

**DOOSAN**

Doosan Enerbility Co., Ltd.

# 2023 3Q Earnings Release

**DOOSAN**



# Disclaimer

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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 consolidated<sup>1)</sup>, IFRS consolidated, and IFRS parent basis.

1) Managerial consolidated : IFRS parent + Overseas Subsidiaries results

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1. 2023 3Q Results
2. 2023 3Q Highlights

# 2023 3Q Results Summary - Managerial Consolidation

- Achieved 68% of FY23 order target thanks to Shin-hanul #3/4 nuclear and Kazakhstan CCPP
- Sales and EBIT improved YoY driven by increased new orders and backlog
- A slight increase of Net Debt in Q3 but annual level has decreased
- Temporary increase of Liability/Equity ratio due to Advance Payments received, some of Advance Payment liability resolved in Q3

## Summary

(Unit: KRW Bn, %)

	'22.3Q Accum.	'23.3Q Accum.	YoY	'23.2Q	'23.3Q	QoQ
Orders	4,686	<b>5,874</b>	+25.4%	859	710	-17.4%
Backlog	14,018	<b>15,395</b>	+9.8%	16,437	15,395	-6.3%
Sales	4,467	<b>5,239</b>	+17.3%	1,806	1,770	-2.0%
EBIT	148	<b>175</b>	+18.4%	33	57	+69.8%
(%)	3.3%	<b>3.3%</b>	-	1.8%	3.2%	+1.4%p
EBITDA	278	<b>278</b>	-1	66	90	+24
Net Profit	-206	<b>-11</b>	+1,943	-3	-46	-43
Net Debt	2,570	<b>2,320</b>	-2,495	1,961	2,320	+359
Liability/Equity	118.6%	<b>123.7%</b>	+5.1%p	129.3%	123.7%	-5.6%p

1. Balance Sheet items are based on FY22

# 2023 2Q Results Summary - Consolidation

- Sales increased by 18% YoY by sales growth of Doosan Enerbility and Bobcat
- EBIT increased by 40% YoY driven by margin improvement from Enerbility, Bobcat and FuelCell
- Net profit YoY expanded driven by removal of one-off cost in '22 and improved profitability
- Quarterly performance has decreased due to dampening of Bobcat performance
- Net Debt decreased thanks to sales of Bobcat shares and Advance Payments received

## Summary

(Unit: KRW Bn, %)

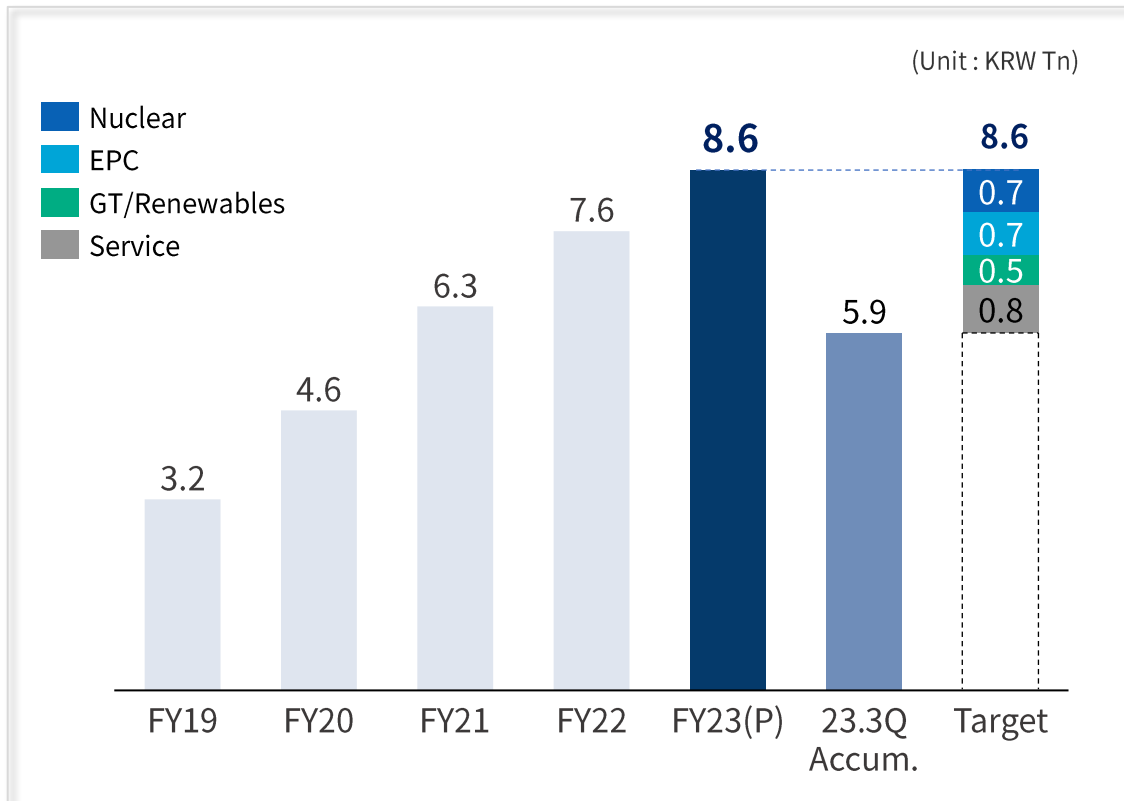
	'22.3Q Accum.	'23.3Q Accum.	YoY	'23.2Q	'23.3Q	QoQ
Sales	10,799	<b>12,735</b>	+17.9%	4,539	4,155	-8.5%
EBIT	834	<b>1,171</b>	+40.3%	495	311	-37.0%
(%)	7.7%	<b>9.2%</b>	+1.5%p	10.9%	7.5%	-3.4%p
EBITDA	1,123	<b>1,446</b>	+323	587	402	-185
Net Profit	31	<b>554</b>	+523	263	120	-142
Net Debt	3,405	<b>2,473</b>	-932	2,346	2,473	+127
Liability/Equity	128.7%	<b>123.4%</b>	-5.3%p	129.5%	123.4%	-6.1%p

