

# 4Q 2024 Earnings Release

---

2025 February 6th



# Disclaimer

---

This report has been prepared by HD Korea Shipbuilding & Offshore Engineering Co., Ltd., indicated as "Company" below for the purpose of promoting understanding of the company's business activities and it is prohibited to export, copy or redistribute the report.

"Predictive information" contained in this report is information that has not been subjected to individual verification. This refers to information related to future events, such as expected future management status and financial performance of the company. In terms of expressions, vocabulary such as 'prediction', 'forecast', 'plan', 'expectation', '(E)' are included.

The above "forecast information" is influenced by changes in the future business environment and inherently contains uncertainties. As a result of such uncertainties, actual future performance may significantly differ from those stated or implied in the "forecast information".

Furthermore, the outlook is based on current market conditions and the direction of the company management. Please be advised that changes may occur due to changes in the market environment and strategies, and are subject to change without notice.

Please note that the Company and its employees do not bear any responsibility for any loss resulting from the use of this material. (Including negligence and other cases)

Please do not copy or distribute this material as it contains the confidential information of the Company.

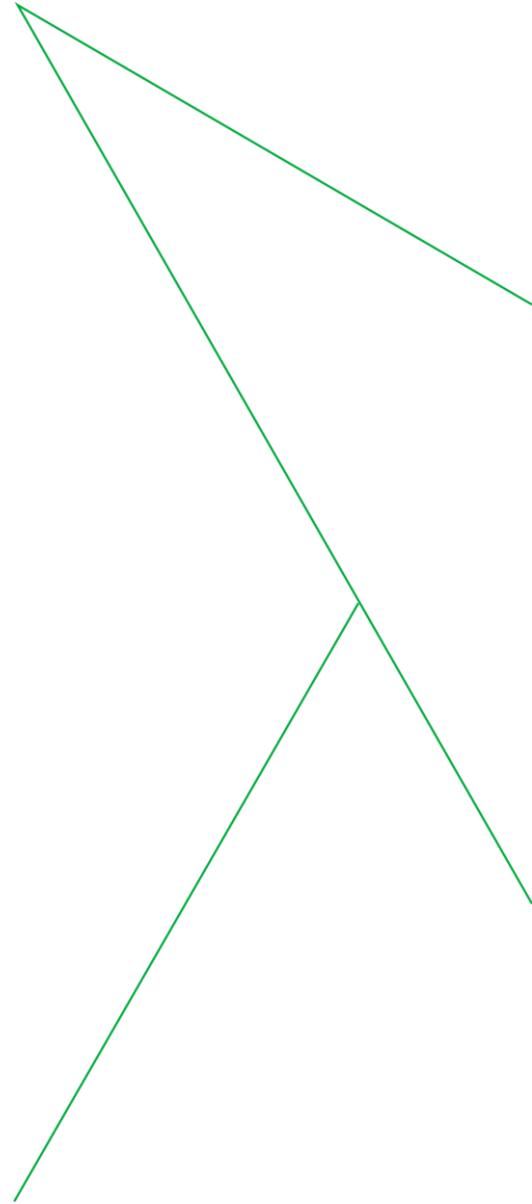
# **Contents**

---

1. 4Q 2024 Consolidated Earnings
2. Consolidated Financial Results by Business Segments
3. Non-operating Profit and Net Income
4. Financial Ratios

[Appendix]

1. Consolidated Financial Statement of Major Subsidiaries



# 1. 4Q 2024 HD KSOE Consolidated Earnings

## 4Q24 Earnings

- ✓ Sales: Increased by 14.7% QoQ due to increased work volumes and the reflection of higher newbuilding price
- ✓ OP: Increased by 25.3% QoQ due to improved subsidiary earnings driven by higher revenue

(Unit: bn KRW)

|                                    | 4Q23    | 3Q24    | 4Q24    | QoQ(%) | YoY(%)           | FY23     | FY24     | YoY(%)           |
|------------------------------------|---------|---------|---------|--------|------------------|----------|----------|------------------|
| Sales                              | 5,989.0 | 6,245.8 | 7,161.7 | 14.7   | 19.6             | 21,296.2 | 25,538.6 | 19.9             |
| Operating Profit                   | 161.1   | 398.4   | 499.1   | 25.3   | 209.8            | 282.3    | 1,434.1  | 408.0            |
| OPM (%)                            | 2.7     | 6.4     | 7.0     | +0.6p  | +4.3p            | 1.3      | 5.6      | +4.3p            |
| Non-operating Income               | -197.9  | -181.5  | 401.7   | -      | -                | -290.3   | 388.6    | Turned to Profit |
| Net Income                         | -88.6   | 176.4   | 727.1   | 312.2  | Turned to Profit | 144.9    | 1,454.6  | 903.9            |
| Net Income in Controlling Interest | -25.3   | 151.0   | 540.2   | 257.7  | Turned to Profit | 221.7    | 1,172.3  | 428.8            |

Note 1 : K-IFRS Consolidated Financial Statements Basis

## 2. Consolidated Financial Results by Business Segments

### Financial Results by Business Segments

(Unit: bn KRW)

