

Doosan Enerbility Co., Ltd.

Investor NDR

DOOSAN

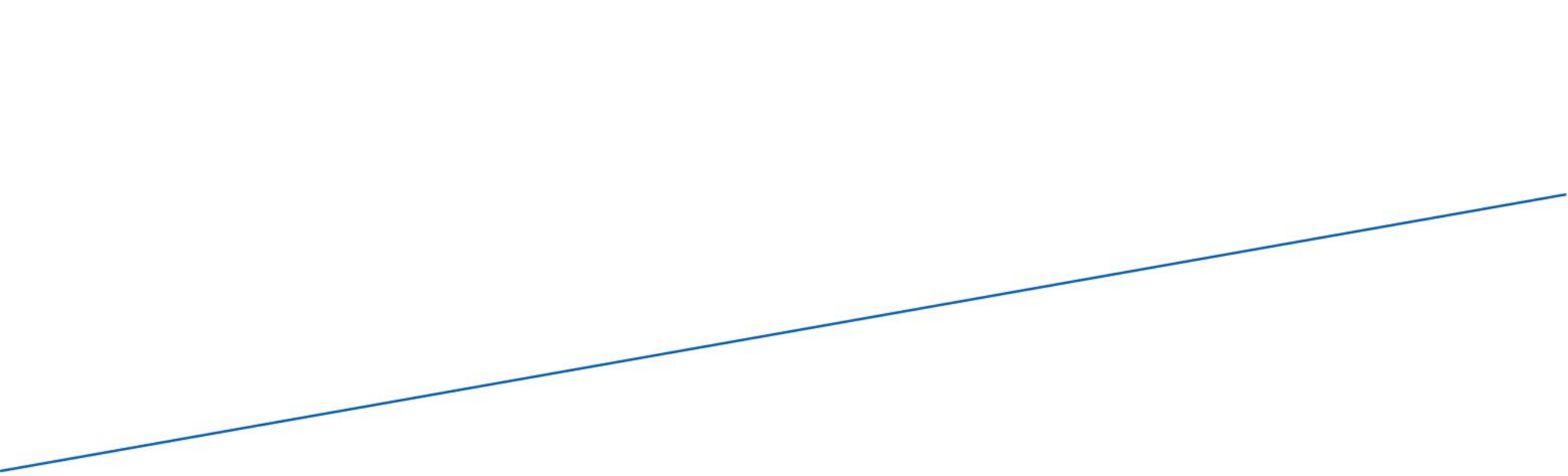


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This material is prepared as reference material for investors to make investment decisions, and we do not provide any guarantees to investors or assume responsibility for the contents of this material. In addition, we trust that our investors' investments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

Note: 1 Doosan Enerbility managerial consolidated : IFRS parent + Overseas Subsidiaries results



1. Company Overview

Doosan Group: Key Business Pillars and Growth Strategy

"New *DOOSAN*" - Three Pillars for Future Growth

Clean Energy

Transformation to sustainable energy solution provider

- Next-gen nuclear power plant (SMR)
- Gas turbine
- Renewables
- Hydrogen

"Carbon Neutrality, Electrification"

Smart Machine

Strengthening competitiveness through advanced technology

- Construction equipment electrification/automation
- Cobot business
- Logistics automation
- Hydrogen fuel cell drone

"Smart Equipment, Robot, Automation"

Advanced Materials

Semiconductor + Advanced Materials business expansion

- Total semiconductor OSAT⁽¹⁾
- Mobile/communication/advanced materials for semiconductors

"Semiconductor, Electronic Devices"

Doosan Enerbility's Core Business Portfolio

4 Key Growth Drivers

Gas turbine	Renewables	Next-gen Nuclear (SMR)	Hydrogen
			
✓ Development of highly efficient turbines ✓ Acceleration of transition to hydrogen turbines	✓ Offshore wind business expansion ✓ Entry & expansion into the Renewables development business	✓ Competitive SMR Foundry establishment	✓ Securement of hydrogen energy technology ✓ Clean hydrogen provision business

New Businesses

Production Innovation	Circular Economy
	
✓ Expansion of the Metal Additive Manufacturing (AM) business	✓ Lithium extraction from waste batteries ✓ Resource recycling business

Enabler

Digital	
	Optimization of Big Data & AI Utilization ✓ Prediction/Inspection ✓ Digital Twin

Doosan Enerbility's Organizational Structure & Core Businesses

Business Structure

Nuclear BG

- Key nuclear plant components
 - Nuclear reactor, steam generator, etc.
- Next-gen nuclear power plant (SMR, etc.)
- Forging & casting materials

PLANT EPC BG

- CCPP⁽¹⁾ EPC / Nuclear power plant construction
- Renewables / Hydrogen
- Desalination
- Civil / Construction

Power Service BG

- Power generator components
 - Gas turbine, steam turbine, power generator, wind turbine, etc.
- Generator performance enhancement / maintenance service

