

1st Quarter 2024 Financial Review

April 2024



Disclaimer

Please note that this document contains preliminary figures and is provided solely to investors or potential investors as reference materials in their investment decisions.

The financial information presented herein are based on consolidated earning which were reported in accordance with K-IFRS. Historical figures were adjusted as well to ensure their compliance with K-IFRS.

The statements within the presentation future estimates including profit and loss forecasting of 2024 and years after. Although they are deemed reasonable, readers are strongly cautioned that known and unknown risks and uncertainties such as currency exchange or raw material costs may have a strong influence on the forward-looking statements and result in material variance between actual business performance and financial positions expressed or implied here.

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2. 2024 1Q Highlights

2024 1Q Financial Results – Income Statement (Consolidated)

- Solid sales of compact equipment in North America resulted in a modest decline in sales
- Despite of moderating inflation, EBIT decreased by 15% due to higher marketing expenses
- Net profit remained consistent with the prior year thanks to lower currency related losses

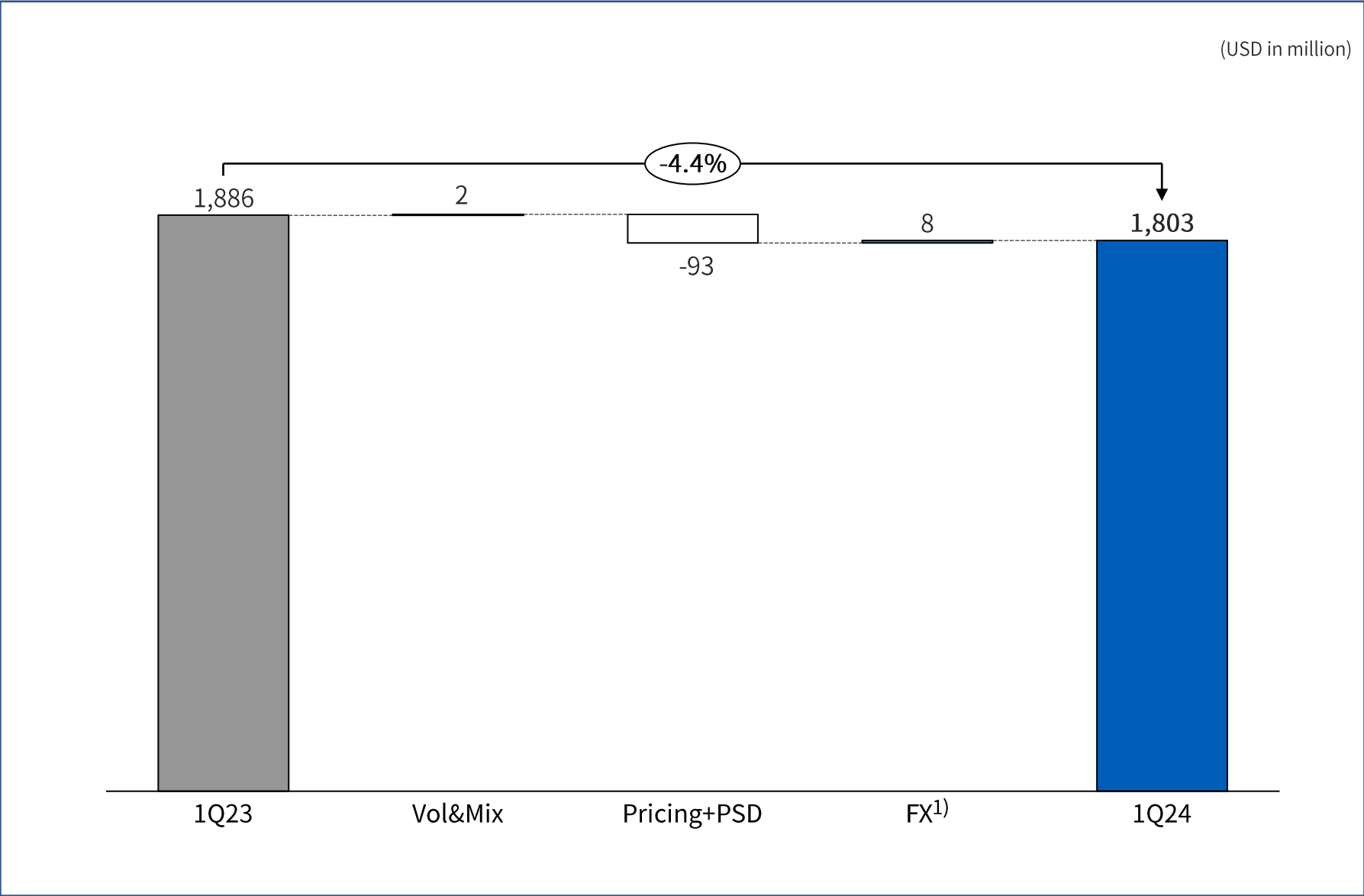
(USD in million)