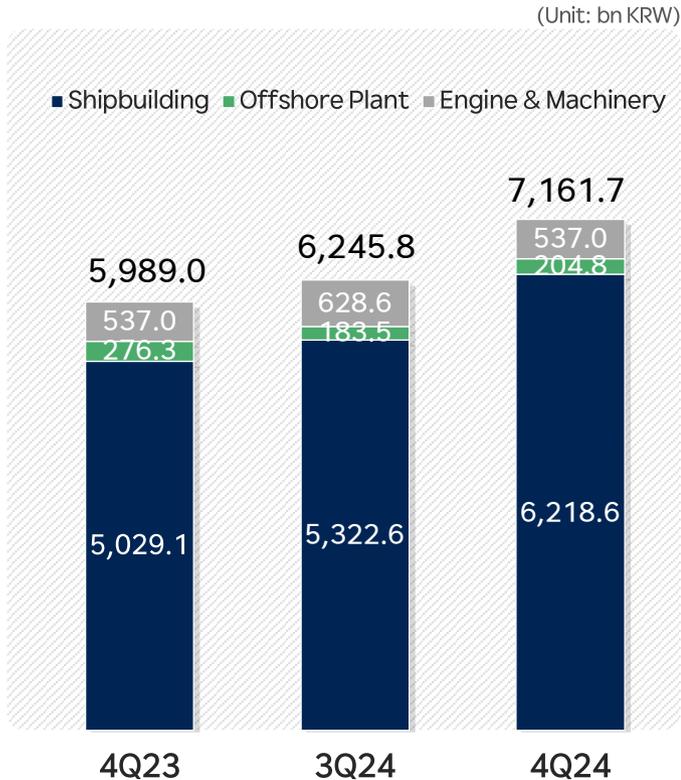
| Categories            | 4Q 2023        |                  |            | 3Q 2024        |                  |            | 4Q 2024        |                  |            | 2023FY          |                  |            | 2024 FY         |                  |            |
|-----------------------|----------------|------------------|------------|----------------|------------------|------------|----------------|------------------|------------|-----------------|------------------|------------|-----------------|------------------|------------|
|                       | Sales          | Operating Profit |            | Sales          | Operating Profit |            | Sales          | Operating Profit |            | Sales           | Operating Profit |            | Sales           | Operating Profit |            |
|                       |                |                  | %          |                |                  | %          |                |                  | %          |                 |                  | %          |                 |                  | %          |
| Shipbuilding          | 5,029.1        | 91.0             | 1.8        | 5,322.6        | 378.2            | 7.1        | 6,218.6        | 480.8            | 7.7        | 17,694.4        | 302.2            | 1.7        | 22,070.9        | 1,507.5          | 6.8        |
| Offshore Plant        | 276.3          | 104.6            | 37.9       | 183.5          | 2.2              | 1.2        | 204.8          | 3.4              | 1.7        | 1,268.3         | -37.4            | -2.9       | 658.5           | -99.1            | -15.0      |
| Engine & Machinery    | 833.9          | 49.6             | 5.9        | 865.0          | 102.4            | 11.8       | 857.9          | 102.7            | 12.0       | 2,739.5         | 286.3            | 10.5       | 3,303.6         | 372.1            | 11.3       |
| Internal Transactions | -296.9         | -                | -          | -236.4         | -                | -          | -320.9         | -                | -          | -1,098.6        | -                | -          | -1,092.3        | -                | -          |
| Green                 | 113.3          | -7.9             | -7.0       | 100.6          | 11.4             | 11.3       | 112.0          | -1.3             | -1.2       | 546.1           | 11.2             | 2.1        | 423.0           | -12.5            | -3.0       |
| Others                | 33.3           | -76.2            | -          | 10.5           | -95.8            | -          | 89.3           | -86.5            | -          | 146.5           | -280.0           | -          | 174.9           | -333.9           | -          |
| <b>Total</b>          | <b>5,989.0</b> | <b>161.1</b>     | <b>2.7</b> | <b>6,245.8</b> | <b>398.4</b>     | <b>6.4</b> | <b>7,161.7</b> | <b>499.1</b>     | <b>7.0</b> | <b>21,296.2</b> | <b>282.3</b>     | <b>1.3</b> | <b>25,538.6</b> | <b>1,434.1</b>   | <b>5.6</b> |

Note 1 : K-IFRS Consolidated Financial Statements Basis

Note 2 : HME was consolidated in Aug.24, and its financial figure has been reflected in the consolidated results since then

## 2. Consolidated Financial Results by Business Segments

### Sales Analysis by Segments



#### Shipbuilding

- Increase in work volumes and a higher proportion of sales from high-priced vessels

|              | QoQ   | YoY   |
|--------------|-------|-------|
| Shipbuilding | 16.8% | 23.7% |

#### Offshore Plant

- Sales increased due to an increase in working days and the full-scale initiation of the Trion FPU project construction

|                | QoQ   | YoY    |
|----------------|-------|--------|
| Offshore Plant | 11.6% | -25.9% |

#### Engine & Machinery

- Despite HME's revenue being fully recognized, sales temporarily decreased due to timing differences in HHI's engine delivery schedule

|                    | QoQ    | YoY  |
|--------------------|--------|------|
| Engine & Machinery | -14.6% | 0.0% |

