



Doosan Heavy Industries Co., Ltd.
3Q 2021 Earnings Release

October 2021



Disclaimer

This presentation was prepared for the convenience of investors. The financial figures contained in this presentation are K-IFRS consolidation and DHI operation¹⁾ basis.

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1) DHI Operation : DHIC Parent + Overseas Subsidiaries + Doosan Mecatec

3Q 2021 Financial Results – Income Statement (Accumulated)

- Orders grew 45% YoY due to Saudi Yanbu4 Desalination, Dangjin LNG storage tank project.
- Sales grew 1.7% YoY progress overrun of domestic and overseas large EPC projects.
- OP turned to surplus due to sales growth, cost improvement and the last year's restructuring.
- NP turned to surplus due to increased operating profit and Doosan Bobcat PRS revaluation profit¹⁾

■ Summarized Income Statement (DHI Management Consolidation)

(Unit : KRWbn)

	3Q20 (accumulated)	3Q21 (accumulated)	YoY	'21 Plan
Orders	2,567	3,719	+44.9%	8,652
Backlog	12,915	13,166	+1.9%	
Sales	3,815	3,879	+1.7%	5,898
OP	-363	226	turn to surplus	221
OP Margin (%)	-9.5%	5.8%	turn to + margin	3.8%
EBITDA	-194	376	turn to surplus	
Net Financial cost	164	155	-5.4%	
Other non-operating income & expenses	-469	151	turn to surplus	
Profit before Tax	-979	204	turn to surplus	
Net Profit	-1,066	150	turn to surplus	

1) In 3Q Doosan Bobcat stock price recorded 40,050 won, an increase of 135% from 29,650 won at the end of last year, reflecting non-operating profit of KRW 117 Billion.

3Q 2021 Financial Results – Income Statement(3Q)

- Orders grew 40% QoQ due to Dangjin LNG storage tank project.
- Sales grew 17% YoY, 20% QoQ due to progress overrun of domestic and overseas large EPC projects.
- OP turned to surplus YoY, up 11% QoQ due to sales growth, cost improvement and the last year's restructuring.
- Quarterly net loss due to Doosan Bobcat PRS revaluation loss¹⁾

■ Summarized Income Statement (DHI Management Consolidation)

(Unit : KRWbn)

	3Q20	2Q21	3Q21	YoY	QoQ
Orders	730	998	1,399	+91.8%	+40.2%
Backlog	12,915	12,884	13,166	+1.9%	+2.2%
Sales	1,237	1,208	1,448	+17.0%	+19.8%
OP	-22	79	88	turn to surplus	+11.3%
OP Margin (%)	-1.8%	6.6%	6.1%	turn to + margin	-0.5%p
EBITDA	34	129	137	+298.8%	+6.7%
Net Financial cost	58	52	55	-4.0%	+6.5%
Other non-operating income & expenses	-202	68	-46	loss decrease	PRS loss
Profit before Tax	-298	97	-19	loss decrease	”
Net Profit	-356	67	-14	loss decrease	”

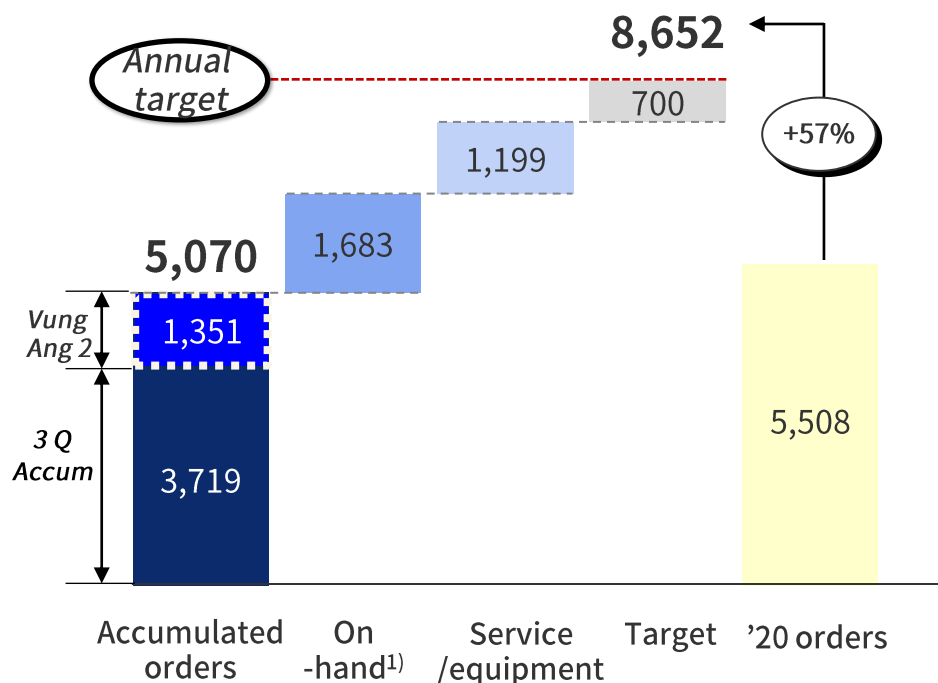
1) PRS revaluation profit/loss in 2021 : 1Q KRW 135B profit, 2Q : KRW 64B profit, 3Q : KRW 82B loss (accumulated profit KRW 117B.)

