QoQ
Sales	4,041	4,854	4,097	+1.4%	-15.6%
EBIT	364	296	358	-1.8%	+0.7%
(%)	9.0%	6.1%	8.7%	-0.3%p	+2.6%p
EBITDA	456	395	422	-34	+26
Net Profit	170	-36	261	+90	+297
Net Debt	3,483	2,023	1,842	-1,640	-180
Liability/Equity	128.6%	127.3%	128.0%	-0.6%p	+0.7%p

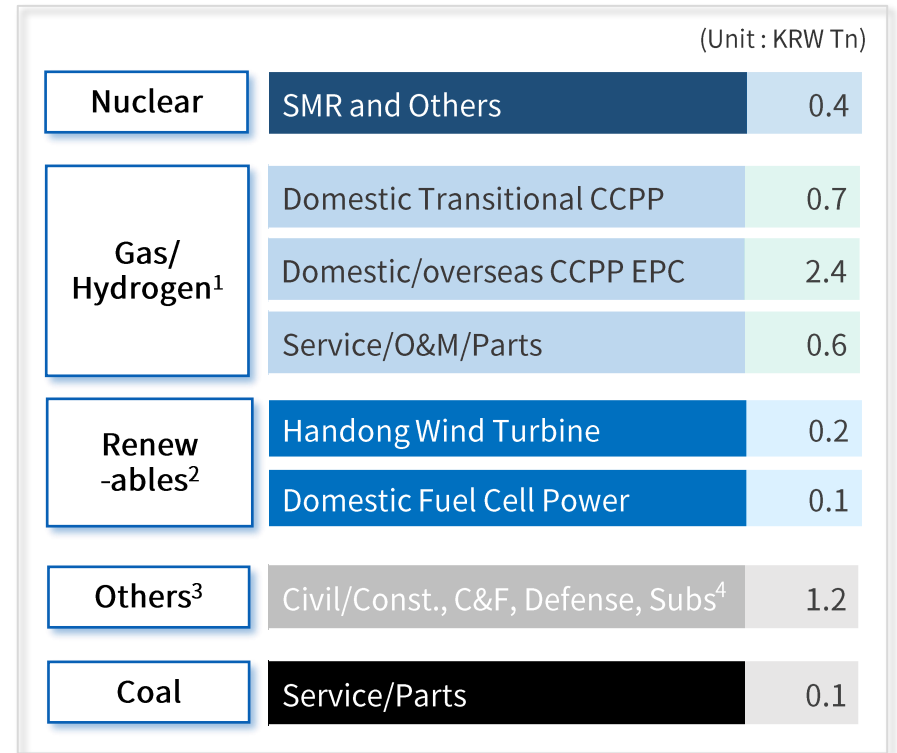
2024 1Q New Orders / Annual Target

- Achieved KRW 0.6Tn orders mainly by domestic/overseas service/O&M/parts
- Maintain annual target KRW 6.3Tn with target projects in 2024, Nuclear PJTs expected from 2025
- Expect to achieve annual order target backed by On-hand PJTs including preferred bidder

1Q Orders / Annual Target



[Order Target]



1. Gas Turbine / Hydrogen Turbine / Co-firing
2. Wind, Hydro and Fuel Cell Power
3. Oversea Subsidiaries, Civil Construction, Defense and others
4. Managerial Consolidation Subsidiaries

Contents



1. 2024 1Q Results

2. 2024 1Q Highlights

Latest Developments in Nuclear Power Business

1 Nuclear Power & AI Data Center

- Nuclear, the most suitable for AI data center
- Unprecedented demand for power from AI-driven data center boom

“Opportunities for Large-scale Nuclear and SMR Projects”

2 Nuclear Policy Trend

- Nuclear Power Bill passed by House with growing support in congress ('24.2)
- Korean Ministry of Trade (MOTIE) to set up long term nuclear power plan until 2050 ('24.3)

“Minimizing uncertainty in Nuclear Business based on Long term demand plan”

3 Updates on Korea Nuclear Projects

- Czech Republic puts off Nuclear Power Tender (June → July '24)
- Expects new nuclear project to be included in 11th Basic Plan for Electricity Supply & Demand

“Expect to secure Long Term Business with overseas and domestic projects”

4 Updates on SMR projects

- Romanian President visits Enerbility factory in Korea
- Launched development program for Korean innovative SMR, Gov't R&D subject (i-SMR)