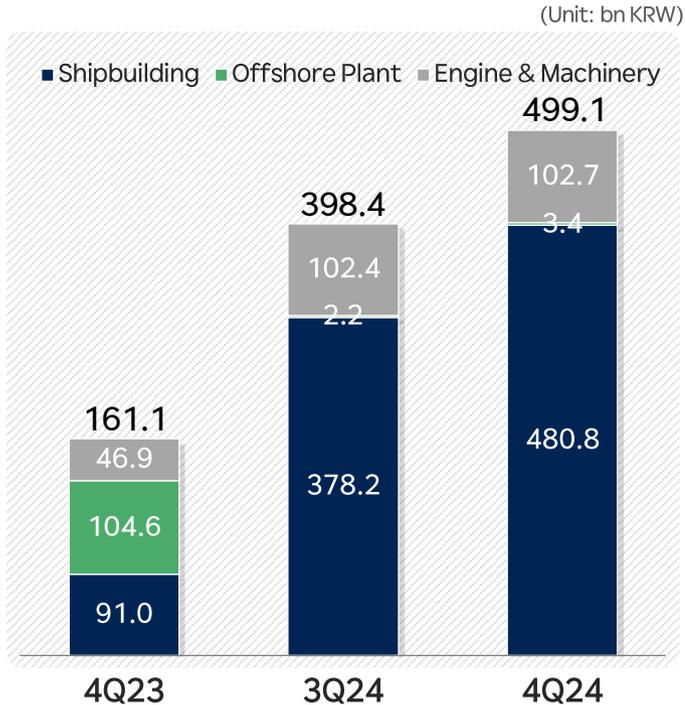
Note 1 : K-IFRS Consolidated Financial Statements Basis

Note 2 : Engine & Machinery excludes internal transaction

Note 3 : Shipbuilding sales include naval ships, and engine sales include HME.

## 2. Consolidated Financial Results by Business Segments

### Operating Profit Analysis by Segments



#### Shipbuilding

- OP increased due to reflection of higher newbuilding prices and sales growth

QoQ

27.1%

YoY

428.4%

#### Offshore Plant

- OP increased due to higher sales recognition from the Trion FPU project, along with an increased working days

54.5%

-96.7%

#### Engine & Machinery

- OP increased due to an improved product mix in HHI's engine division and the full reflection of HME's earnings

0.3%

107.1%

Note 1 : K-IFRS Consolidated Financial Statements Basis

Note 2 : Shipbuilding OP includes naval ships, and engine OP includes HME.

## 2. Consolidated Financial Results by Business Segments

### Financial Results by Major Subsidiaries

(Unit: bn KRW)

| Categories                        | 4Q 2023        |                  |            | 3Q 2024        |                  |            | 4Q 2024        |                  |            | 2023FY          |                  |            | 2024 FY         |                  |            |
|-----------------------------------|----------------|------------------|------------|----------------|------------------|------------|----------------|------------------|------------|-----------------|------------------|------------|-----------------|------------------|------------|
|                                   | Sales          | Operating Profit |            | Sales          | Operating Profit |            | Sales          | Operating Profit |            | Sales           | Operating Profit |            | Sales           | Operating Profit |            |
|                                   |                |                  | %          |                |                  | %          |                |                  | %          |                 |                  | %          |                 |                  | %          |
| HD KSOE (Separate)                | 99.1           | -5.9             | -6.0       | 112.8          | -7.8             | -6.9       | 193.9          | 28.5             | 14.7       | 269.9           | -11.6            | -4.3       | 516.8           | 17.3             | 3.3        |
| HD Hyundai Heavy Industries       | 3,413.1        | 138.7            | 4.1        | 3,609.2        | 206.1            | 5.7        | 4,005.6        | 282.2            | 7.0        | 11,963.9        | 178.6            | 1.5        | 14,486.5        | 705.2            | 4.9        |
| HD Hyundai Samho                  | 1,696.5        | 107.3            | 6.3        | 1,643.5        | 177.6            | 10.8       | 1,843.4        | 184.1            | 10.0       | 5,958.7         | 301.7            | 5.1        | 7,003.1         | 723.6            | 10.3       |
| HD Hyundai Mipo                   | 1,102.8        | -65.2            | -5.9       | 1,077.6        | 35.2             | 3.3        | 1,422.8        | 46.9             | 3.3        | 4,039.1         | -152.9           | -3.8       | 4,630.0         | 88.5             | 1.9        |
| HD Hyundai Marine Engine          | -              | -                | -          | 52.7           | 5.4              | 10.2       | 88.6           | 9.1              | 10.3       | -               | -                | -          | 141.3           | 14.5             | 10.3       |
| HD Hyundai Energy Solution        | 113.3          | -4.9             | -4.3       | 100.6          | 3.4              | 3.4        | 111.4          | 6.4              | 5.7        | 546.1           | 17.5             | 3.2        | 422.4           | 3.5              | 0.8        |
| Others & Consolidation Adjustment | -435.8         | -8.9             | -          | -347.9         | -21.5            | -          | -504.0         | -58.1            | -          | -1,481.5        | -51.0            | -          | -1,661.5        | -118.5           | -          |
| <b>Total</b>                      | <b>5,989.0</b> | <b>161.1</b>     | <b>2.7</b> | <b>6,245.8</b> | <b>398.4</b>     | <b>6.4</b> | <b>7,161.7</b> | <b>499.1</b>     | <b>7.0</b> | <b>21,296.2</b> | <b>282.3</b>     | <b>1.3</b> | <b>25,538.6</b> | <b>1,434.1</b>   | <b>5.6</b> |

