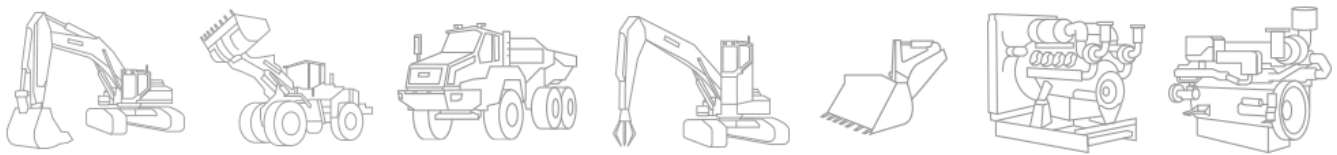
HD CONSTRUCTION EQUIPMENT

3Q26 Earnings Release

October 2026



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The Company has not conducted an independent verification process for the information contained in this document. Furthermore, this document may include statements reflecting the Company's views or expectations about the future.
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[Appendix]
1. Sales Breakdown by Region & Division

3Q26 Results

Growth of sales +6% YoY and EBIT +24% YoY

- Sales grew +6% YoY thanks to steady sales of generator and industrial engines.
- EBIT also improved +24% YoY on the back of improved profitability from construction equipment division as well as solid profit contribution from the engine division.

(Unit : KRW bn)

	3Q25	2Q26	3Q26	QoQ	YoY
Sales	1,971.7	2,434.2	2,091.5	-14.1%	+6.1%
EBIT	127.3	248.9	157.7	-36.6%	+23.9%
EBIT Margin(%)	6.5%	10.2%	7.5%	-2.7%p	+1.1%p
Net Financial Cost	-17.8	-14.3	-14.8	3.4%	-17.2%
F/X Gains/Loses	35.4	18.3	-146.0	-	-
Pretax Profit	136.1	244.9	-4.0	-	-
Net Profit	101.2	180.7	1.8	-99.0%	-98.2%
Profit attributable to owners of parent	102.5	180.4	1.9	-98.9%	-98.1%

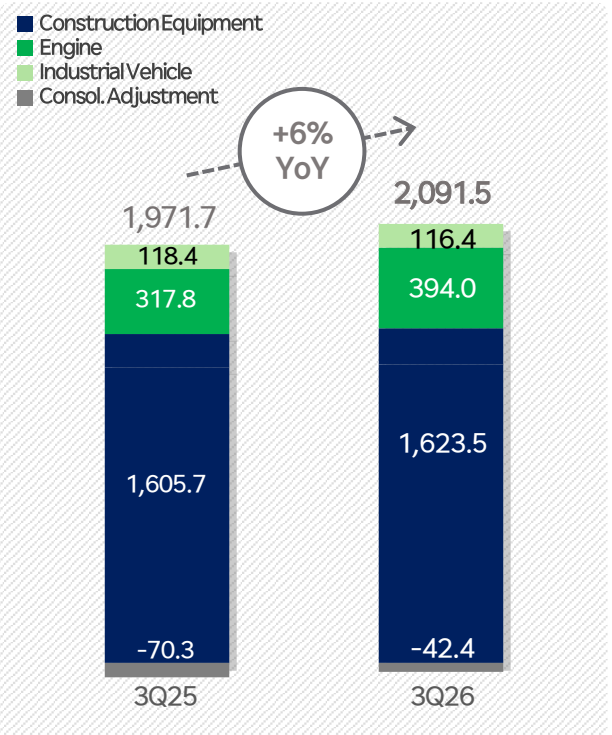
※ Based on K-IFRS consolidated financial statements

※ 2025 financials are based on internal data under the assumption of a merger and have not been audited.