	1Q23	4Q23	1Q24	YoY	QoQ
Revenue	1,886	1,752	1,803	-4.4%	+2.9%
EBIT	290	193	245	-15.3%	+27.3%
%	15.4%	11.0%	13.6%	-1.8%p	+2.6%p
EBITDA	327	233	289	-11.5%	+24.1%
Net Interest Expense	19	8	7	-64.0%	-20.5%
Profit before Tax	255 ¹⁾	169	231 ¹⁾	-9.3%	+36.3%
Net Profit	163	164 ²⁾	163	+0.3%	-0.5%
%	8.6%	9.4%	9.1%	+0.4%p	-0.3%p

1) F/X related loss 1Q23 \$7M, 1Q24 \$1M

2) Deferred tax adjustment related to changes in DBNA dividend estimation +\$35M

2024 1Q Financial Results – Revenue Comparison

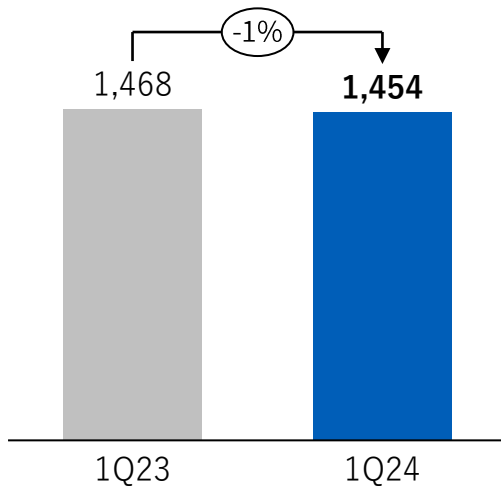


1) EUR-USD 1Q23 1.04 → 1Q24 1.09 (4.7%↑)

2024 1Q Financial Results – Sales by Segment

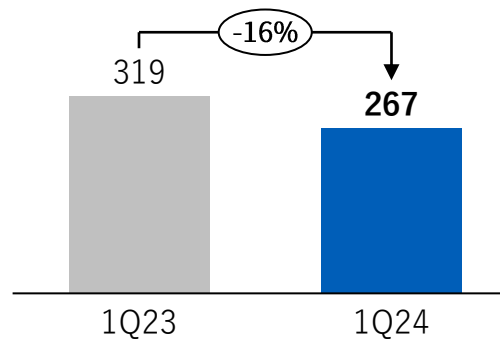
(USD in million)

■ Compact Equipment



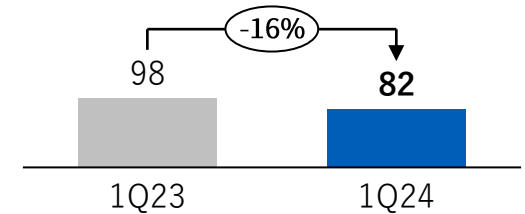
- Remained flat thanks to increased sales of core products, despite a strong performance last year
- 2Q outlook: slight decline in revenue is expected despite solid NA demand continues

■ Material Handling¹⁾



- Strong results from PY and deferred purchases from national accounts in NA due to high interest rates resulted in a decline of 16%
- 2Q outlook: deferral of purchases may continue

■ Portable Power



- Down 16% due to deferred purchases from national accounts and exhaustion of deferred demand
- 2Q outlook: higher oil prices are expected to support demand²⁾

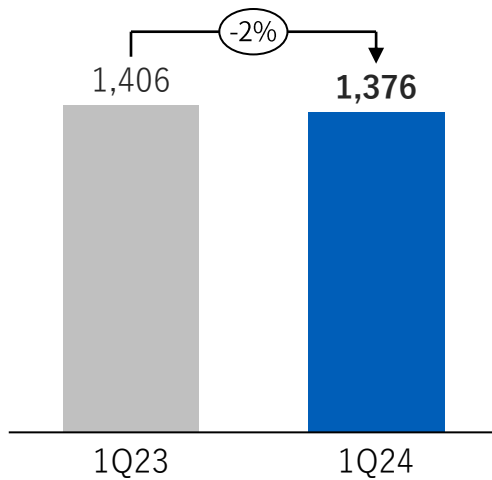
1) Forklifts and warehouse vehicles

2) WTI 1Q24 76.9 (YoY +1.2%)