Core Businesses

Nuclear Power



Combined Cycle Power



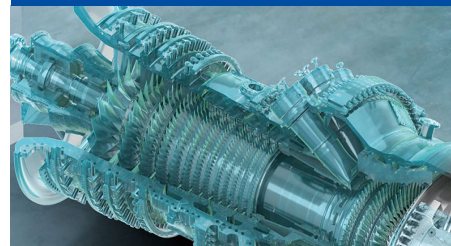
Wind Power



Desalination

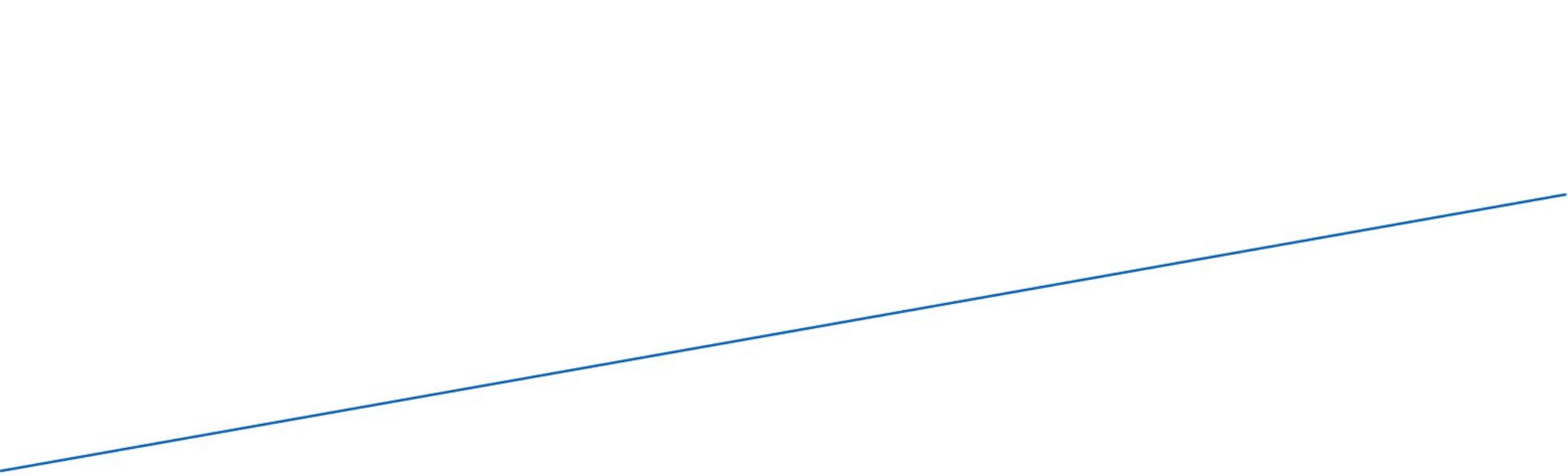


Gas Turbine



New Business





2. 2024 3Q Highlights

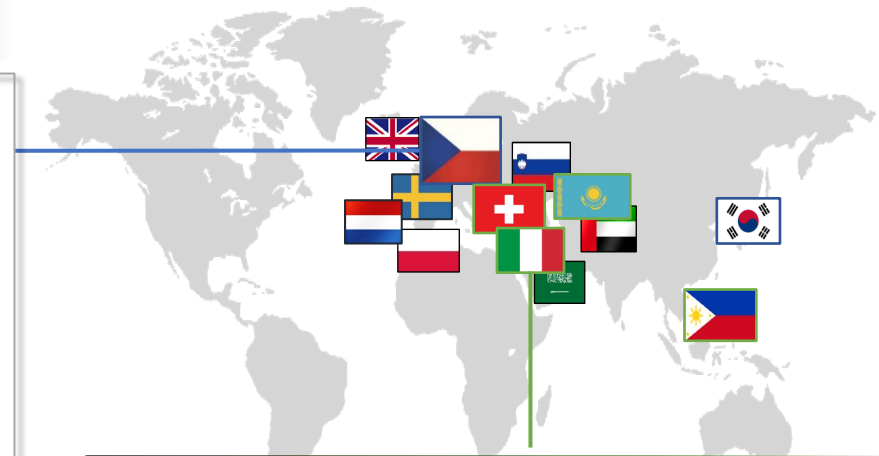
All efforts on securing the Czech order in 1H25, while expanding global sales activities targeting countries adopting new nuclear power plants

[Czech] Agreement Signed after selected as preferred bidder

- 2022: Submitted bid proposals (Korea / U.S. / France)
- Jan 2024: U.S. dropped, narrowing competition to Korea and France
- July 2024: Korea announced as a **preferred bidder**
- September 20, 2024: Full-cycle nuclear agreement signed at Doosan Skoda Power with both heads of state present
- October 2024: Ongoing contract negotiations with Czech client and Team Korea
- March 2025: EPC construction contract target
- 2H 2025: Anticipates key equipment supply contract

Promoting Subsequent Nuclear Power Project in Czech

- Ongoing bid efforts in key markets, such as Poland, UK, UAE, Saudi Arabia, and Türkiye