Sales & EBIT

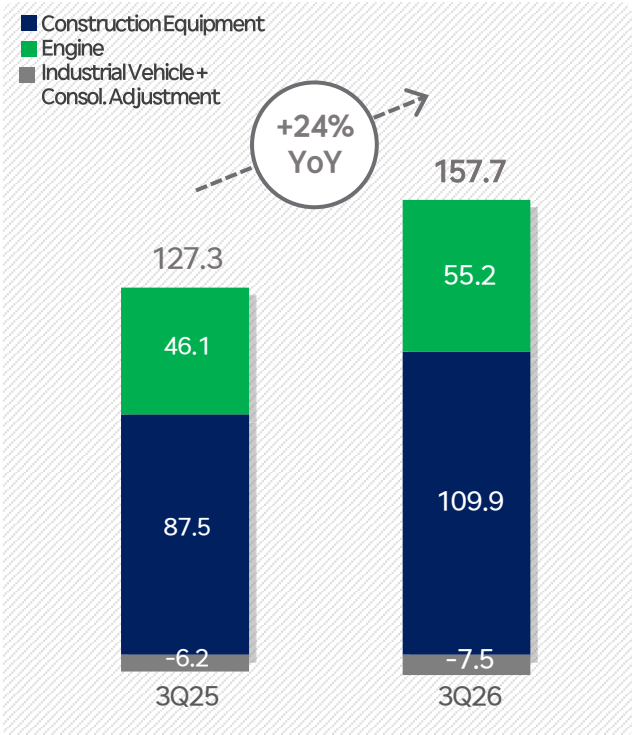
Sales

(Unit : KRW bn)



EBIT

(Unit : KRW bn)



EBIT Margin

7.5%

YoY +1.1%p

Construction Equipment

6.8%

YoY +1.3%p

Engine

14.0%

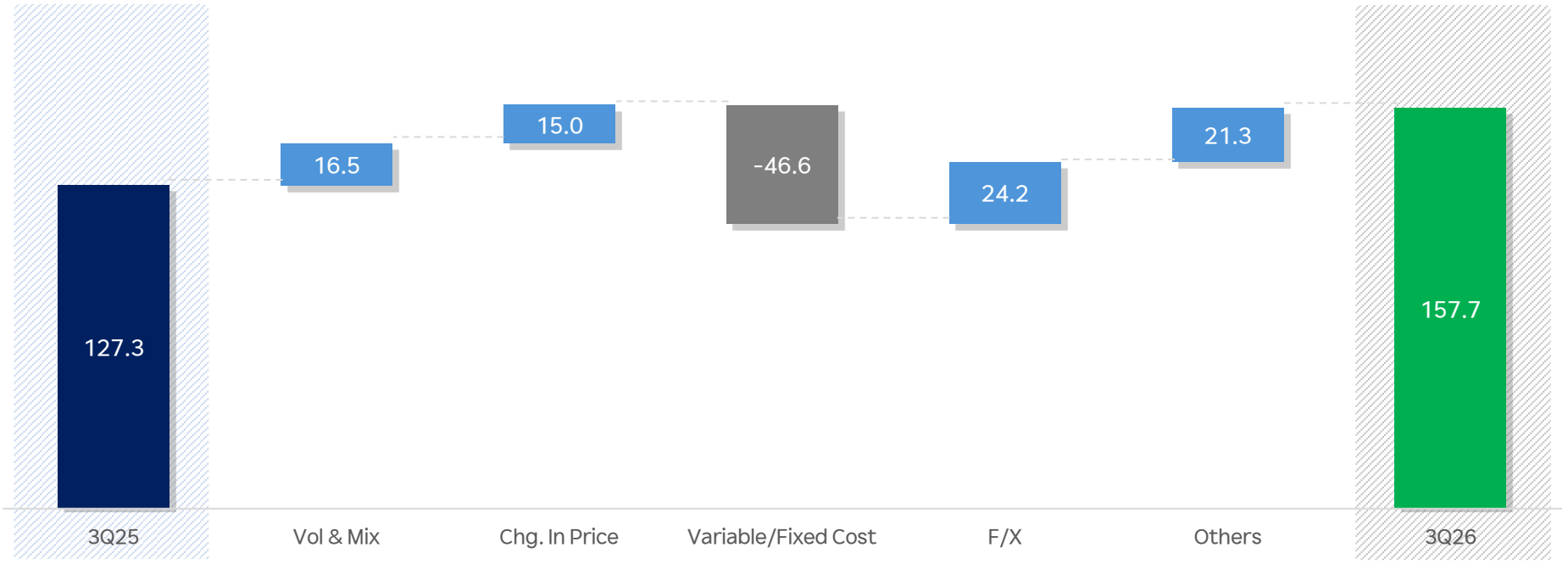
YoY -0.5%p

Note. Based on the company's internal data. Consolidation adjustment are separately indicated

EBIT Analysis

• EBIT grew +24% YoY thanks to volume growth and improvement in sales mix. Price hike and tariff refunds were additional positive factors towards EBIT. However, costs surged during the quarter due to 1) prolonged geopolitical risk in the Middle East and related increase in raw material costs and logistics expenses and 2) greater fixed costs related to the Gunsan plant expansion.