New order & Annual Forecast

Accumulated orders of KRW 3.7T in 3Q. Including Vietnam Vung Ang2(1.4T) recognized on 26 October, new orders exceeded 5 trillion won. Forecast annual order of KRW 8.6T by on-hands project's order recognition.

New orders & Annual Forecast(DHI Mgt. Con.)

(Unit : KRWbn)



On-hand projects status

PJT name	Amount	Contract signing	Order recognition
• Vung Ang 2	1.4T	Oct '20	Oct 26, '21 (completed)
• Domestic offshore wind (Jeju Hanlim)	0.2T	Apr '21	Nov '21
• Nepal hydropower*	0.4T	Oct '20	Nov '21
• Guam Ukudu CCPP*	0.5T	Dec '20	Nov '21
• Others	0.6T	4Q '21	4Q '21

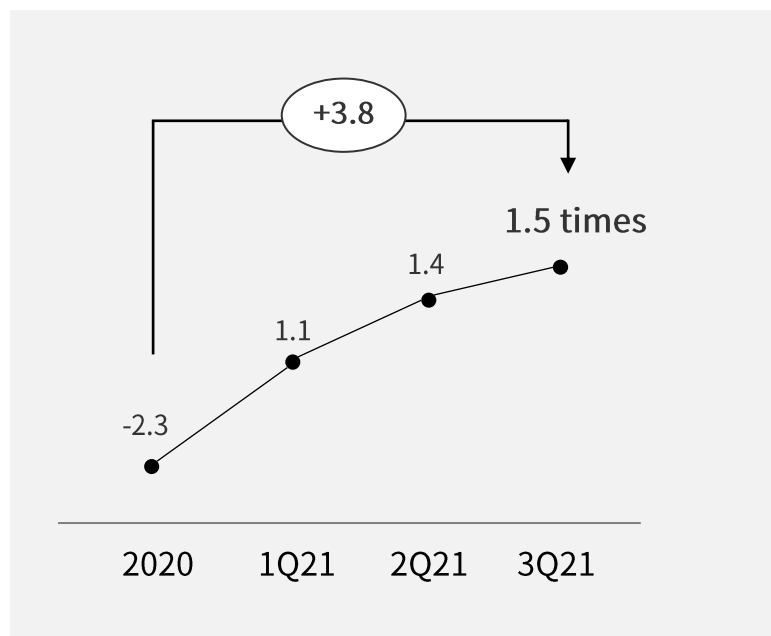
* Work in progress after receiving LNTP(Limited Notice to Proceed)