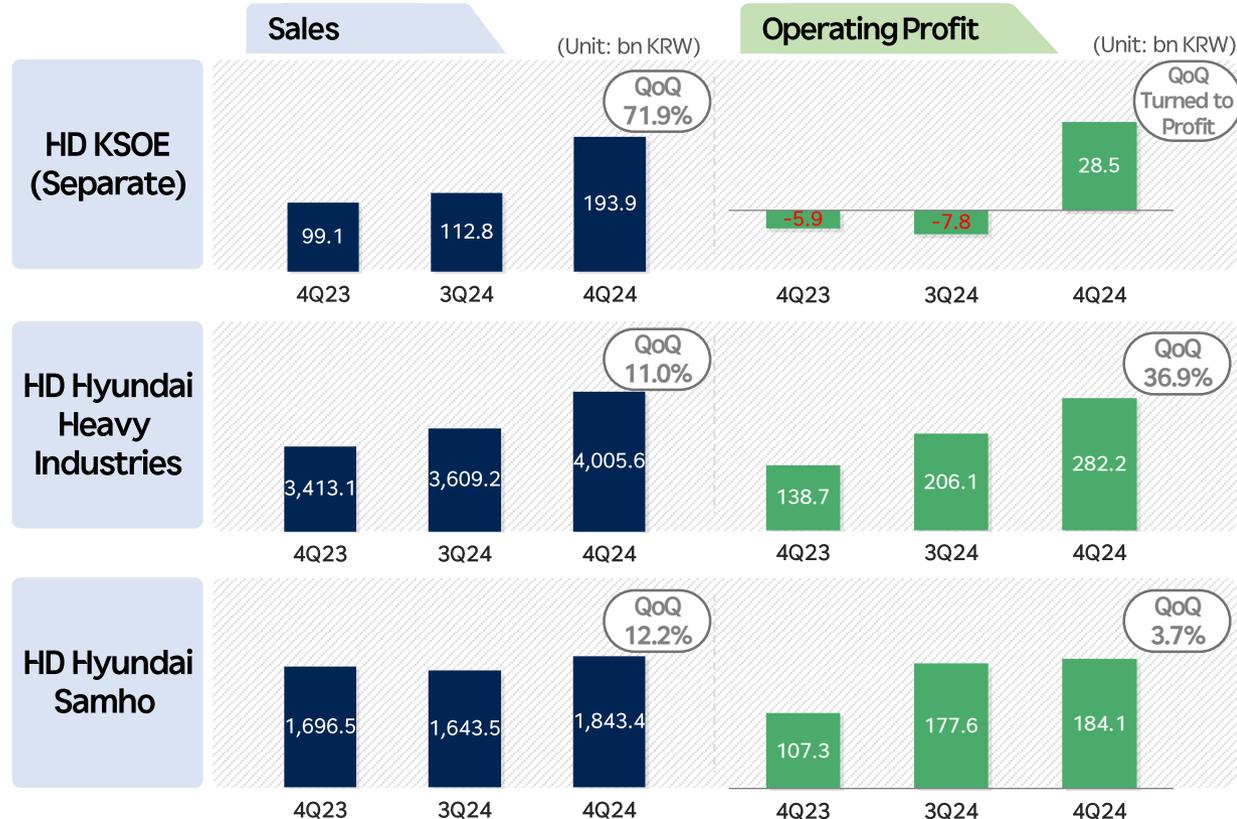
Note 1 : K-IFRS Consolidated Financial Statements Basis

Note 2 : Others include foreign subsidiary, Seamarq service, Hyundai Sports and etc

Note 3 : HME's financial figure has been reflected in the consolidated results since Aug.2024. As a result, there may be differences from the disclosed financial results of HME