(Unit : KRW bn)



※ Exchange rate average: 3Q25 1,386 KRW/USD → 3Q26 1,444 KRW/USD, 3Q25 1,619 KRW/EUR → 3Q26 1,636 KRW/EUR

Construction Equipment

By Region

(Unit : KRW bn)

		3Q25	3Q26	YoY
Construction Equipment Sales		**1,605.7**	**1,623.5**	**+1.1%**
Equipment Sales		**1,443.0**	**1,447.3**	**+0.3%**
America	NA	191.3	225.2	+17.7%
	LA	174.6	221.4	+26.8%
EMEA	EU	286.2	272.4	-4.8%
	ME/AF	280.9	213.0	-24.2%
APAC/CIS	Korea	154.4	160.4	+3.9%
	China	123.7	99.0	-20.0%
	India	80.2	101.5	+26.6%
	SEA/CIS/OC	113.2	147.4	+30.2%
Others		38.3	6.9	-82.1%
AM/PS Sales		**162.7**	**176.2**	**+8.3%**
Construction Equipment EBIT		**87.5**	**109.9**	**+25.7%**
EBIT Margin (%)		**5.4%**	**6.8%**	**+1.3%p**

Revenue : Positive on global demand recovery

- Despite weakness in ME/AF due to escalation in the Middle East, demand continued to recover in all other regions.
- In particular, infrastructure and mining demand supported firm sales of mid-to-large equipment.
- We are also expanding the foundation to achieve enhanced profitability via our parts sales strategy.

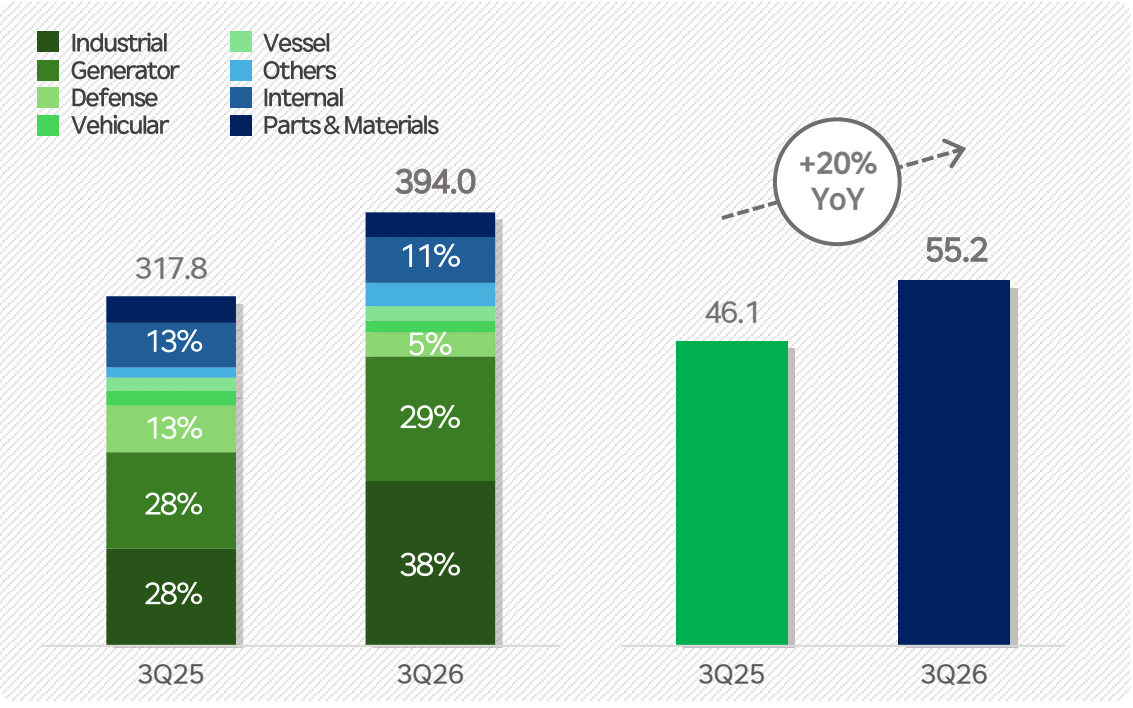
EBIT : Improved region/product mix

- Continued margin improvement driven by increased sales contribution from high-profitability regions and products

Engine

By Application

(Unit : KRW bn)



Revenue : Generator engine sales growth

- Revenue grew +24% YoY, driven by growth in power generation engines on rising electricity demand and by higher industrial engine sales on the continued recovery in global construction equipment demand.