2024 1Q Financial Results – Sales by Region

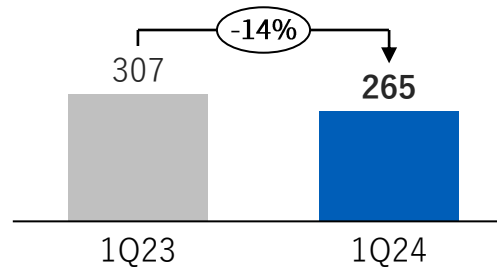
(USD in million)

North America



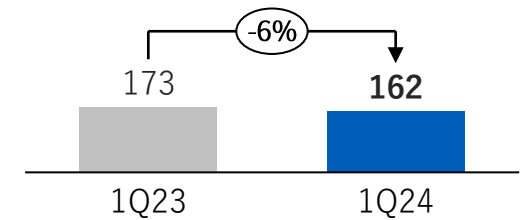
- Decreased 2% YoY due to high base in the prior year
- 2Q outlook: demand for compact equipment is expected to continue given positive economic indicators

EMEA



- 14% YoY decline due to the economic downturn
- 2Q outlook: economic slowdown is expected to persist while demand from Middle East is likely to increase

ALAO



- Sustained high interest rates and strong US\$ eroded purchasing power, resulting in a 6% decrease in revenue
- 2Q outlook: anticipating low demand to persist, partially offset by demand from LA

1) EUR-USD FX '23.1Q. 1.04 → '24.1Q. 1.09 (4.7% ↑)

2024 1Q Financial Results – Balance Sheet

- Sustained net cash position due to strong operation
- Liability to equity ratio temporarily increased due to accrued dividends of \$60M

Summarized Balance Sheet

(USD in million)

	2020	2021	2022	2023	2024. 03	Variation (to 2023)
Total Asset	6,398	7,238	7,298	8,044	8,311	+267
Current Asset	1,711	2,232	2,432	3,013	3,334	+320
- Cash & Cash Equivalent	733	819	557	1,091	1,313	+222
Non-current Asset	4,686	5,006	4,865	5,030	4,977	-53
Total Liabilities	2,653	3,593	3,333	3,426	3,645	+220
Current Liabilities	930	1,264	1,620	1,870	2,118	+249
Non-current Liabilities	1,723	2,329	1,713	1,556	1,527	-29
Total Borrowings	958	1,583	1,077	972	956	-16
Total Equity	3,744	3,645	3,965	4,618	4,665	+47
Net Debt	225	764	520	-119	-357	-238
Liability/Equity Ratio	70.9%	98.6%	84.1%	74.2%	78.1%	+4.0%p

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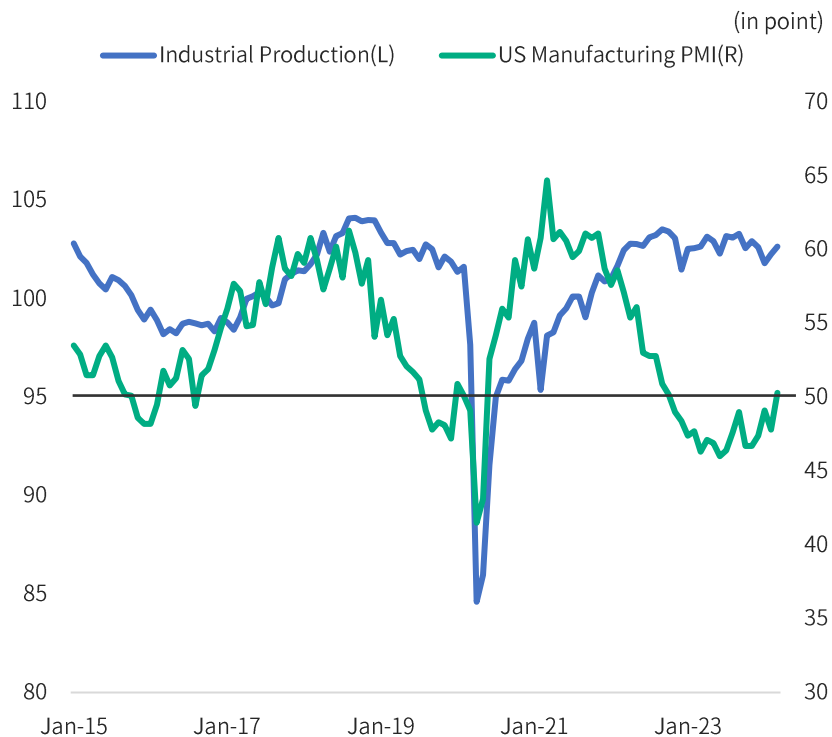