1. On-hand : Projects, recognized as orders, by owner's PF closing.
Highly likely to recognize orders within this year.

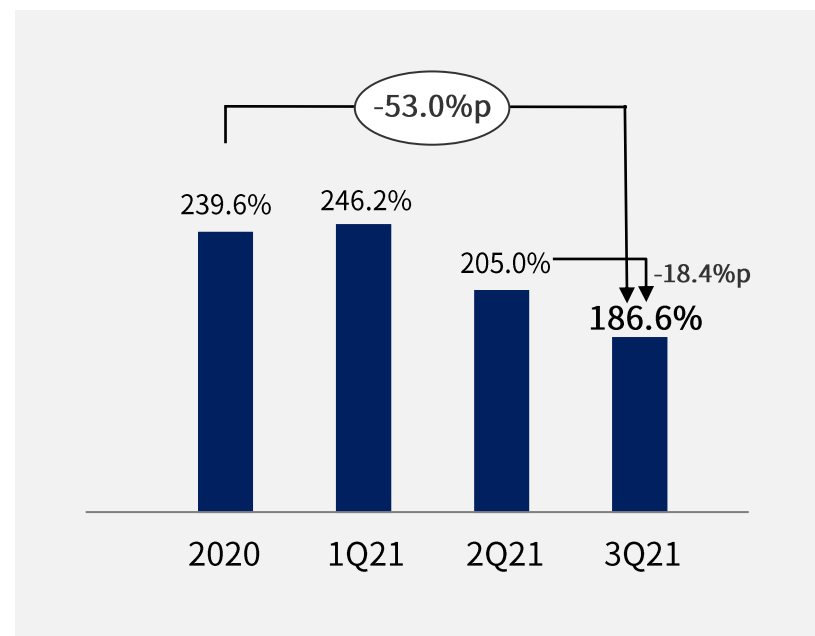
ICR & Liability/Equity ratio trend

- ICR achieved 1.5 times due to improved financial structure, operating profit growth.
- Liability/Equity ratio continued to improve by investment in-kind, capital increase and financial structure improvement.

■ ICR(Interest Coverage Ratio) (DHI Mgt. Con.)



■ Liability/Equity ratio (DHI Mgt. Con.)



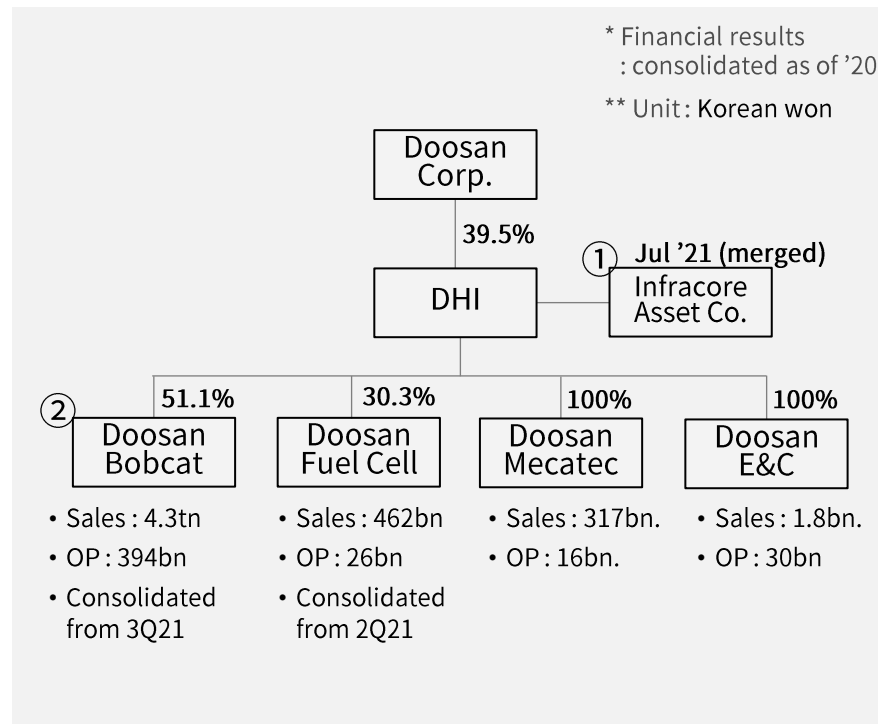
- ✓ Improved by 18.4% QoQ due to capital increase such as issuance of new shares and warrant conversion related to the merger of Infracore Asset Co.

Effect of sale & merger of Doosan Infracore

Sold Doosan Infracore's Business Co. and merged Asset Co. in 3Q '21.

- ① DHI merged Doosan Infracore Asset Co.
- ② DHI consolidated Doosan Bobcat as a subsidiary.