1. Balance Sheet items are based on FY22

# 2023 1H New Orders / Annual Target

- Achieved KRW 5.9Tn orders<sup>1)</sup> which is 68% of annual target
- Pursuing Nuclear Cask PJT<sup>2)</sup> and offshore wind PJT<sup>3)</sup> which Doosan selected as a preferred bidder
- Expected to achieve the annual target(KRW 8.6 Tn) with targets such as large GT demonstration, SMR, EPC, etc., and efforts to discover additional potential

## 3Q Accumulated Orders / Annual Target



## [3Q Key Orders]

(Unit : KRW Tn)

Shin Hanul #3,4 Nuclear	2.9
Kazakhstan Turkistan CCPP	1.1
Boryeong CCGT	0.3
Service/O&M/Construction	1.6

## [Remaining Order Targets]

SMR	0.7
CCPP	0.7
Gas Turbine, Hydrogen/Renewable	0.5
Service/O&M/Construction	0.8

1) Shin Hanul #3/4 , Turkistan CCPP(Kazakhstan), and Boryeong CCGT  
 2) Supply of the dry storage of spent nuclear fuel – Cask Container project  
 3) Handong pyeongdae offshore wind power EPC / WTG supplier project

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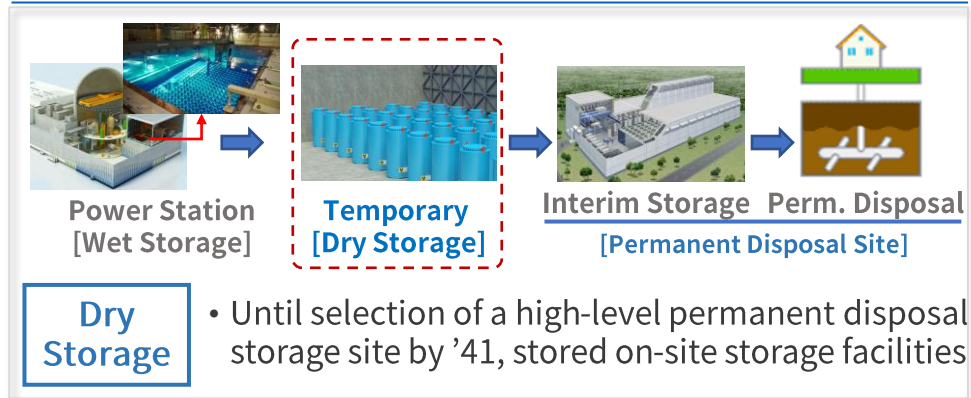


1. 2023 3Q Results
2. 2023 3Q Highlights



# Winning Spent Nuclear Fuel Cask Project with Homegrown Technology

## High-level Radioactive Waste Mgmt. Process (Plan)



## Domestic Market Size (PWR<sup>1</sup> type)

TYPE	Market Size <sup>2</sup> (No. of Cask)	Timeline
<b>Dry Storage</b>	• KRW3.0Tn(Apprx. 1,000)	• 2023 ~ 2041
Interim Storage	• KRW5.4Tn(Apprx. 1,800)	• 2042 ~ 2060
Perm. Disposal	• KRW7.5Tn(Apprx. 15,000)	• 2060~

