



CEO Keynote Speech

January 2026

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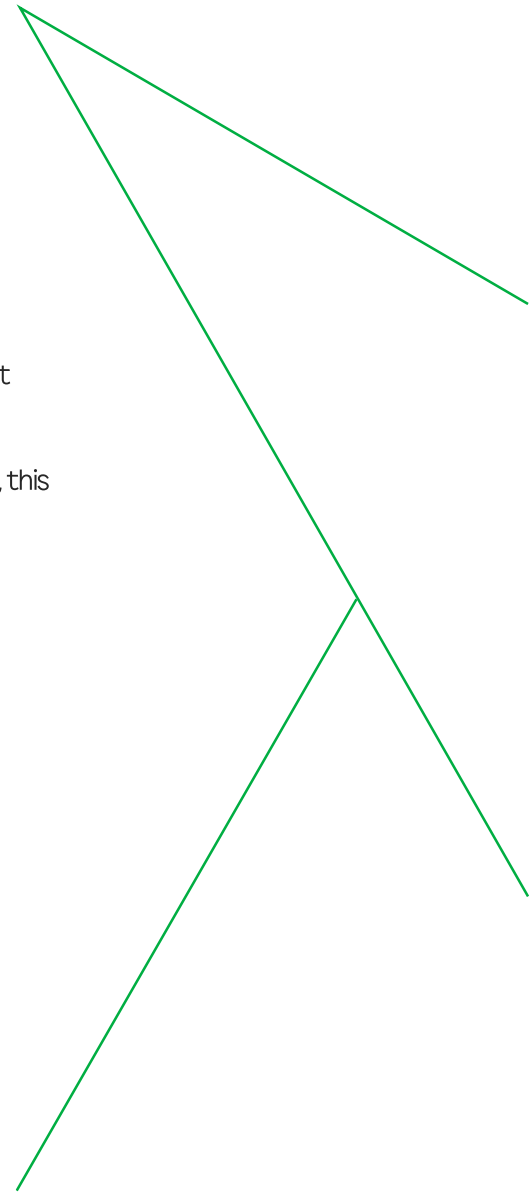
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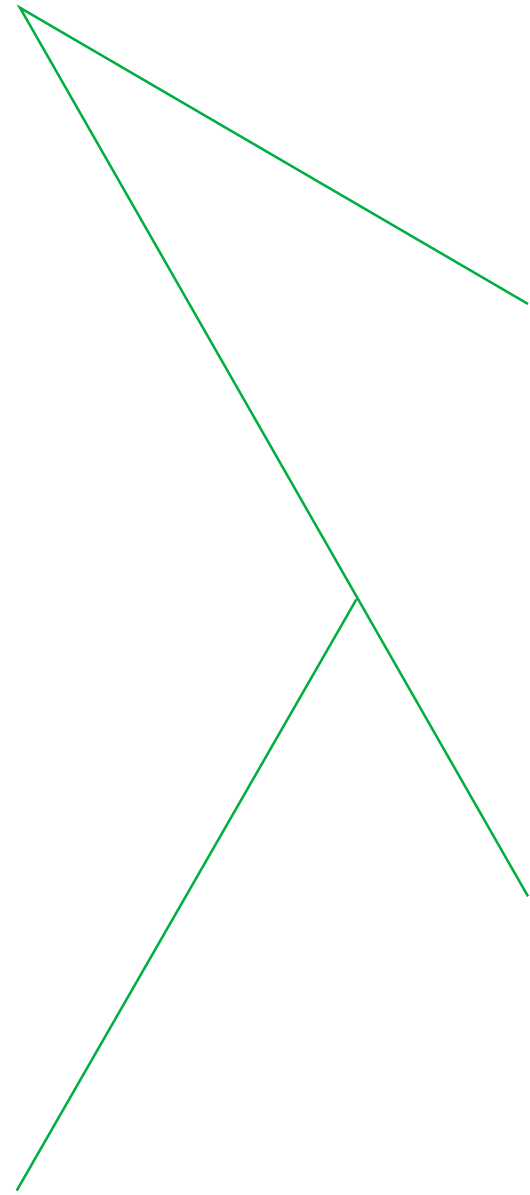
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II. Growth Strategy – Engine