## 2. Consolidated Financial Results by Business Segments

### Analysis on Financial Results by Subsidiaries

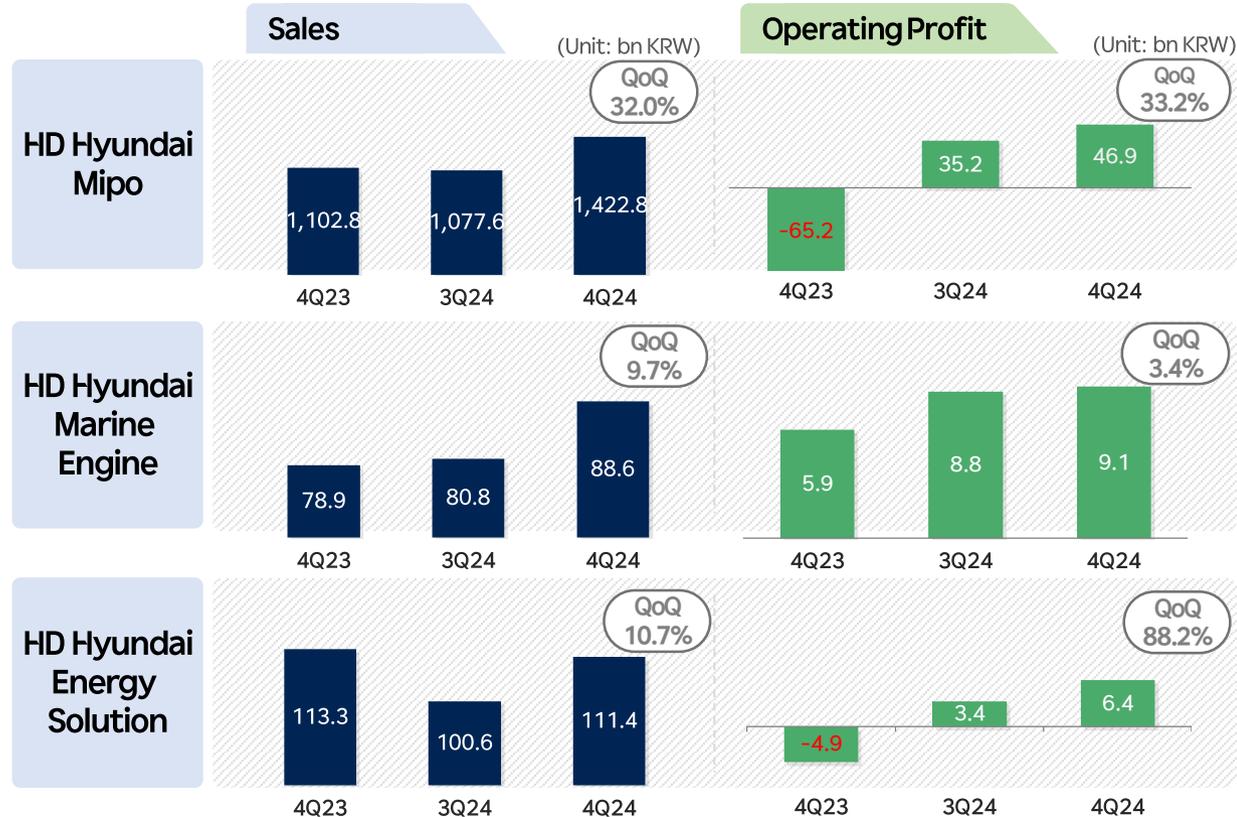


### Highlights (QoQ)

- Turned to profit due to increased OP in the SD division
- Dividend income from a capital reduction of equity-invested company in China
- OP increased significantly due to higher newbuilding prices and improved earnings in the Shipbuilding division
- OP increased due to higher work volumes

## 2. Consolidated Financial Results by Business Segments

### Analysis on Financial Results by Subsidiaries



### Highlights (QoQ)

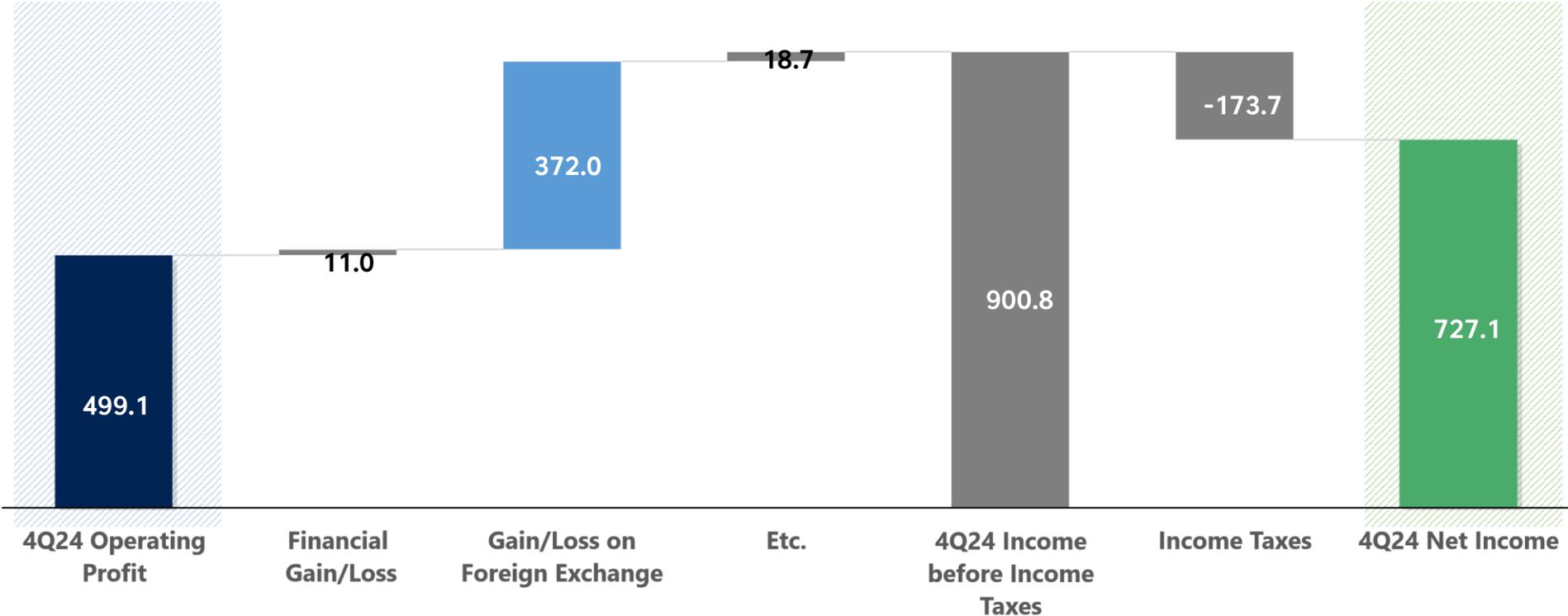
- OP increased due to higher work volumes
- Sales increased due to higher component sales volume and one-time revenue
- Parts sales growth and one-time sales increased operating profit, but lower engine sales and added costs from salary structure changes reduced OPM
- OP increased due to the growth in module and inverter sales in the domestic market, as well as the reinforcement of marketing in the U.S. residential module segment