Global Trends in the Expansion of Nuclear Power Utilization

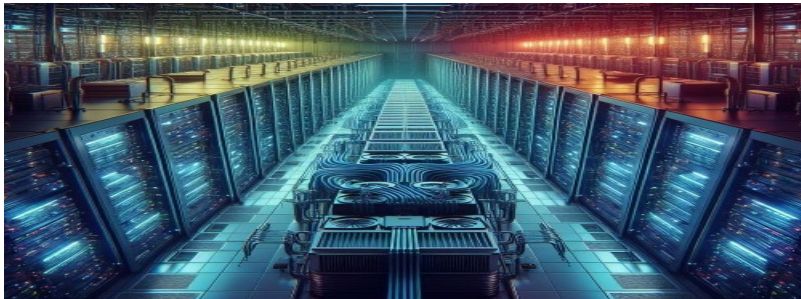
- 71% public approval for first nuclear power plant in **Kazakhstan**; anticipates competition among Korea, China, Russia, and France
- **Switzerland**, a strong renewable energy leader with 60% hydro power, plans to annul the 2017 nuclear phase-out decision
- **Italy**, the world's first nuclear phase-out country, reconsiders nuclear adoption in 35 years
- **Philippines** announced to secure 4.8GW of nuclear capacity by 2050, with 1.2GW by 2032

Nuclear Power Expansion for Data Centers

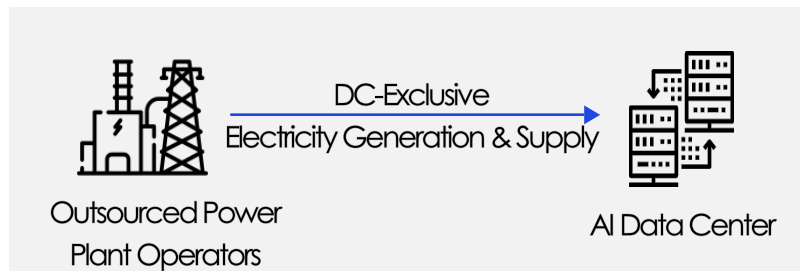
Anticipates growth in SMR and replacement equipment markets with growing interest in nuclear energy as a power source for data centers

Soaring power demand from AI adoption

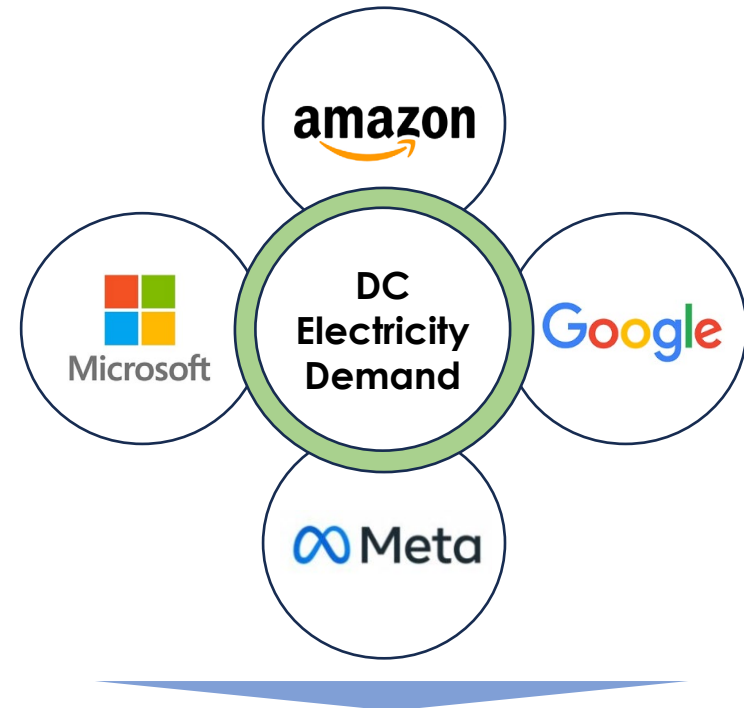
- AI Data Centers require over twice the power of typical Data Centers, underscoring the need for stable, carbon-free power sources like nuclear (SMR)



- With grid power usage restrictions, Big Tech companies are increasingly considering SMRs for dedicated Data Center power supply



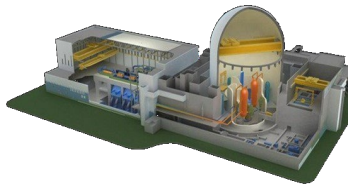
SMR as a Data Center power source



- Goldman Sachs forecasts a 15% CAGR in U.S. data center power demand through 2030¹⁾

1) Source: Goldman Sachs, "AI Data Centers and the Coming US Power Demand Surge" (April 2024)

Nuclear Market Expansion Outlook



Large Nuclear Plants

2024 Key Events

- Selected as a preferred bidder in the Czech nuclear project (July)
- 3 new nuclear plants in the draft of the 11th Basic Plan for Electricity Supply and Demand
- 22 countries, including Korea, U.S., U.K., and France, announced plans to triple nuclear capacity by 2050 at COP 28

“ Anticipates more than 10 orders for Korean nuclear reactors over the next 5 years ”

“ Anticipates expansion in the market for replacement equipment for operating reactors domestically / internationally “



NuScale

- Signed Romania Basic Design Phase 2 (FEED-2) (July)
- Currently in discussions with multiple Big Tech companies on data center power supply

“ Anticipates orders for 62 modules based on production capacity, with a potential of further capacity expansion with market growth ”



X-energy

- Dow advances initial SMR construction in Texas
- Amazon announced US \$500mn investment in X-energy (October)
- Anticipates adoption of 5GW+ SMR by 2039
- Equivalent to 60+ modules at 80MW each