EBIT : Consistent double-digit margin

- EBIT rose 20% YoY on an improved product mix, despite higher costs related to the Gunsan plant.
- Going forward, long-term revenue and EBIT are expected to expand rapidly, driven by sales growth in large electric/gas generator engines and faster synergy creation.

Statement of Financial Position

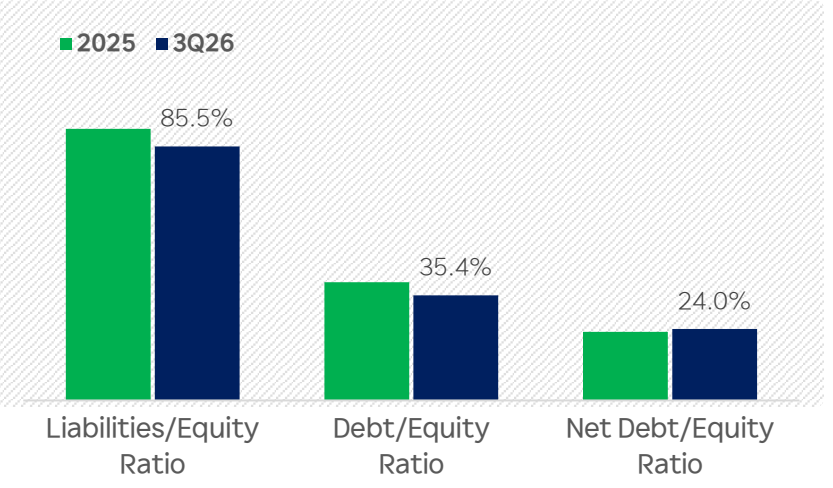
(Unit : KRW bn)

	2025	1Q26	2Q26	3Q26
Total Assets	8,838.9	9,297.1	9,615.3	9,111.7
Cash & Cash Equivalent	768.3	734.7	767.9	561.8
Current Assets	4,947.6	5,361.7	5,621.7	5,202.0
Fixed Assets	3,891.3	3,935.3	3,993.5	3,909.7
Total Liabilities	4,220.3	4,467.3	4,581.6	4,199.5
Debt	1,836.8	1,742.0	1,705.2	1,738.7
Net Debt	1,068.6	1,007.3	937.3	1,176.8
Total Shareholder's Equity	4,618.5	4,829.8	5,033.6	4,912.1
Liabilities/Equity Ratio	91.4%	92.5%	91.0%	85.5%

※ Based on K-IFRS consolidated financial statements

※ 2025 financials are based on internal data under the assumption of a merger and have not been audited.

Key Financial Ratios

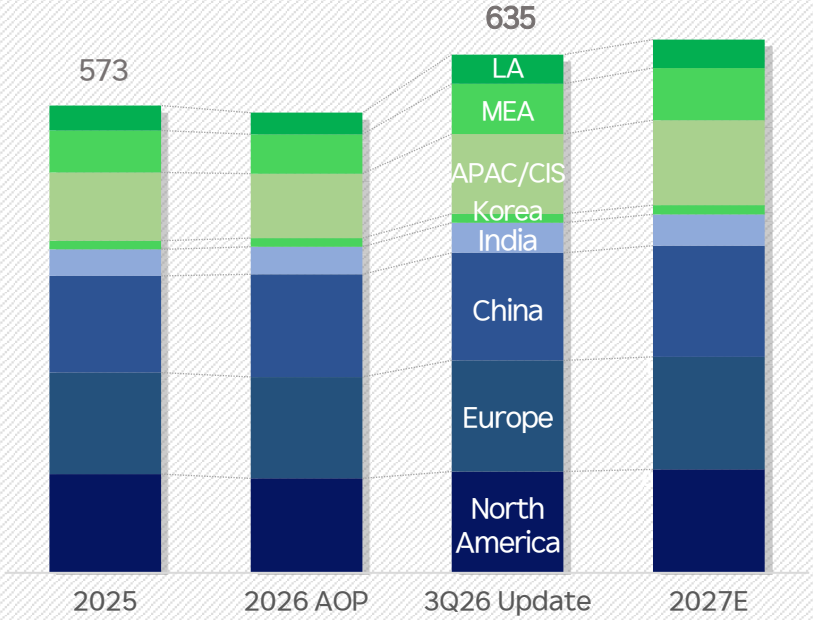


- Key financial ratios improved thanks to capital expansion and debt reduction.
- On top of investment for future growth and plans to enhance shareholders' return, we will endeavor to further improve our financial structure.