1. 2024 1Q Results
2. 2024 1Q Highlights

North America – strong economic data

- Industrial production remained solid, and manufacturing PMI above the benchmark and at a 17-month high
- U.S. construction spending held steady, with both residential and non-resi remained solid

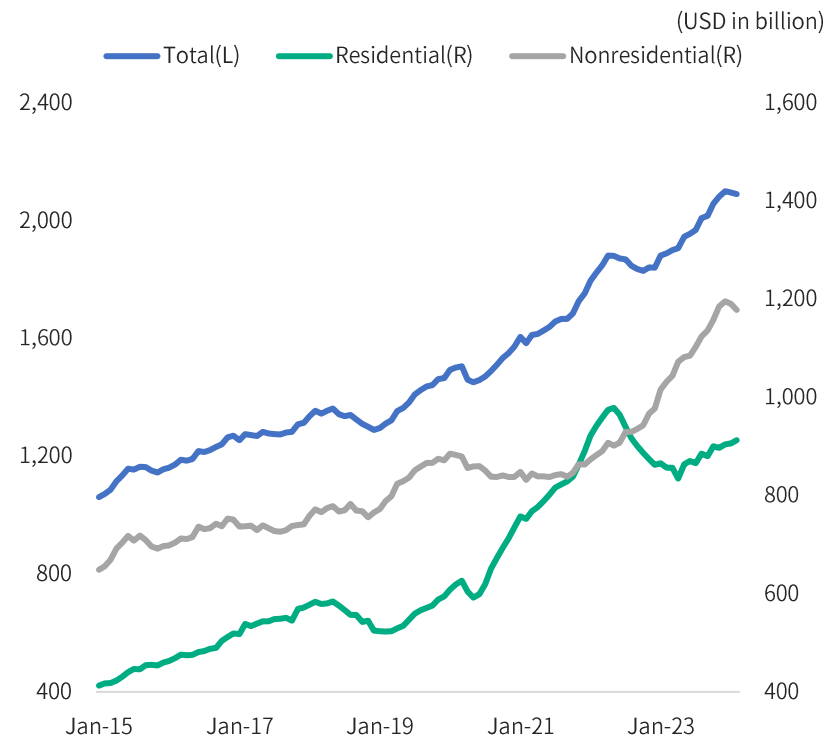
US Industrial Production and Manufacturing PMI