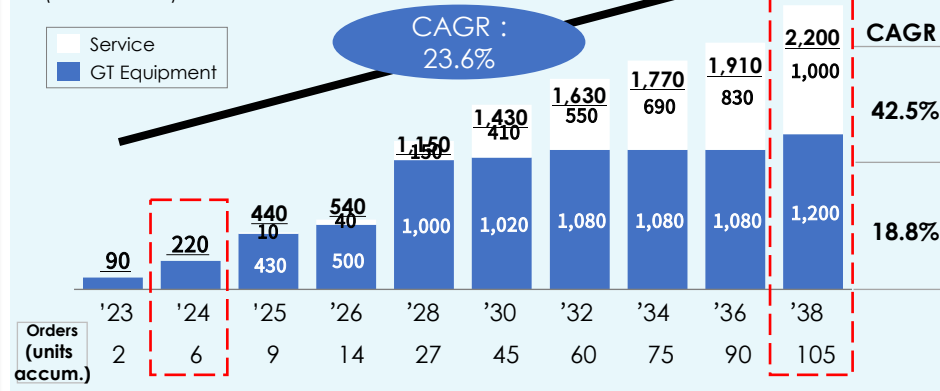
Secured orders for 5 gas turbines in 2024, marking the formal expansion of the gas turbine business, with accelerated growth in domestic and North American markets

Gas Turbine Business Sales Forecast

- With orders for Bundang CCPP and Haman CCPP, achieved 5 cumulative gas turbine orders as of Oct. '24
- Revenue expected to increase by 10x to KRW2.2tn in '38 compared to '24, by accumulating more than 100 orders

DGT Business Forecast

(Unit : KRW bn)



Gas Turbine Business Initiatives

Domestic

“Continued growth as a large-scale power source capable of zero-carbon transition”

- Succeeded in taking orders for Andong 2nd unit, Bundang CCPP, and Haman CCPP in '24, and progressing towards Yeosu CCPP contract by the end of '24
- Expected to secure business opportunities through the 11th Basic Plan for Electricity Supply and Demand
 - Upscaling order intakes through preemptively securing large/mid-scale hydrogen turbine projects
 - Strengthening competitiveness by expanding gas turbine model lines

Global

“Transition from a buyer market to a seller market”

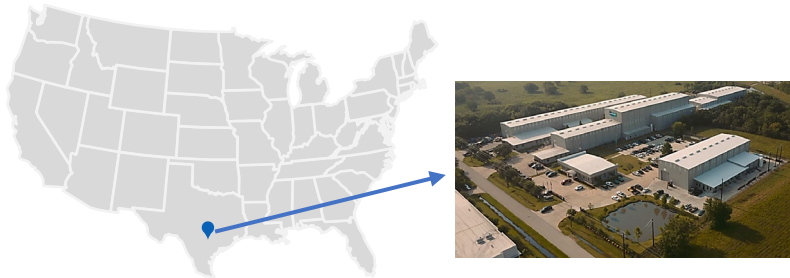
- Exceeded capacity due to an urgent 20GW project in the Middle East
- Increasing CCPP construction plans due to rising demand for electricity from U.S. data centers ¹⁾
 - Negotiating with client “A” for a potential CCPP project for U.S. data centers
 - Implementing initiatives to enter the U.S. market leveraging DTS, the company's gas turbine service subsidiary in the U.S.

1) Main source of power for data centers is anticipated to transition from CCPPs to SMRs in '30

Utilizing DTS, an American subsidiary specializing in gas turbine services, to enhance Doosan's brand awareness and springboard into U.S. DGT Gas Turbine business

DTS Company Overview

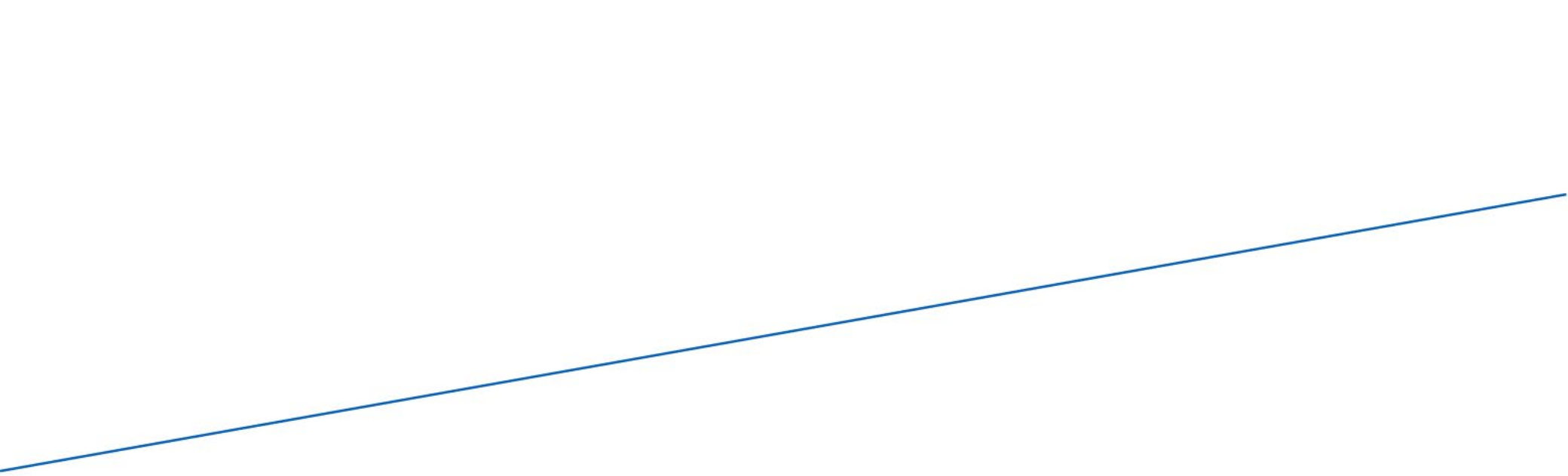
- Name : DTS (Doosan Turbomachinery Service, INC)
- Location: Texas (Houston)