5. Outlook – Construction Equipment (Market)

Market Outlook

(Based on sales volume, '000 units)



- Risk factors: Logistics disruptions from the prolonged Middle East war, crude oil supply disruptions and slowing demand in emerging markets, interest rate policies in key countries and tariff uncertainty.

North America, Europe

- NA: Data center investment and expanding rental demand lifts market outlook, despite high interest rates and a sluggish housing market.
- Europe: Growth continues on rental and replacement demand. Sluggish housing starts remain a constraint.

APAC/CIS, MEA, LA

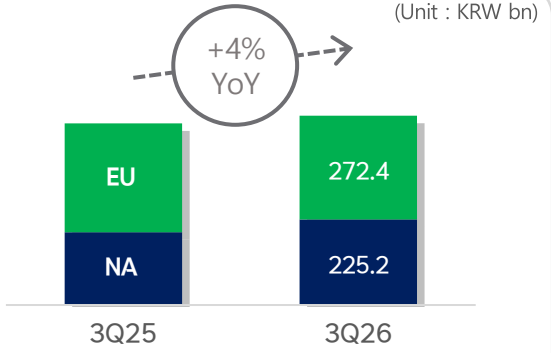
- APAC/CIS: Market grows on expanding infrastructure investment and mining demand.
- MEA: Infrastructure investment and mining demand in AF remain solid. However, disruptions from the prolonged Middle East war creates uncertainty in 2H.
- LA: Solid demand thanks to mining and infrastructure investment, despite political and economic uncertainty.

India, China, Korea

- India: Growth continues as government-led infrastructure investment expands.
- China: Market is recovering on expanding infrastructure investment and replacement demand, but price competition among local players is intensifying.
- Korea: Moderate growth continues thanks to replacement demand, despite weak construction activity.

5. Outlook – Construction Equipment (Sales)

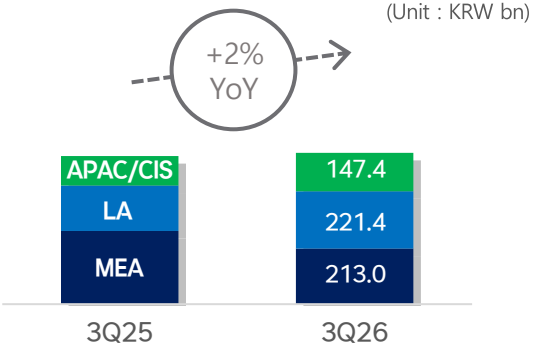
NA/EU



Growth from truck sales and new launches in core product lines

- NA : rowth and profitability both improve through expanded sales centered on next-generation new models and trucks, plus inventory normalization.
- EU : Growth was somewhat limited by a weak housing market and fewer sales of old models. Going forward, growth is expected to shift toward new products, including a broader next-generation lineup and a stronger 14T excavator/wheel loader.

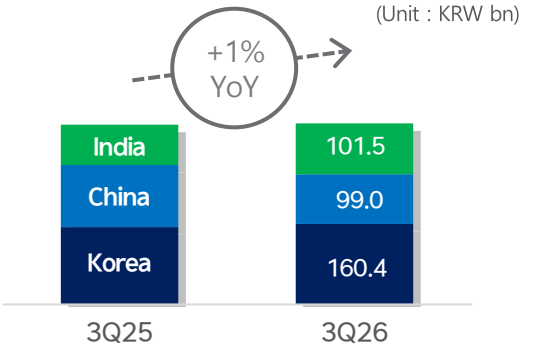
APAC/CIS / MEA / LA



High growth in LA and APAC/CIS offsets the decline in MEA sales

- MEA: Weak due to ME logistics constraints and diesel supply disruption in some regions. Recovery expected once logistics normalize.
- APAC/CIS: Strong compact equipment sales in Oceania, expanded sales of ultra-large equipment in CIS, stronger channel support, and launch of a 20T ultra-economy model will accelerate growth.
- LA: Stable growth continues thanks to solid mining demand.