“Secure orders from Nuscale and i-SMR projects”

1 2 3 4 Nuclear Power & AI Data Center

Nuclear power emerges as the sole solution for reliable carbon-free energy source to answer energy demand from AI Data Center which consumes twice more electricity compared to conventional data center

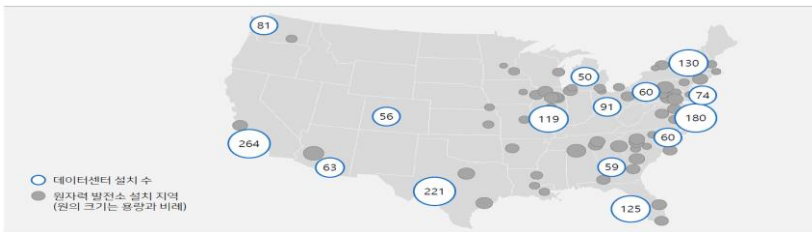
Nuclear Power & AI Data Center

- AI data centers consume ① **large-scale power**, thereby requiring ② 24/7 uninterrupted **stable** and ③ **carbon-free** power supply

⇒ Nuclear becomes key power source for it satisfying all requirements

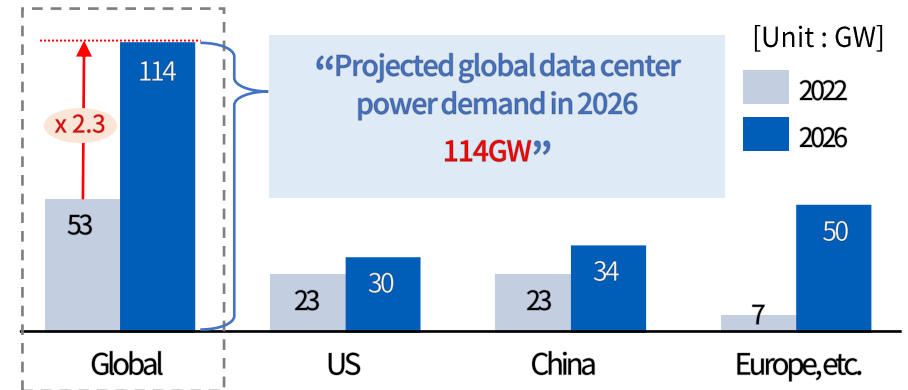


- US data centers, 1/3 of world, are located in eastern and southern region where nuclear power stations are operating
- ⇒ Confirms Nuclear as effective power source for data center



AI data center power demand outlook¹

- IEA forecasts a more than 2.3 times demand increase for data center from 2022 to 2026, driven by its heavy power consumption.¹



- With domestic data center boom, power demand peak expected : 147 centers(1.8GW) in 2022 → 732 centers (49GW) in 2029

- ▶ Expansion of opportunities in nuclear power market
- ▶ New demand apart from base load (AI data centers)
- 👉 Nuclear is the only stable carbon free energy source

1. IEA(the International Energy Agency) Electricity 2024 report (Jan. '24)
2. Report on measures to alleviate the concentration of data centers in the metropolitan area by the Ministry of Trade, Industry and Energy (Mar. '23)

1 2 3 4 Nuclear Policy Trend

The Atomic Energy Advancement Act has passed in the U.S. House of Representatives with overwhelming support
Korean gov't is also setting up Long Term sustainable nuclear power road map

Nuclear Power Bill passed in US House ('24.2)

- The Atomic Energy Advancement Act passed in the U.S. House of Representatives
 - passed by overwhelming vote (Yes: 365 , No: 36)
 - Highlighted for stable carbon-free electricity production and energy security
- Acceleration of development of next-gen. nuclear power development expected in US

Simplifying approval process for next-gen reactor design

Reducing licensing costs and increasing financial support

Encouraging of next-gen nuclear to replace aging coal power

H.R. 6544: Atomic Energy Advancement Act



House Vote #55 -- 02/28/2024



Setting sustainable nuclear road map ('24.3)