- Main Business
 - Current: GT high-temperature component refurbishment, GT parts supply, ST retrofit
 - Anticipated : DGT Long-term Service (LTSA), Non-OEM GT improvement construction
- Key Clients : Major Generators in North America
 - Calpine, Vistra Energy, Duke Energy, etc.

DTS Leverage Plan

- **Enhance Doosan's brand awareness to key US clients by successfully conducting gas turbine businesses**
- **Establish DGT sales team and leverage DTS's existing network to identify potential opportunities**
 - Expand business opportunities through DTS's network, such as with major North American power companies
- **Establish Service Operation Centers in US**
 - Set up a service operation center in the U.S. to provide 24/7 service support
 - Establish Technical Center for tech supports
- **Establish a North American DGT RMS center to create value in service engineering**



3. 3Q24 Financial Results

2024 3Q Results Summary – Doosan Enerbility

- Orders decreased YoY due to the base effect of large PJT orders in '23 and concentration in Q4, but remain in-line with annual plans
- Revenue held steady, while EBIT improved due to high-margin PJT sales and reduced SG&A expenses
- Net profit increased driven by valuation gains on NuScale shares
- The debt ratio improved, aided by the resolution of prior excess billing projects

Results – Doosan Enerbility managerial consolidated

Unit: KRW bn, %

	'23.3Q Cumulative	'24.3Q Cumulative	YoY	'24.2Q	'24.3Q	QoQ
Orders	5,874 ¹	3,177	-45.9%	1,260	1,283	+1.8%
Backlog	15,269	13,902	-9.0%	14,230	13,902	-2.3%
Sales	5,239	5,126	-2.2%	1,814	1,612	-11.2%
EBIT	175	181	+3.0%	72	34	-52.3%
(%)	3.3%	3.5%	+0.2%p	4.0%	2.1%	-1.8%p
EBITDA	278	280	+2	107	66	-41
Net Income	-11	80	+91	51	-44	-95
Net Debt	1,906 ²	3,220	+1,314	2,527	3,220	+693
Liability / Equity	136.9% ²	128.8%	-8.1%p	131.7%	128.8%	-2.9%p

1) Shin Hanul #3,4 nuclear power plant key components (c. KRW3tn), Kazakhstan CCPP (c. KRW1.1tn)

2) Based on year end '23 B/S results

2024 3Q Results Summary – Doosan Enerbility

- Uncertainty in infrastructure investment policy pre-US election and dealer inventory adjustments led to decreased earnings for Doosan Bobcat, impacting consolidated results
- Debt ratio improved compared to the end of last year, maintaining a stable level

Results – Consolidated

Unit: KRW bn, %

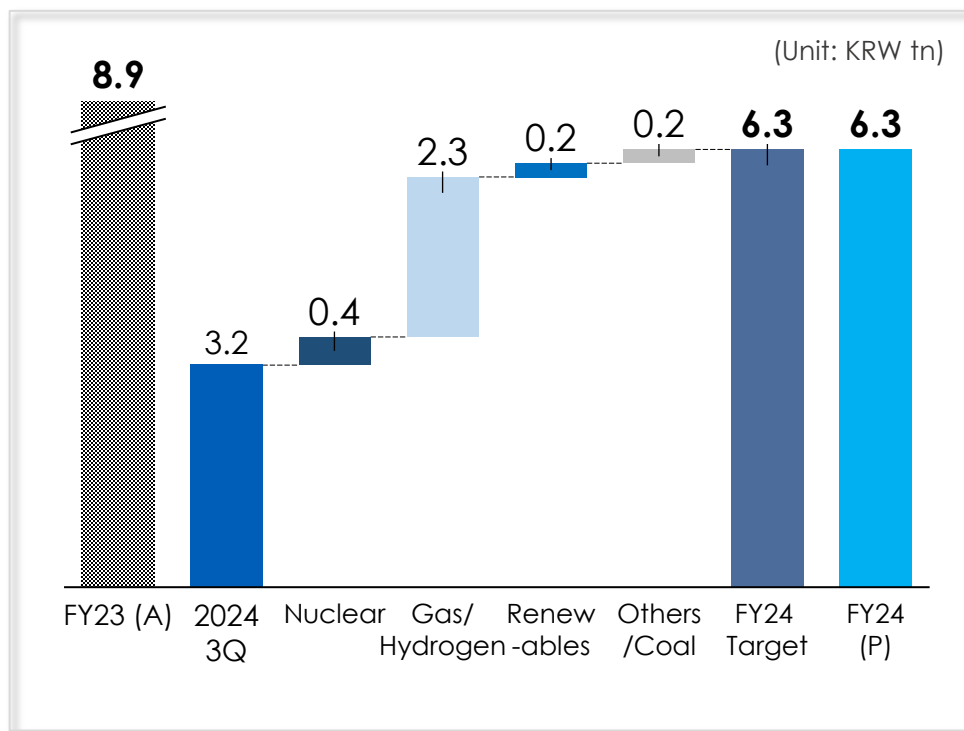
	'23.3Q Cumulative	'24.3Q Cumulative	YoY	'24.2Q	'24.3Q	QoQ
Sales	12,735	11,644	-8.6%	4,151	3,396	-18.2%
EBIT	1,171	783	-33.1%	310	115	-62.9%
(%)	9.2%	6.7%	-2.5%p	7.5%	3.4%	-4.1%p
EBITDA	1,446	1,071	-375	407	211	-196
Net Income	554	455	-99	221	-27	-247
Net Debt	2,024 ¹	3,620	+1,597	2,621	3,620	+999
Liability / Equity	127.3% ¹	122.2%	-5.1%p	124.0%	122.2%	-1.8%p