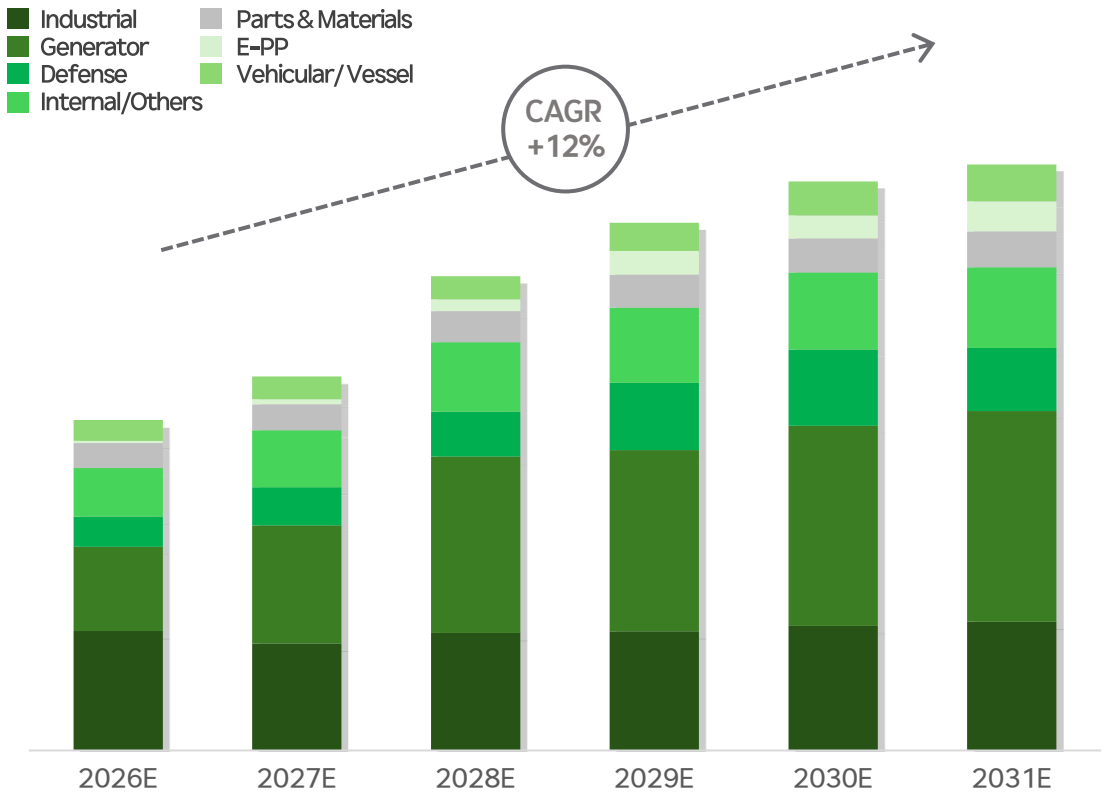
India/China/Korea



Demand driven growth continues in the region

- India: Government-led infrastructure investment as well as expanded MEX/wheel loader sales sustains high growth.
- China: Growth is slowing due to intensified price competition and export logistics disruption. However, we remain profitability-centered backed by cost-improved model and focus on overseas construction volume.
- Korea: Expanded sales of 6/15T core models and next-generation new models.

Sales Outlook



Growth Driver

Power Generation
: Growing global electricity demand

Incheon Plant Capacity Expansion (GX22)