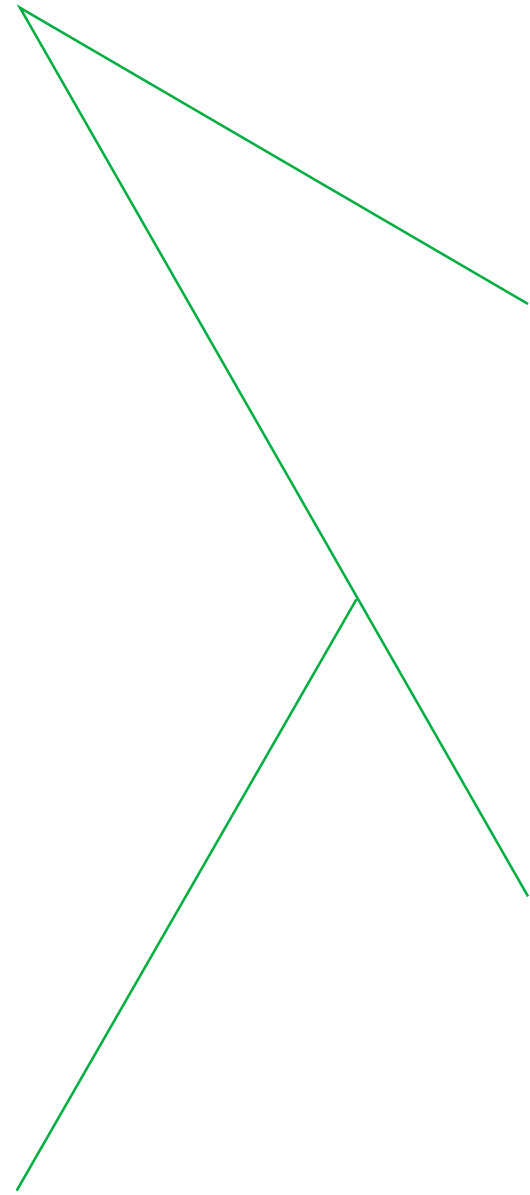
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1. Construction Equipment Market Outlook for 2026
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I. Growth Strategy – HD Construction Equipment



“Be the One, Be the No.1”



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DEVELON

**Global Network :
17 Sales Subsidiaries and
6 Manufacturing Plants**

**140+ Countries
& 750+ Dealer Network**

**Offering a Full
Product Lineup**

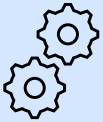
**Sales KRW 8.7tr
Leading Machinery
Company in Korea**

To secure both top-line growth and profitability improvement

Sales of KRW 14.1 tr and EBIT margin above 11% in 2030



Const. Equipment: Regional growth strategy and sales synergy



Engine: To seize growth opportunities in generator/defense/industrial usages, Enter the US power generation market



Significant enhancement to AM/PS business



Second phase to create synergy to lead to enhanced profitability

Differentiated biz strategy by region

Enhanced Profitability

- Upscaling of profitability in strategic markets
- Expansion in sales of high-profit overseas construction in China, increased sales contribution from medium-sized wheel excavators
- Market strategy focused on mining demand in emerging markets

Expansion of Sales Base in MEA

- Established Dubai Regional HQ - Sales growth in Africa/Middle East
- Cross-production in Ulsan/Incheon/Gunsan plant to increase supply

Stronger Biz. In India

- Strengthen service capabilities – Gain customer loyalty and secure #2 market position in India
- Target the rapidly growing compact equipment market
- Increase capacity in response to diversification of export regions – To produce 10,000 units/year, Increase exports (1,000 units → 3,000 units)

Region-specific Models

- Launch next-gen model aimed at high-end consumers in Korea
- Launch next-gen model in North America, which was well-received in Europe
- Develop budget model for China/India

[Back-up] Product Launch Schedule

Compact equipment biz.
to become core focus



- 2026** CWL Integration
- 2028** Single Model Integration
for 3.5~5.5T
- 2029** 8T Single Model Integration,
New lineup for 10T

Elimination of overlapping
mid-sized product lineup,
launch of budget models



- 2026** 21T Ultra Budget Model
- 2027** 20-36T Budget, 14T Budget
- 2028** 38T Model Integration
- 2029** 48/52T Model Integration