1) Based on year end '23 B/S results

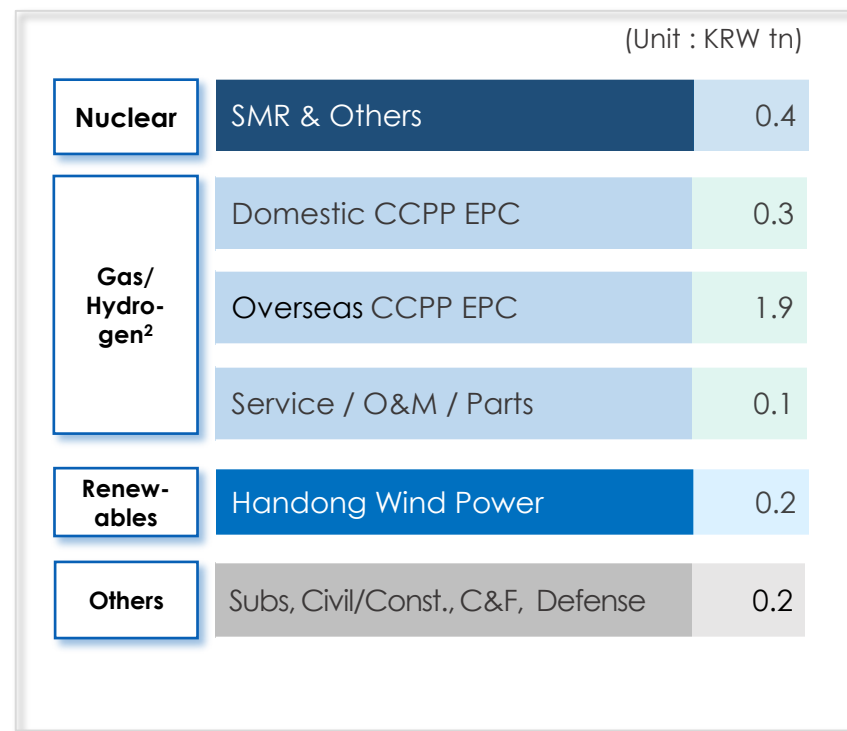
2024 3Q Cumulative Orders / Annual Target – Doosan Enerbility

- **Achieved KRW 3.2tn with 3Q cumulative orders** mainly driven by domestic gas CCPP, long-term service, and single-item/service orders¹
- Likely to achieve the annual order target of KRW6.3tn, with high visibility on projects from preferred bidder selected and on-hand projects

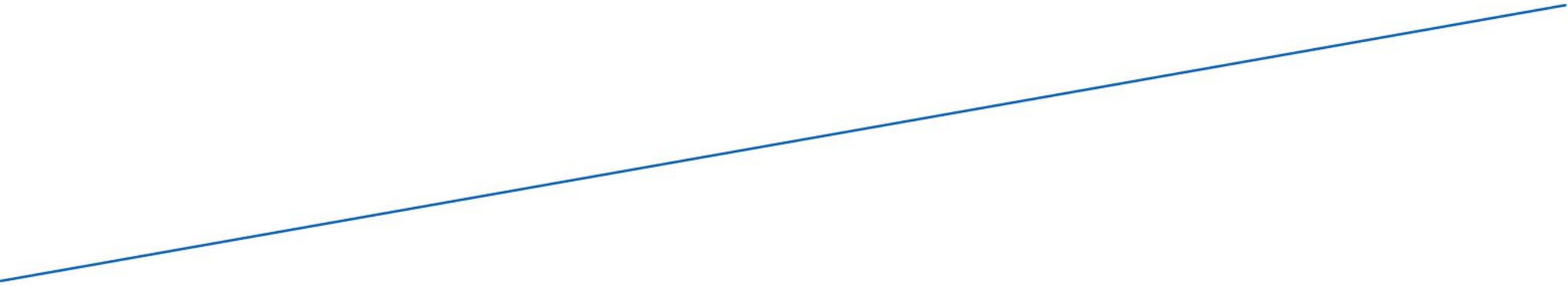
Orders / Annual Target



[2024 Remaining Order Target]