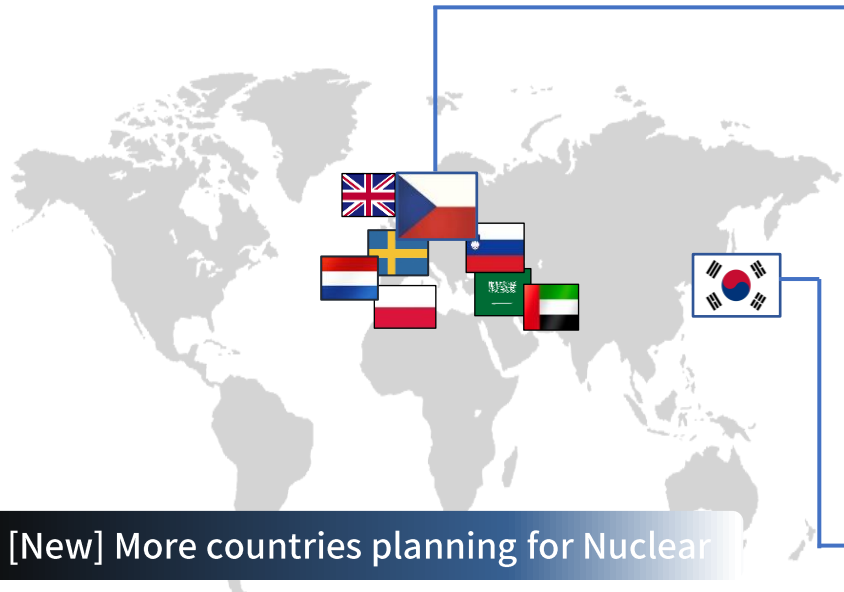
- MOTIE1 announce plans to establish a long term nuclear power roadmap until 2050 and its legislation (Mar. '24)
 - Setting long term nuclear power policy plan includes promotion of new nuclear and continuing existing plants and enhancing nuclear equipment supply chain
 - Define ways to support Korean Nuclear Power Industry through R&D investments and enhancing export competitiveness
 - Establishment of strategy to become a leading SMR country through early commercialization of Korean SMRs and setting global SMR foundry base



[T/F Meeting for the 2050 Mid and Long Term Nuclear Power Roadmap]

1 2 3 4 Updates on Korean Nuclear Projects

Preferred Bidder for Czech Nuclear Power Project expected to be announced in July '24
New nuclear power projects expected in 11th Basic Plan for Electricity Demand and Supply



[Czech] Preferred Bidder Expected in Jul. '24

- Bid submitted in '22 (Korea/US/France)
 - Team Korea proposed for Joint Development for APR1000 and Hydrogen electrolysis program
- Became Team Korea vs France competition after exclusion of US Westinghouse in Jan. '24
- Announcement of Preferred Bidder delayed from Jun. to Jul. '24
 - the Delay requested by EDF
 - revised proposal requested for up to 4 units of Nuclear Plants

[New] More countries planning for Nuclear

- Ongoing efforts in Poland, UK, UAE, Turkey and Saudi, etc.
- Further countries like Sweden and Holland looking for New Nuclear Power Plants
 - Sweden : RFI for Korean APR1400 received ('24.3)
 - Netherlands : Under feasibility study for APR1400

[Domestic] New nuclear plants expect in 11th Plan

- New Nuclear Plants expected to be included in 11th Plan
 - Final announcement delayed to 2H '24 due to General Election
- Expected More Nuclear Power Plants to respond industrial demand from semi-conductor, batteries and electricity cars as carbon-free energy
 - Large scale nuclear and SMR plants are expected

Romanian President visited factory of Doosan Enerbility to check SMR capabilities, While Doosan Enerbility participates design and manufacturing of Korean i-SMR program

Romanian President visits Doosan Factory in Korea

- President of Romania visited Doosan Changwon Factory
 - Including Minister of Foreign Affairs, Minister of Energy, CEO of Romanian Nuclear Co (SNN), and CEO of RoPower¹
 - Took a facility tour on manufacturing facility for NuScale SMR
- The President mentioned, “Hope to collaborate with Doosan for SMR construction based on its experience and manufacturing capabilities”



[Meeting with CEO Park Ji-won]