Expansion into ultra-large
equipment business

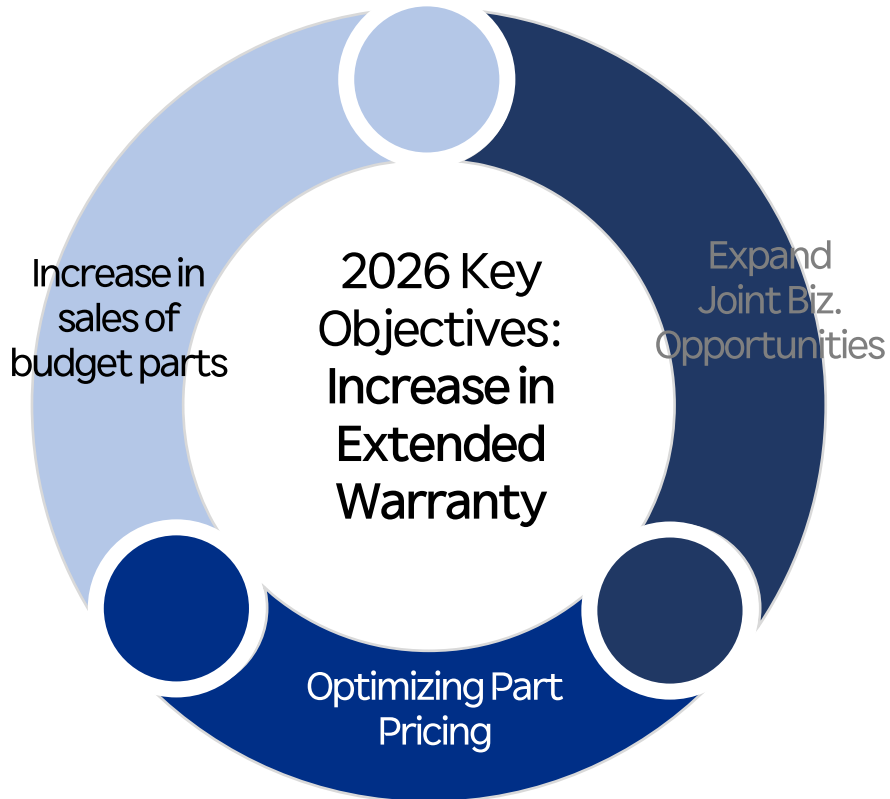


--- New
Expansion

- 2027** 130/150T Ultra Large
- 2028** WLO 700 New lineup
- 2030** WDT/RDT Mining Truck

I-2. Strengthen high-profitability AM & PS business

Construction Equipment AM sales KRW 0.7 tr in 2025 → KRW 1.4 tr in 2030



Stronger Product Support Capability

* Increase Uptime Centers	Resolve Claims within 48 Hours	Jointly Utilize Global Training Centers
x 1.7 times	+2%p / year	16 centers



* UptimeCenter: Digital remote monitoring and support hub for construction equipment

I-2. Creating Synergy - Target sales of KRW 14.1 tr & EBIT margin +11% in 2030

Revenue Growth to Drive Profitability & Full-scale Operational Synergies

Market share gains in global markets

- Expand next-gen models and compact equipment in developed markets
- Launch ultra budget models in emerging markets

AM biz. expansion

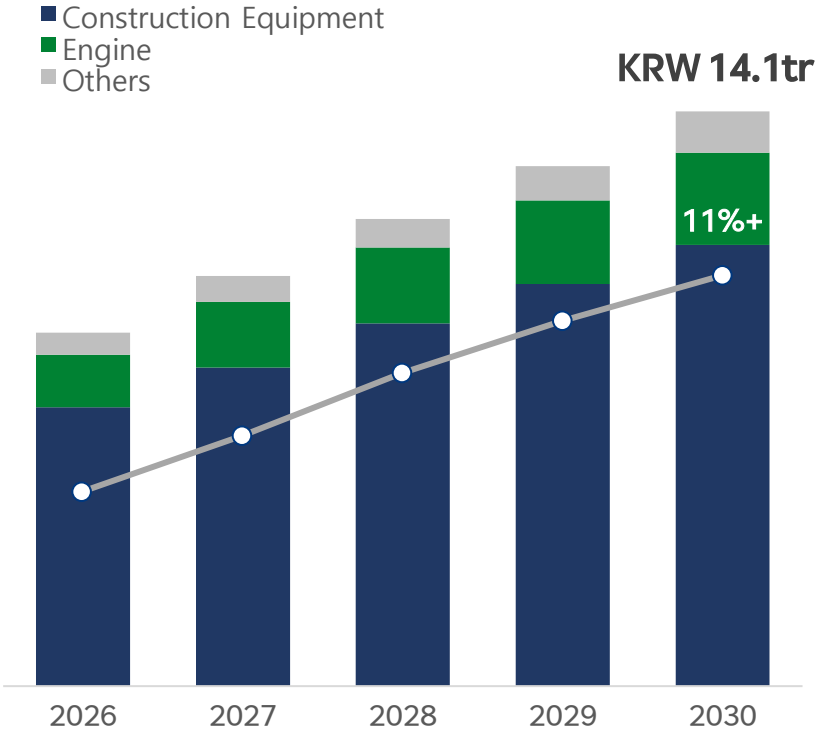
- Upgrade service programs
- Develop budget components
- Establish AM specialist dealers