Hanbit	
Fuel rod (Capacity)	7,093 (79%)
Saturation	2031

Kori	
Fuel rod (Capacity)	7,107 (88%)
Saturation	2031

Hanul	
Fuel rod (Capacity)	6,743 (86%)
Saturation	2032

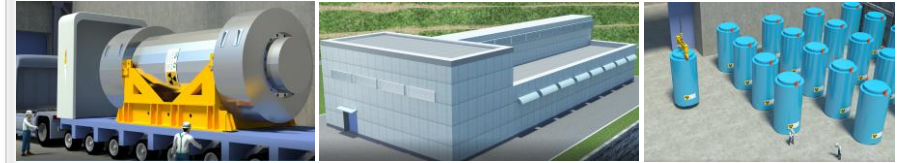
  

Shin-Wolsung	
Fuel rod (Capacity)	794 (76%)
Saturation	2044

## Cask Business Progress (KHNP)

### What is Cask?

- Container for storing spent nuclear fuel from wet storage pool to dry storage facility on site



- 20,Oct.'23 : Selected as a preferred bidder
- 31,Oct.'23 : Signed agreement KHNP-Doosan
- 2025~2027 : Design Approval for Transport/Storage Cask (Approved by Korea Nuclear Safety and Securities Commission)
- 2027~ : [Step 1] Production Order (For domestic supplier → Doosan)
- '2032~ : [Step 2] NTP for Dry Storage Project

### Significance of Cask PJT Award

- Securing favorable position for mass production order via **proving design capability with Cask design project**
- **Expanding to overseas market** with enhanced production quality and price competitiveness for mass production



# Selected as a preferred bidder for Handong Pyeongdae Offshore Power Project

## PROJECT INFO



### Project

- Jeju Handong Pyeongdae Offshore Wind
- Site : Off the coast of North east side of Jeju
- Capacity : 104MW (8MW x 13 Units)
- PJT Cost (Expected) : KRW 590 Bn (excl. VAT)

### Sponsor

- Jeju Energy Corp. (JECO)

### Competition<sup>1</sup>

- Hyosung/Shanghai Electric (8.5MW)
- Unison/Mingyang Smart Energy (14MW)

### Scope

Supply of  
Equipment  
(WTG)



LTSA  
(Expected for  
20yrs)

## KEY DEVELOPMENT

- '23 May : Announce RFP
- '23 Aug. : MOU between Doosan and Korea East-West Power for bidding
- '23 Oct. : **Selected as preferred bidder<sup>2</sup>**
- '23 Nov. : Signing of PPP agreement
- '24.1Q : Establishment of SPC
- '24.2H : **Signing of WTG Supply Agreement (P)**
- '25.2H : PAC(Expected) / '28.1Q : COD(Expected)

## Significance of Preferred Bidder Selection

- Commercialization of **the first Korean 8MW WTG**
- **Competed with Chinese large-scale WTG**  
→ Confirming competitiveness of Korea WTG
- Contributing to vitalization of WTG industry supply chain and energy security as **the only domestic WTG manufacturer**

1. Shanghai Electric (China) SEC EW8.5MW-230, Mingyang (China) MySE14MW-260

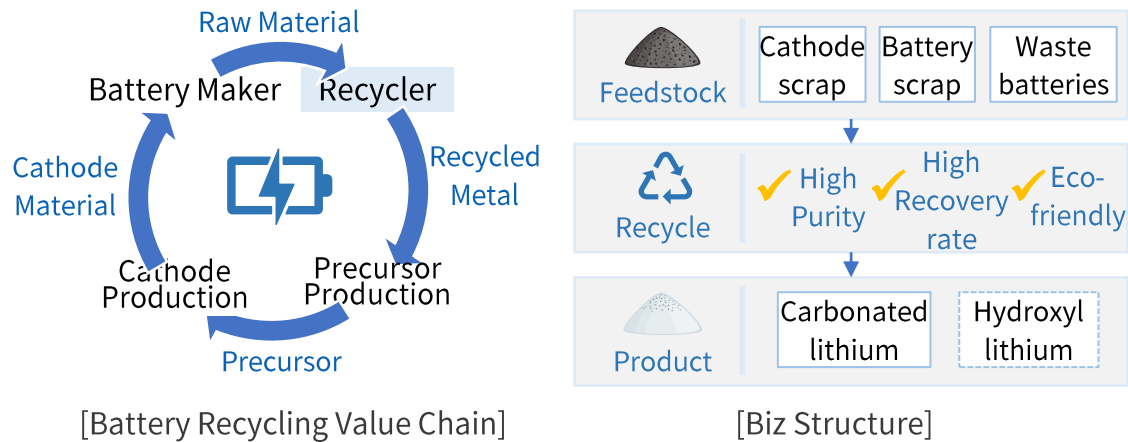
2. Bidders : 1) EWP+Dowha+KBAM(WTG: Doosan), 2) KOMIPO+KOSPO(WTG: Hyosung/Shanghai Electric), 3) HDC(WTG: Unison/Mingyang)