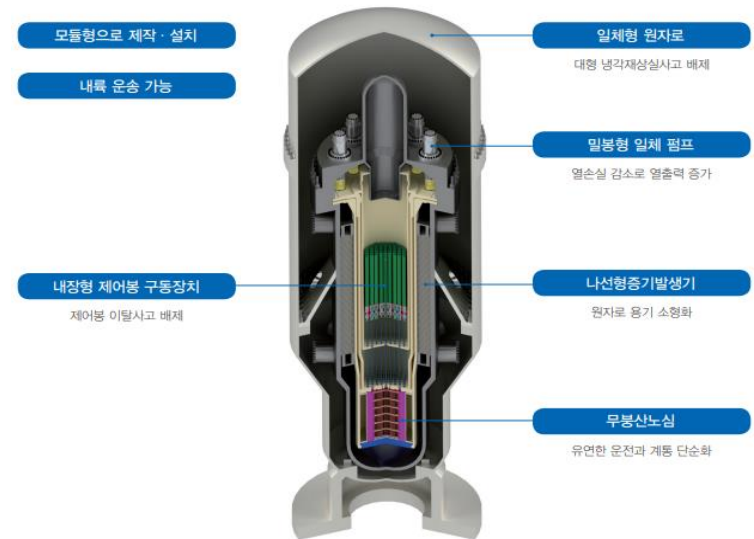
[Shop Tour on Doosan facility]

Progress of Romania’s NuScale SMR project

- **Overview**
 - RoPower plans to build a 462MWe SMR Plant on an old Nova CFP site
- **Financing of Project**
 - US EXIM/JBIC/ENEC/DPSE announced financing for the project (\$275Mn)
 - US EXIM and USIDFC issued LOI of \$4Bn financing ('23)
- **Progress and Target Schedule**
 - FEED² 1st stage completed (YE23)
 - FEED 2nd stage contract signing expected in Jul. 2024
 - : early work committed
 - Commercial Operation ('30)
 - : expected after completion of FEED 2nd stage

Progress of Korean i-SMR project

- Engaged in design and manufacturing for i-SMR
 - i-SMR Development Agency launched in '23
 - Target for standard design approval in '28
 - Doosan to develop manufacturability evaluation on major equipment (Gov't R&D)
 - Doosan to supply i-SMR equipment after completion



[Structure drawing of Korean Innovative SMR(i-SMR)]

1. Established by equity investment of SNN and Nova Power & Gas
 2. Front End Engineering and Design

Appendix. Financial Summary – Balance Sheet

B/S – Managerial Consolidation

Unit: KRW Bn, %

	'22	'23	'24. 1Q	Chg.
Current Asst	4,314	5,107	5,176	+69
Cash Equivalents	748	1,265	1,195	-69
Non-Current Asst	10,562	10,050	10,134	+84
Total Asst	14,876	15,157	15,311	+153
Total Liabilities	8,070	8,758	8,841	+83
Net Debt	2,569	1,905	1,993	+87
Total Equity	6,805	6,399	6,470	+70
Liability/Equity	118.6%	136.9%	136.6%	-0.2%p

B/S - Consolidation

Unit: KRW Bn, %

	'22	'23	'24. 1Q	Chg.
Current Asst	8,098	9,641	10,332	+690
Cash Equivalents	1,503	2,740	3,056	+316
Non-Current Asst	14,950	14,999	15,325	+325
Total Asst	23,049	24,640	25,657	+1,016
Total Liabilities	12,969	13,799	14,404	+605
Net Debt	3,404	2,023	1,842	-180
Total Equity	10,080	10,841	11,252	+410
Liability/Equity	128.7%	127.3%	128.0%	+0.7%p

Appendix. Financial Summary - Standalone

Summary – P/L

Unit: KRW Bn, %

	'23.1Q	'23.4Q	'24.1Q	YoY	QoQ
Order	4,164	2,732	553	-86.7%	-79.7%
Backlog	18,305	14,655	13,779	-24.7%	-6.0%
Sales	1,390	2,132	1,429	+2.8%	-33.0%
EBIT	93	202	62	-32.5%	-69.0%
(%)	6.7%	9.5%	4.4%	-2.3%p	-5.1%p
EBITDA	122	230	89	-33	-141
Net Profit	29	-181	49	+19	+231

Summary - Standalone

Unit: KRW Bn, %

	'22	'23	'24.1Q	Chg.
Current Asst	3,537	4,051	4,186	+134
Cash Equivalents	393	807	742	-64
Non-Current Asst	9,651	9,632	9,711	+78
Total Asst	13,189	13,684	13,897	+212
Total Liabilities	7,075	7,759	7,913	+153
Net Debt	2,850	2,256	2,377	+121
Total Equity	6,113	5,924	5,984	+59
Liability/Equity	115.7%	131.0%	132.2%	+1.3%p