Gunsan Plant Completion
: Ultra-Large / Defense / EPP

Industrial
: Expand presence in North America

Future Growth Platform
: Electrification & Hydrogen

5. Outlook – Generator Engine

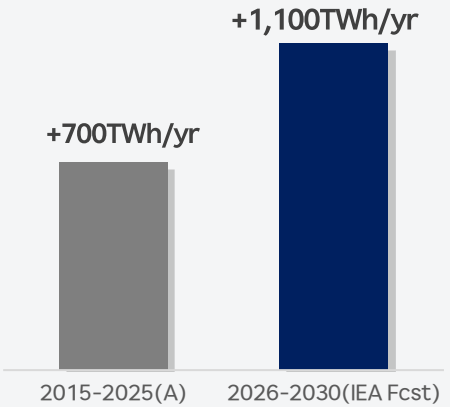
Global Demand Outlook

▶ Global Electricity Demand

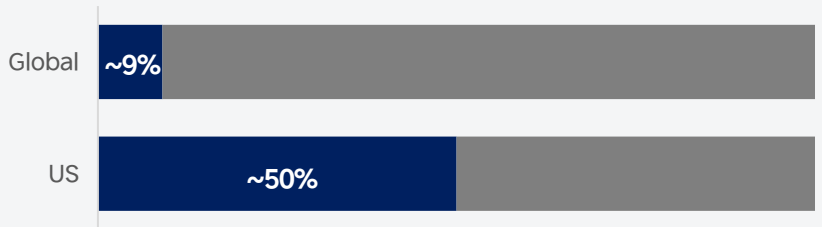
Demand (2025)
28,200 TWh

Demand (2030F)
33,600 TWh

▶ Average Annual Increase



▶ Data centers' share in demand growth, 2025–2030F



Our Strength

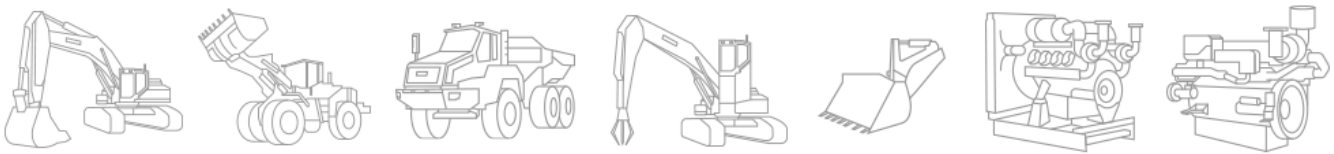
1. Leading Market Position
2. Flexible Production Capacity
3. Sustainable Power Technologies

Backup Solutions	Continuous Solutions
Mission-Critical Backup Power	Prime & Bridge Power Solutions
Rapid Response Capability	24/7 Baseload Operation
High-Power Density	Scalable Distributed Generation

▶ **Lineup Expansion**
New backup power 1 to 3 MW (Gas and Hydrogen Variants Under Evaluation)
Extension to Lower-Displacement Platforms
Improved Reliability, Durability & Serviceability

※ IEA (2026), Electricity 2026; IEA (2026), Key Questions on Energy and AI., figures are IEA forecasts

HD CONSTRUCTION EQUIPMENT



[Reference] Sales Breakdown by Region & Division

(Unit : KRW bn)

		1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	YoY
Sales		**1,887.9**	**2,058.8**	**1,971.6**	**2,008.4**	**7,926.9**	**2,304.9**	**2,434.2**	**2,091.5**	**+6.1%**
Construction Equipment		**1,340.0**	**1,472.9**	**1,443.0**	**1,474.6**	**5,730.5**	**1,748.8**	**1,823.4**	**1,447.3**	**+0.3%**
America	NA	147.3	187.5	191.3	183.4	709.6	185.5	200.6	225.2	+17.7%
	LA	131.0	160.0	174.6	163.6	629.3	191.7	207.8	221.4	+26.8%
EMEA	EU	176.8	250.3	286.2	278.7	992.1	281.2	316.0	272.4	-4.8%
	ME/AF	197.1	274.8	280.9	304.7	1,057.5	331.3	416.1	213.0	-24.2%
APAC/CIS	Korea	244.6	173.0	154.4	103.2	675.3	285.4	216.3	160.4	+3.9%
	China	145.0	152.7	123.7	189.5	610.9	169.6	174.1	99.0	-20.0%
	India	146.0	100.9	80.2	110.8	437.9	157.0	123.2	101.5	+26.6%
	SEA/CIS/OC	135.0	141.1	113.2	106.7	496.0	133.3	165.9	147.4	+30.2%
Other		17.3	32.4	38.3	33.9	122.0	13.8	3.3	6.9	-82.1%
AM/PS		**179.4**	**181.3**	**162.7**	**160.9**	**684.3**	**178.7**	**194.9**	**176.2**	**+8.3%**
Engine		**304.9**	**369.0**	**317.8**	**334.6**	**1,326.4**	**336.1**	**386.1**	**394.0**	**+24.0%**
Industrial Vehicle		**118.9**	**114.7**	**118.4**	**113.1**	**465.2**	**97.4**	**103.2**	**116.4**	**-1.7%**
Consolidation Adjustment		**-55.3**	**-79.1**	**-70.3**	**-74.8**	**-279.5**	**-56.1**	**-73.4**	**-42.4**	**-**

※ Note: Company source, Engine sales figures are presented before consolidation adjustments