■ Governance structure (as of the end of Oct '21)



Aug '21 (sold)

Infracore
Business Co.

■ Doosan Infracore merger effect

✓ Merger of Asset Co.

Assets Increase KRW 2,259bn . Cash (KRW 309bn) . Cashable assets (KRW 116bn) . Doosan Bobcat, etc. (KRW 1,834bn)	Liability Succession KRW 996bn . Debt (KRW 960bn, etc.)
	Equity Increase KRW 1,262bn . Issuance of new shares related to the merger : KRW 1,067bn . BW, etc (KRW 195bn)

✓ Liability/Equity ratio improvement

: 187% → 162% (separate basis)

Separate Income Statement

- Sales grew 14% YoY, 12% QoQ due to progress overrun of domestic and overseas large EPC projects.
- OP turned to surplus due to sales growth.
- Net loss decreased YoY due to sales growth and operating surplus.

(Unit : KRWbn)

	3Q20	2Q21	3Q21	YoY	QoQ
Sales	797	812	911	+14.3%	+12.2%
OP	-23	67	43	turn to surplus	-35.0%
OP Margin (%)	-2.8%	8.2%	4.8%	turn to + margin	-3.4%p
EBITDA	19	103	79	+324.6%	-23.1%
Net Financial cost	49	40	47	-2.7%	+17.3%
Other non-operating income & expenses	-218	71	-44	loss decrease	PRS loss
Profit before Tax	-291	107	-67	loss decrease	”
Net Profit	-349	79	-58	loss decrease	”

Consolidated Income Statement

- Sales grew 23% YoY, 19% QoQ due to DHI, Doosan Bobcat, and Doosan Fuel Cell's sales growth.
- OP grew 128% YoY due to DHI, Doosan Bobcat and Doosan E&C's OP growth.
- NP turned to surplus YoY due to sales & OP growth.

(Unit : KRWbn)

	3Q20	2Q21	3Q21	YoY	QoQ
Sales	2,821	2,901	3,461	+22.7%	+19.3%
OP	107	255	243	+127.6%	-4.5%
OP Margin (%)	3.8%	8.8%	7.0%	+3.2%p	-1.8%p
EBITDA	197	339	339	+72.5%	+0.2%
Net Financial cost	83	74	77	-6.5%	+4.5%
Other non-operating income & expenses	-23	27	-111	PRS loss	PRS loss
Profit before Tax	-4	208	23	turn to surplus	"
Tax expense	95	68	12	-87.1%	"
Discontinued operations P/L ¹⁾	18	61	102	+454.9%	+66.3%
Net Profit	-81	202	113	turn to surplus	-44.3%

1) Classified Doosan Infracore's business results into discontinued operations backed by business carve-out fix and signing on SPA(Feb. 5th '21) by approval on the Shareholder's meeting(May 13th '21)

[Back Up] Separate Balance Sheet

(Unit : KRWbn)

	2020	2Q21	3Q21	Difference (compared to 2020)
Current Asset	2,970	4,149	3,836	+866
Non-Current Asset	8,177	8,137	10,190	+2,013
Total Asset	11,147	12,286	14,026	+2,879
Total Liabilities	7,686	8,004	8,405	+719
- Net Debt	4,470	4,264	4,374	-96
Total Equity	3,461	4,282	5,621	+2,160
Liabilities/Equity Ratio	222.1%	186.9%	149.5%	-72.6%p
Net Debt Ratio	129.2%	99.6%	77.8%	-51.4%p

[Back Up] Consolidated Balance Sheet

(Unit : KRWbn)

	2020	2Q21	3Q21	Difference (compared to 2020)
Current Asset	9,947	15,104	9,197	-750
Non-Current Asset	15,620	14,135	15,462	-159
Total Asset	25,567	29,239	24,659	-908
Total Liabilities	18,461	20,219	16,404	-2,057
- Net Debt	7,407	5,424	5,824	-1,583
Total Equity	7,106	9,020	8,254	+1,148
Liabilities/Equity Ratio	259.8%	224.2%	198.7%	-61.1%p
Net Debt Ratio	104.2%	60.1%	70.6%	-33.6%p

Q&A