Note 1 : In 3Q24, HD KSOE consolidated results include only the Aug and Sep performance of HME. For investors' convenience, pre-consolidation figures have been provided for reference

### 3. Non-Operating Profit and Net Income

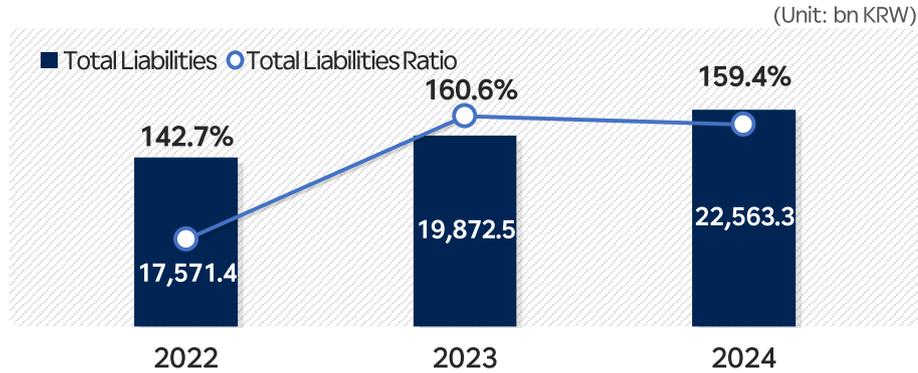
## 4Q24 Non-operating Profit and Net Income

(Unit : bn KRW)

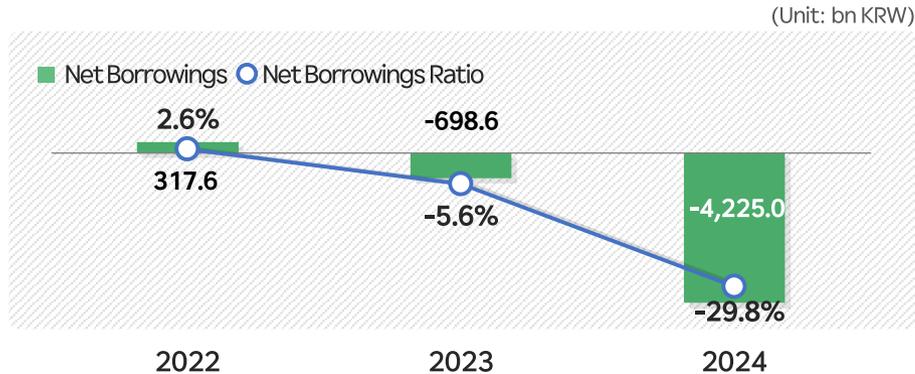


## 4. Financial Ratios

### Consolidated Liabilities Ratio



### Consolidated Net Borrowings Ratio



Note 1 : K-IFRS Consolidated Financial Statements Basis

(Unit: bn KRW)

|                             | Total Liabilities | Ratio  | Net Borrowings | Ratio  |
|-----------------------------|-------------------|--------|----------------|--------|
| HD KSOE (Non-Consolidated)  | 376.7             | 3.2%   | -1,731.4       | -14.8% |
| HD Hyundai Heavy Industries | 13,686.5          | 239.9% | -238.0         | -4.2%  |
| HD Hyundai Samho            | 5,901.1           | 237.5% | -1,964.8       | -79.1% |
| HD Hyundai Mipo             | 3,002.4           | 142.5% | 35.7           | 1.7%   |

Note 1 : HD KSOE – Non-Consolidated, HD Hyundai Samho- Separate basis

Note 2 : Net Borrowings: borrowings - cash and cash equivalents (including short-term financial assets)