# Doosan Recycle Solution – Battery recycling business

## Doosan Recycle Solution\_ Business overview

### Biz model

- Collecting lithium from battery scrap & waste batteries
- Reliable technology proven through competitive purity and recovery rates



### Domestic Biz

- Location: Daegu National Industrial Complex
- Capa: 3,000ton/year (3,200 pyeong)

③ Overseas biz

① Technology Development / Demonstration

② Commercialization

- Building profit center with domestic customer demand
- Performing Center of Excellence for overseas biz

## Key events

- Jul '23 Establishment of Doosan Recycle Solutions Co., Ltd.
- Aug '23 MOU with Daegu-si



- Dec '23 Site contract
- '24 Construction begins
- Late '25 Completion

Commercial operations and revenue generation

# Appendix. Financial Summary – Balance Sheet

## B/S – Managerial Consolidation

(Unit: KRW Bn, %)

	'21	'22	'23.3Q	Chg.
Current Asst	5,230	4,314	<b>4,895</b>	+581
Cash Equivalents	1,418	748	<b>905</b>	+157
Non-Current Asst	11,047	10,562	<b>10,369</b>	-193
Total Asst	16,278	14,876	<b>15,264</b>	+388
Total Liabilities	10,284	8,071	<b>8,442</b>	+371
Net Debt	3,914	2,570	<b>2,320</b>	-250
Total Equity	5,994	6,806	<b>6,823</b>	+17
Liability/Equity	171.6%	118.6%	<b>123.7%</b>	+5.1%p

## B/S - Consolidation

(Unit: KRW Bn, %)

	'21	'22	'23.3Q	Chg.
Current Asst	8,418	8,099	<b>9,551</b>	+1,452
Cash Equivalents	2,429	1,503	<b>2,374</b>	+871
Non-Current Asst	15,303	14,951	<b>15,389</b>	+438
Total Asst	23,721	23,050	<b>24,940</b>	+1,890
Total Liabilities	14,913	12,970	<b>13,779</b>	+809
Net Debt	4,776	3,405	<b>2,473</b>	-932
Total Equity	8,808	10,080	<b>11,161</b>	+1,081
Liability/Equity	169.3%	128.7%	<b>123.4%</b>	-5.3%p

# Appendix. Financial Summary - Standalone

## Summary – P/L

(Unit : KRW Bn, %)

	'22.3Q Accum.	'23.3Q Accum.	YoY	'23.2Q	'23.3Q	QoQ
Order	4,295	<b>5,255</b>	+22.4%	628	462	-26.4%
Backlog	12,127	<b>13,912</b>	+14.7%	14,963	13,912	-7.0%
Sales	3,680	<b>4,519</b>	+22.8%	1,615	1,513	-6.3%
EBIT	120	<b>252</b>	+111.0%	103	56	-46.1%
(%)	3.2%	<b>5.6%</b>	+2.4%p	6.4%	3.7%	-2.7%p
EBITDA	221	<b>334</b>	+113	129	83	-47
Net Profit	-330	<b>78</b>	+407	83	-35	-118

## Summary – B/S

(Unit : KRW Bn, %)

	'21	'22	'23.3Q	Chg.
Current Asst	3,684	3,538	<b>4,034</b>	+497
Cash Equivalents	872	394	<b>550</b>	+156
Non-Current Asst	10,348	9,652	<b>9,767</b>	+115
Total Asst	14,032	13,190	<b>13,801</b>	+611
Total Liabilities	8,330	7,076	<b>7,579</b>	+503
Net Debt	3,836	2,851	<b>2,567</b>	-284
Total Equity	5,702	6,114	<b>6,222</b>	+109
Liability/Equity	146.1%	115.7%	<b>121.8%</b>	+6.1%p