1) Bundang CCPP GT Supply (KRW 0.3Tn), Haman CCCPP GT and EPC (KRW 0.6Tn), Boryung GT LTPM (KRW 120Bn), Andong GT LTSA (KRW 87Bn), etc.
 2) Gas Turbine / Hydrogen Turbine



4. Business Reshaping Plan

Adjusted the spin-off and merger ratio within the applicable range to reflect various stakeholders' opinions

	Before	After	Expected Impact
Spin-off ratio	• Basis of the spin-off - Applied net asset ratio as a matter of practice since there is no explicit regulation for the spin-off of an unlisted company • Spin-off shares: c.24.7 (75 : 25) • Spin-off company value before the merger: c.KRW1.6tn - Spin-off shares: 158 mn - Stock price: KRW10,221	• Basis of the spin-off - Applied market capitalization ratio to reflect the objective market price of a listed company Bobcat, which is a key asset of the spin-off company • Spin-off shares: c.11.5 (88 : 12) • Spin-off company value before the merger: c.KRW1.6tn - Spin-off shares: 74 mn - Stock price: KRW21,850	➢ Addressed market concern that the original plan would excessively decrease the Enerbility shares; facilitated the understanding from the shareholder's perspective ➢ Increase in the number of Enerbility shares post spin-off (75 → 88) ➢ Spin-off company's value before the merger will remain the same of KRW 1.6tn as it is not a split-off
Merger ratio	• Value of spin-off company (Assuming listed) :Asset value 40% + Profit value 60% - Asset value = Market price - Profit value = Market price • Robotics value: Market price basis • Merger ratio (1: 0.128) - Spin-off company price: KRW10,221 - Robotics price: KRW80,114	• Value of spin-off company (Intrinsic value of unlisted) :Asset value 40% + Profit value 60% - Asset value = Market price - Profit value = Market price + control premium¹ (43.7%) • Robotics value: Market price basis • Merger ratio (1: 0.374) - Spin-off company price: KRW29,965 - Robotics price: KRW80,114	➢ Applied additional control premium for the profit value calculation of the spin-off company ➢ Increase of number of Doosan Robotics shares to be allocated to Doosan Enerbility shareholders
Spin-off merger ratio	• (+)3.2 shares per 100 existing shares (c. 75.3 shares of Doosan Enerbility and c. 3.2 shares of Doosan Robotics)	• (+)4.3 shares per 100 existing shares (c. 88.5 shares of Doosan Enerbility and c. 4.3 shares of Doosan Robotics)	➢ Holding stock value increase of c. KRW390,000 compared to the original plan (Based on 7/11 stock price)

1) Used the average control premium from the past 10 years of M&A in the same manufacturing industry as Doosan Bobcat (Machinery – Construction & Mining), based on the data from a global research company, Business Valuation Resource through an external assessment agency

Although various valuation methodologies were considered, there are very few practical cases of applying DCF and dividend discount model to listed stocks, and the external evaluator along with most of the accounting firms have suggested that the application of these methods is not feasible

Profit Value Analysis Method

- According to Article 6 of the Enforcement Rules on the Issuance and Disclosure of Securities, the profit value should be reasonably determined by **applying methods generally recognized as fair and valid** for calculating future value, such as discounted cash flow model or dividend discount model

Discounted Cash Flow (DCF)

- Method that calculates the present value by applying discount rate to expected future cash flows

Dividend Discount Model (DDM)

- Model that discounts expected future dividends into present value

Based on the assumption that investment is realized through dividends paid to investors from expected future returns or cash flow of the company

- These methods involve numerous **subjective assumptions of the evaluator**, which can lead to significantly different outcomes depending on the evaluator's judgement
- Also, both methods rely on key market indicators such as the stock price, interest rate, and industry outlook
- **For listed stocks with a market price, the discrepancies between the market price and the calculated value inherently suggest a methodological contradiction**

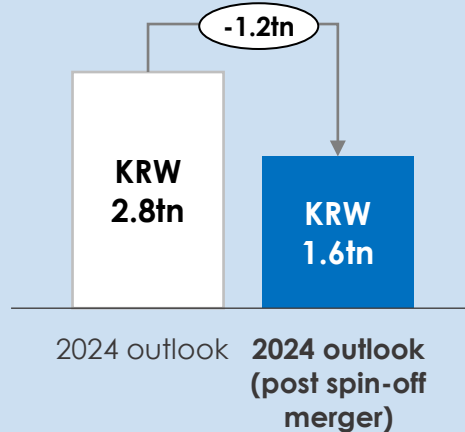
[Review opinion]

- With few practical cases of applying these methods to listed stocks, **external evaluator and accounting firms suggested that these are not applicable for this transaction**
- **Market price is the most suitable method in calculating the fair value that is acceptable for third-party agreements**