## 5. HD Korea Shipbuilding & Offshore Engineering

### Consolidated Income Statement

(Unit: bn KRW)

| Categories           | 4Q24    |        | 3Q24    | 2024     |        | 2023     |
|----------------------|---------|--------|---------|----------|--------|----------|
|                      |         | QoQ    |         |          | YoY    |          |
| Sales                | 7,161.7 | 14.7%  | 6,245.8 | 25,538.6 | 19.9%  | 21,296.2 |
| Cost of Sales        | 6,332.2 | 14.3%  | 5,539.0 | 22,943.2 | 13.3%  | 20,248.2 |
| Gross Profit         | 829.5   | 17.4%  | 706.8   | 2,595.4  | 147.7% | 1,048.0  |
| Operating Profit     | 499.1   | 25.3%  | 398.4   | 1,434.1  | 408.0% | 282.3    |
| OPM(%)               | 7.0     | +0.6p  | 6.4     | 5.6      | +4.3p  | 1.3      |
| Non-operating Income | 401.7   | -      | -181.5  | 388.6    | -      | -290.3   |
| EBIT                 | 900.8   | -      | 216.9   | 1,822.7  | -      | -8.0     |
| Income Taxes         | 173.7   | -      | 40.5    | 368.1    | -      | -152.9   |
| Net Income           | 727.1   | 312.2% | 176.4   | 1,454.6  | 903.9% | 144.9    |

Note 1 : K-IFRS Consolidated Financial Statements Basis

### Consolidated Statement of Financial Positions

(Unit: bn KRW)

| Categories               | 2024            | 2023            | 2022            |
|--------------------------|-----------------|-----------------|-----------------|
| Current Assets           | 20,431.3        | 17,735.1        | 15,775.9        |
| Cash & Cash Equivalents  | 3,717.3         | 3,018.4         | 2,697.2         |
| Non-Current Asset        | 16,287.8        | 14,507.5        | 14,107.6        |
| <b>Total Assets</b>      | <b>36,719.1</b> | <b>32,242.6</b> | <b>29,883.5</b> |
| Current Liabilities      | 19,325.1        | 17,497.9        | 15,033.5        |
| Non-Current Liabilities  | 3,238.2         | 2,374.6         | 2,537.9         |
| <b>Total Liabilities</b> | <b>22,563.3</b> | <b>19,872.5</b> | <b>17,571.4</b> |
| Others                   | -928.1          | -2,004.4        | -1,988.2        |
| Retained Earnings        | 15,083.9        | 14,374.5        | 14,300.4        |
| <b>Total Equity</b>      | <b>14,155.8</b> | <b>12,370.1</b> | <b>12,312.1</b> |

Note 1 : Cash & Cash Equivalents excludes short-term financial instruments

## 5. HD Hyundai Heavy Industries

### Consolidated Income Statement

(Unit: bn KRW)

| Categories           | 4Q24    |        | 3Q24    | 2024     |          | 2023     |
|----------------------|---------|--------|---------|----------|----------|----------|
|                      |         | QoQ    |         |          | YoY      |          |
| Sales                | 4,005.6 | 11.0%  | 3,609.2 | 14,486.5 | 21.1%    | 11,963.9 |
| Cost of Sales        | 3,509.4 | 9.6%   | 3,202.4 | 12,992.6 | 14.9%    | 11,309.0 |
| Gross Profit         | 496.2   | 22.0%  | 406.8   | 1,493.9  | 128.1%   | 654.9    |
| Operating Profit     | 282.2   | 36.9%  | 206.1   | 705.2    | 294.8%   | 178.6    |
| OPM(%)               | 7.0     | +1.3p  | 5.7     | 4.9      | +3.4p    | 1.5      |
| Non-operating Income | 197.5   | -      | -119.1  | 92.9     | -        | -144.2   |
| EBIT                 | 479.7   | -      | 87.1    | 798.1    | -        | 34.4     |
| Income Taxes         | 113.1   | -      | 14.9    | 176.6    | -        | 9.7      |
| Net Income           | 366.6   | 407.8% | 72.2    | 621.5    | 2,416.2% | 24.7     |

Note 1 : K-IFRS Consolidated Financial Statements Basis

### Consolidated Statement of Financial Positions

(Unit: bn KRW)

| Categories               | 2024            | 2023            | 2022            |
|--------------------------|-----------------|-----------------|-----------------|
| Current Assets           | 10,403.1        | 8,799.7         | 8,000.9         |
| Cash & Cash Equivalents  | 1,257.9         | 928.0           | 744.1           |
| Non-Current Asset        | 8,987.8         | 8,333.9         | 8,288.5         |
| <b>Total Assets</b>      | <b>19,390.9</b> | <b>17,133.6</b> | <b>16,289.4</b> |
| Current Liabilities      | 11,796.2        | 9,945.0         | 9,072.0         |
| Non-Current Liabilities  | 1,890.3         | 1,981.2         | 1,929.6         |
| <b>Total Liabilities</b> | <b>13,686.5</b> | <b>11,926.2</b> | <b>11,001.6</b> |
| Others                   | 4,416.1         | 4,434.6         | 4,442.5         |
| Retained Earnings        | 1,288.3         | 772.8           | 845.3           |
| <b>Total Equity</b>      | <b>5,704.4</b>  | <b>5,207.4</b>  | <b>5,287.8</b>  |