* Industrial Production: FRB, as of Mar. 2024, Index 2017=100

** PMI: ISM, as of Mar. 2024, benchmark=50

US Construction Spending

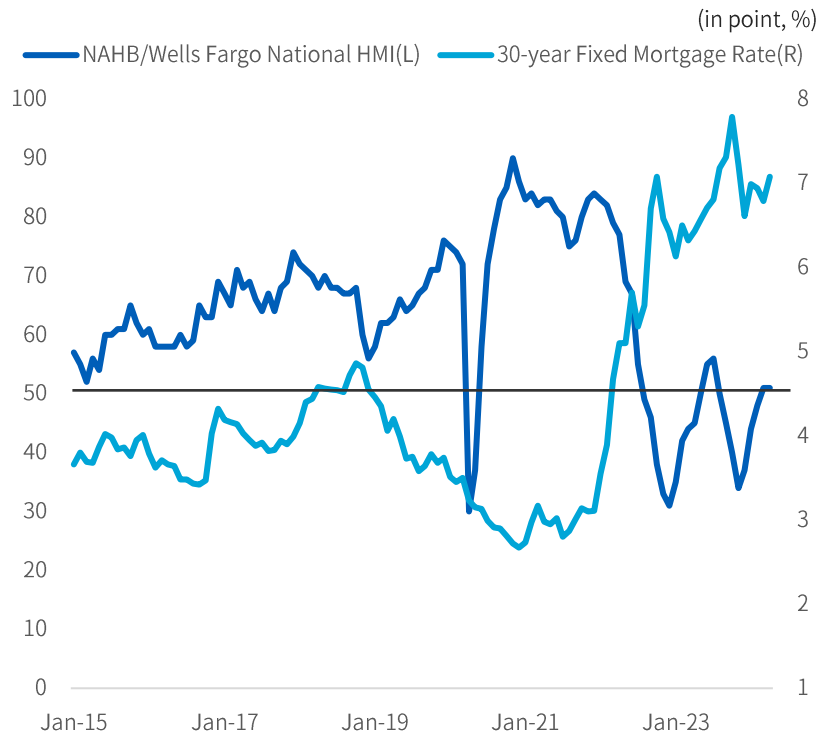


* U.S. Census Bureau, Feb. 2024

US Housing – mixed signals

- Housing market index rose above 50 as present single-family home sales and next 6 months prospects improved
- ‘New housing units authorized, but not started’ remain high, albeit at a slower pace, while new housing starts have fluctuated

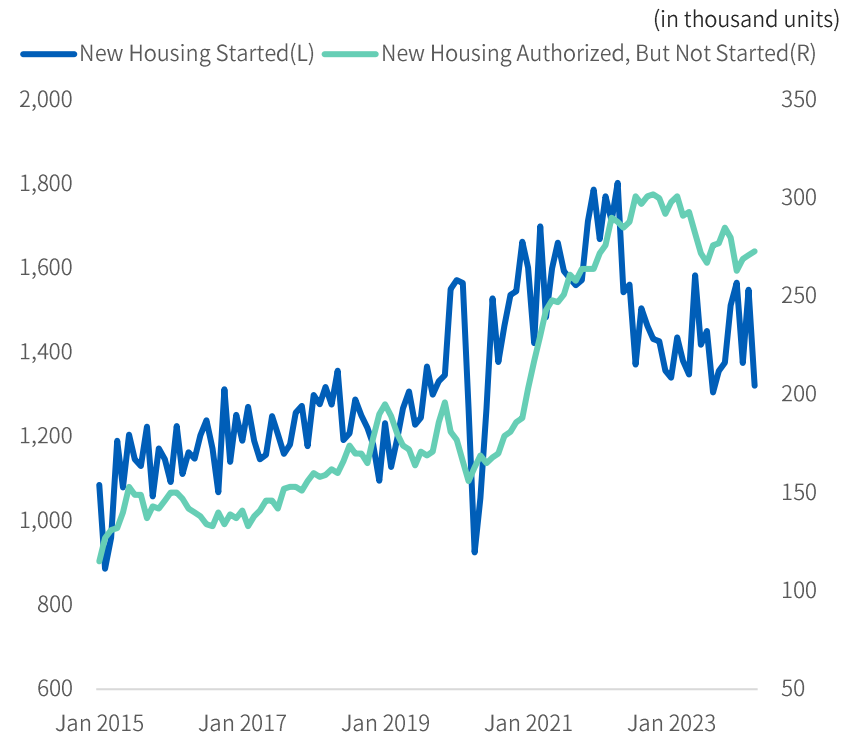
NAHB Housing Market Index and Mortgage Rate