Expected Benefits

1 Expansion of Investment Capacity

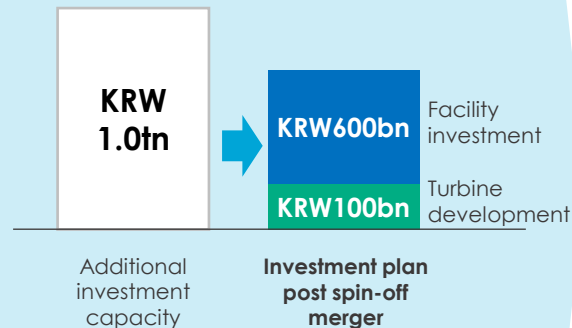
Decrease of KRW1.2tn of net debt →
Additional investment capacity of more than KRW1.0tn



- Transfer of debt (KRW0.7tn) through Doosan Bobcat spin-off
- Increase of cash (KRW0.5tn) through sales of non-core assets (Doosan Cuvex, D20)

2 Facilities & Technology Investment

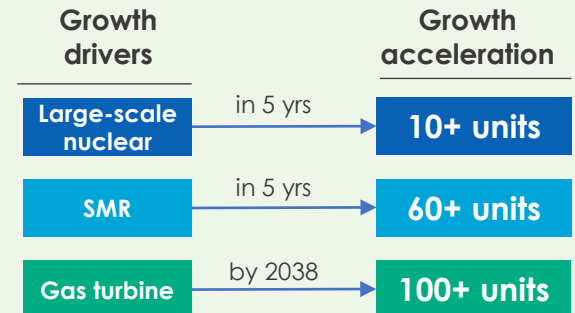
Early and larger investment for the next 2 years compared to existing plan



- Establishment and expansion of SMR/large nuclear plants (c.KRW600bn)
- Development of gas/hydrogen turbine (c.KRW100bn)

3 Growth Acceleration

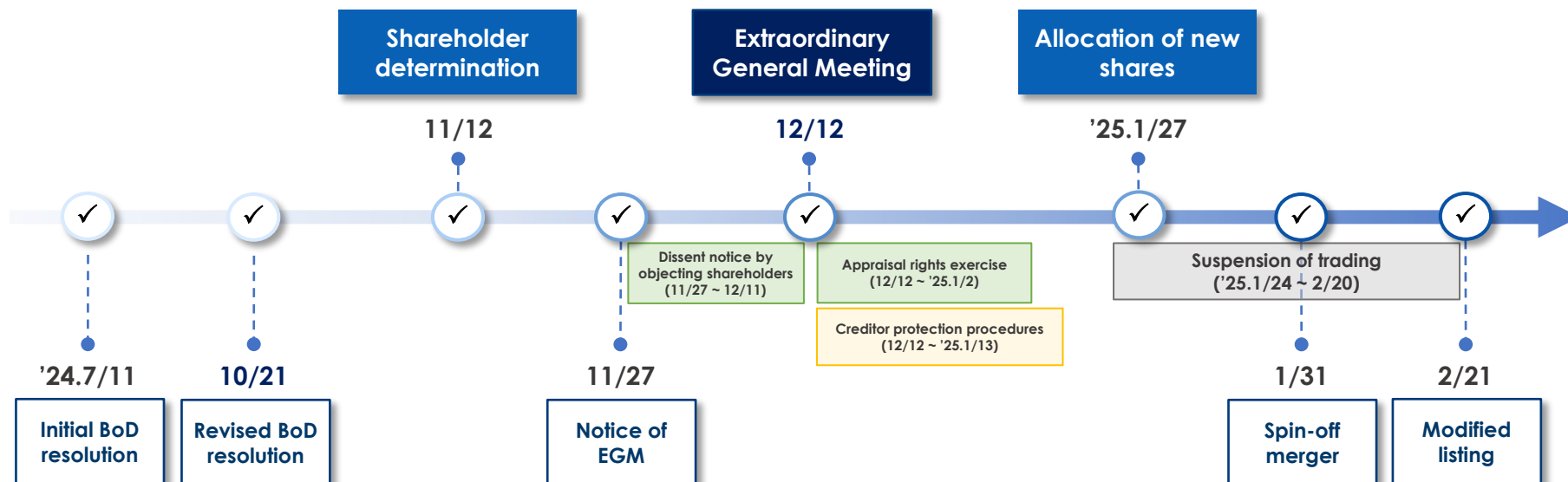
Additional operating profit of over KRW200bn expected from 2028 through accelerated growth from early investment



- Future growth driver investment expected to yield higher returns than the existing dividend income (Over IRR 15% expected)

- Acceleration of company growth adapting to changes in business environment
- Securing investment capacity for timely investment while maintaining financial soundness
- Increase of enterprise value and shareholder value; laying the foundation for shareholder return

Extraordinary General Meeting (“EGM”) to be held in December 12, 2024 for the approval of the spin-off merger with expected modified listing on February 21, 2025



- **'24. 10/21** : Board of Directors resolution of the revised terms
- **'24. 11/12** : Determination of shareholders eligible to exercise voting rights in the EGM
- **'24. 12/12** : Extraordinary General Meeting
- **Appraisal rights** : Given to shareholders who purchased Enerbility shares before July 12 (Buyback price: KRW20,890)
- **'25. 1/27** : Shareholders holding shares of Doosan Enerbility as of the date of allocation of new shares are eligible to receive new shares from the spin-off merger
- **'25. 2/21** : Modified listing of Doosan Enerbility and listing of new shares of Doosan Robotics