Note 1 : Cash & Cash Equivalents excludes short-term financial instruments

## 5. HD Hyundai Samho Heavy Industries

### Standalone Income Statement

(Unit: bn KRW)

| Categories           | 4Q24    |        | 3Q24    | 2024    |        | 2023    |
|----------------------|---------|--------|---------|---------|--------|---------|
|                      |         | QoQ    |         |         | YoY    |         |
| Sales                | 1,843.4 | 12.2%  | 1,643.5 | 7,003.1 | 17.5   | 5,958.7 |
| Cost of Sales        | 1,594.8 | 12.8%  | 1,413.4 | 6,086.8 | 11.3   | 5,468.9 |
| Gross Profit         | 248.6   | 8.0%   | 230.1   | 916.3   | 87.1   | 489.8   |
| Operating Profit     | 184.1   | 3.7    | 177.6   | 723.6   | 139.8  | 301.7   |
| OPM(%)               | 10.0    | -0.8p  | 10.8    | 10.3    | +5.2p  | 5.1     |
| Non-operating Income | 130.6   | -      | -58.7   | 165.6   | -      | 6.8     |
| EBIT                 | 314.7   | -      | 118.9   | 889.2   | -      | 308.5   |
| Income Taxes         | 73.4    | -      | 21.3    | 205.1   | -      | 97.3    |
| Net Income           | 241.3   | 148.4% | 97.6    | 684.1   | 223.9% | 211.2   |

Note 1 : K-IFRS Standalone Financial Statements Basis

### Standalone Statement of Financial Positions

(Unit: bn KRW)

| Categories               | 2024           | 2023           | 2022           |
|--------------------------|----------------|----------------|----------------|
| Current Assets           | 5,642.6        | 5,065.5        | 3,136.9        |
| Cash & Cash Equivalents  | 1,247.8        | 1,152.0        | 380.3          |
| Non-Current Asset        | 2,743.6        | 2,391.8        | 2,451.5        |
| <b>Total Assets</b>      | <b>8,386.2</b> | <b>7,457.3</b> | <b>5,588.4</b> |
| Current Liabilities      | 5,326.0        | 5,463.9        | 3,476.9        |
| Non-Current Liabilities  | 575.1          | 161.6          | 450.5          |
| <b>Total Liabilities</b> | <b>5,901.1</b> | <b>5,625.5</b> | <b>3,927.4</b> |
| Others                   | -238.3         | -353.6         | -355.8         |
| Retained Earnings        | 2,723.4        | 2,185.4        | 2,016.8        |
| <b>Total Equity</b>      | <b>2,485.1</b> | <b>1,831.8</b> | <b>1,661.0</b> |

Note 1 : Cash & Cash Equivalents excludes short-term financial instruments

## 5. HD Hyundai Mipo

### Consolidated Income Statement

(Unit: bn KRW)

| Categories           | 4Q24    |          | 3Q24    | 2024    |                  | 2023    |
|----------------------|---------|----------|---------|---------|------------------|---------|
|                      |         | QoQ      |         |         | YoY              |         |
| Sales                | 1,422.8 | 32.0%    | 1,077.6 | 4,630.0 | 14.6%            | 5,958.7 |
| Cost of Sales        | 1,332.1 | 32.8%    | 1,003.3 | 4,382.1 | 7.7%             | 5,468.9 |
| Gross Profit         | 90.7    | 22.1%    | 74.3    | 247.9   | Turned to Profit | 489.8   |
| Operating Profit     | 46.9    | 33.2%    | 35.2    | 88.5    | Turned to Profit | 301.7   |
| OPM(%)               | 3.3     | N/A      | 3.3     | 1.9     | +5.7p            | 5.1     |
| Non-operating Income | 57.6    | -        | -32.4   | 57.7    | -                | 6.8     |
| EBIT                 | 104.5   | -        | 2.8     | 146.2   | -                | 308.5   |
| Income Taxes         | 25.0    | -        | 0.2     | 33.0    | -                | 97.3    |
| Net Income           | 79.5    | 2,957.7% | 2.6     | 113.2   | Turned to Profit | 211.2   |

Note 1 : K-IFRS Consolidated Financial Statements Basis

### Consolidated Statement of Financial Positions

(Unit: bn KRW)

| Categories               | 2024           | 2023           | 2022           |
|--------------------------|----------------|----------------|----------------|
| Current Assets           | 2,786.5        | 2,799.4        | 2,724.5        |
| Cash & Cash Equivalents  | 165.1          | 310.0          | 490.1          |
| Non-Current Asset        | 2,322.3        | 2,109.7        | 2,023.8        |
| <b>Total Assets</b>      | <b>5,108.8</b> | <b>4,909.1</b> | <b>4,748.3</b> |
| Current Liabilities      | 2,705.6        | 2,735.4        | 2,499.1        |
| Non-Current Liabilities  | 296.8          | 158.5          | 73.9           |
| <b>Total Liabilities</b> | <b>3,002.4</b> | <b>2,893.9</b> | <b>2,573.0</b> |
| Others                   | 607.9          | 586.8          | 575.5          |
| Retained Earnings        | 1,498.5        | 1,428.4        | 1,599.8        |
| <b>Total Equity</b>      | <b>2,106.4</b> | <b>2,015.2</b> | <b>2,175.3</b> |

Note 1 : Cash & Cash Equivalents excludes short-term financial instruments