* National Association of Home Builders, as of Apr. 2024, benchmark=50

** 30-year fixed mortgage rate: Freddie Mac, as of Apr. 2024

US Housing Market Indicators

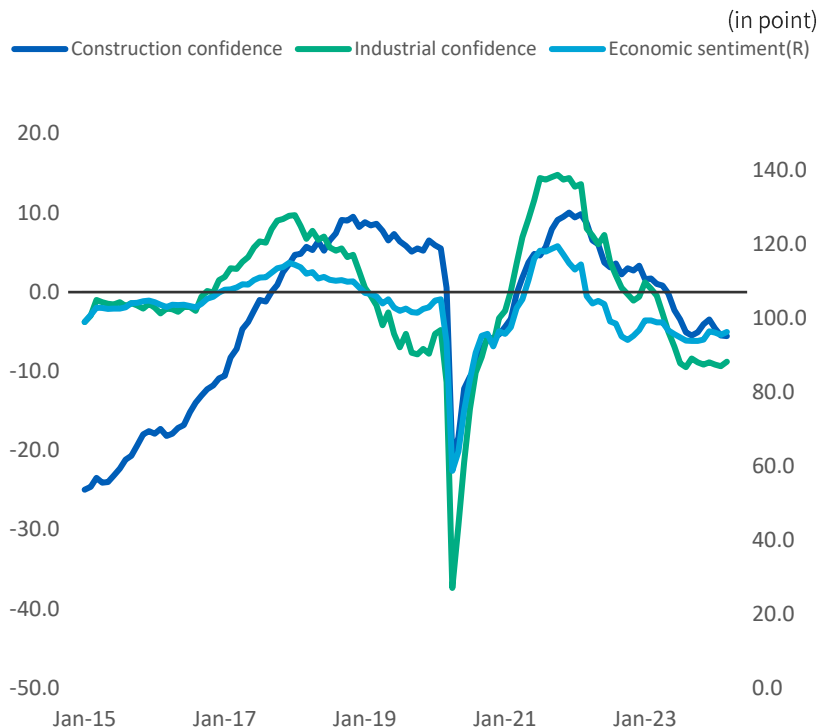


* U.S. Census Bureau, as of Mar. 2023

Europe – recession fears linger

- Eurozone's key sentiment indicators remained in a contraction phase
- Production in construction remained firm, while permits continued to fall

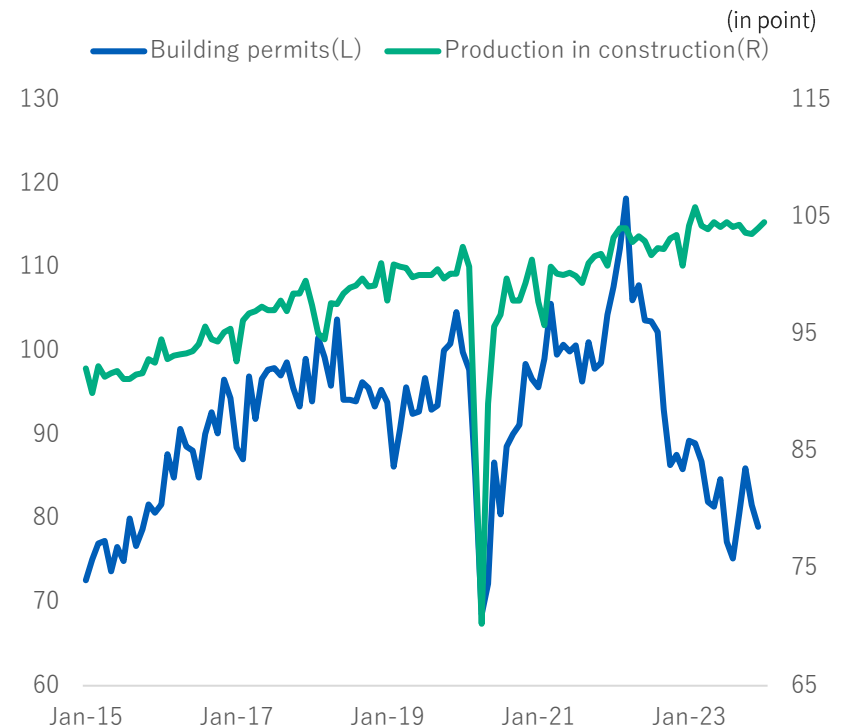
Eurozone Sentiment



* European Commission, as of Mar. 2024

** Benchmark: Economic Sentiment= 100, Others =0

Eurozone Construction Indicators



* Eurostat, Index 2021=100

** Permits: number of dwellings, residential buildings, as of Dec. 2023

*** Production: as of Jan. 2024

[Back-up] 2024 1Q Income Statement in KRW (Consolidated)

- Revenue and EBIT in KRW declined less than in USD

(KRW in billion)

	1Q23	4Q23	1Q24	YoY	QoQ
Revenue	2,405.1	2,315.6	2,394.6	-0.4%	+3.4%
EBIT	369.7	256.1	326.0	-11.8%	+27.3%
%	15.4%	11.1%	13.6%	-1.8%p	+2.6%p
EBITDA	417.2	309.3	384.4	-7.9%	+24.3%
Net Interest Expense	23.6	11.2	8.9	-62.5%	-20.9%
Profit before Tax	324.7	225.3	306.8	-5.5%	+36.2%
Net Profit	207.5	216.9	216.8	+4.5%	-0.1%
%	8.6%	9.4%	9.1%	+0.4%p	-0.3%p

* USD-KRW 1Q23 1,275.58 / 4Q23 1,320.84 / 1Q24 1,328.45

THANK YOU