Profitability maximization via cost innovation

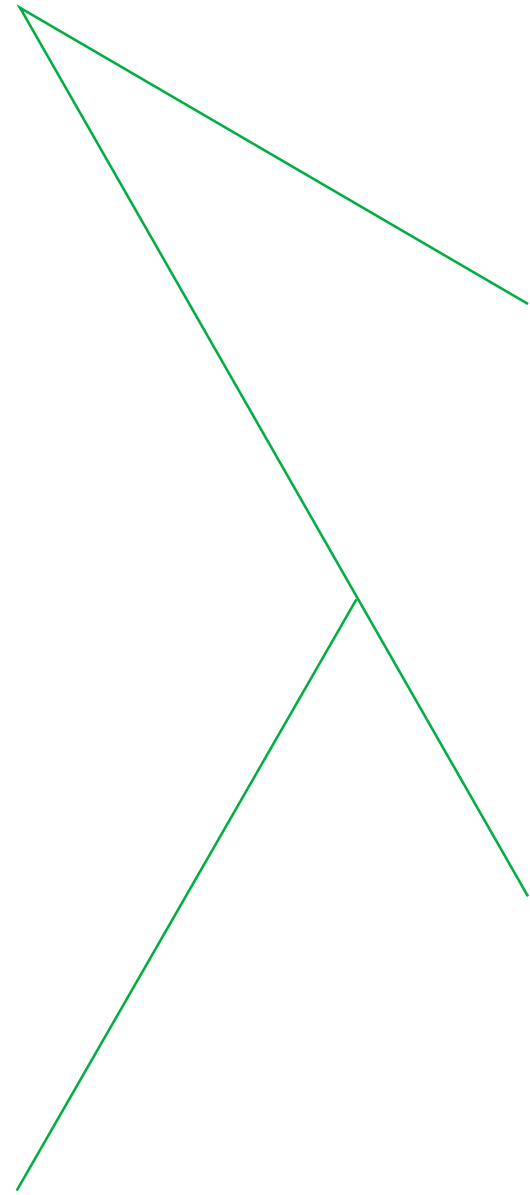
- Enhance competitiveness of overseas models
- Expand flexible production in China, Brazil, and India
- Integrate global IT systems

Optimizing Quality Management

- Operate quality control centers for next-gen models
- Strengthen proactive and preventive quality activities



II. Growth Strategy – Engine

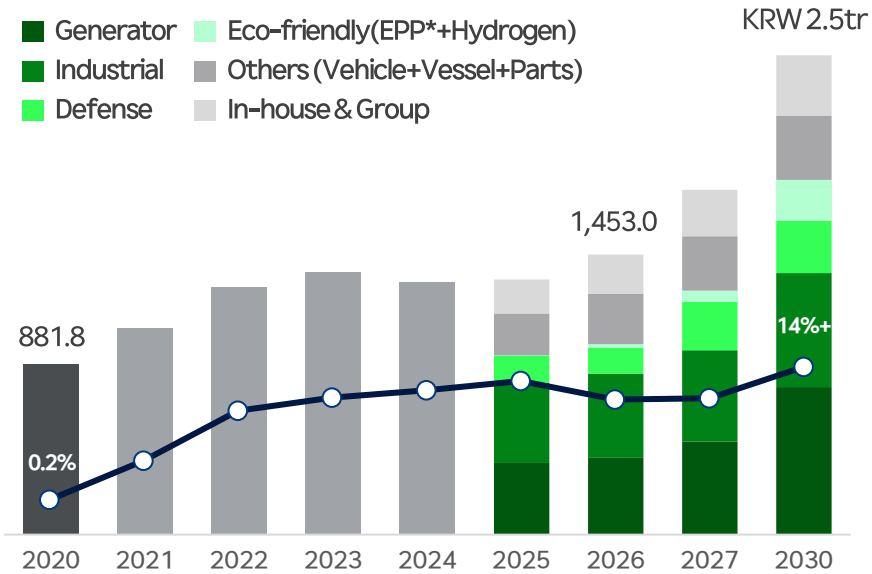


II-1. Engine Overview

Sales Trend & Outlook

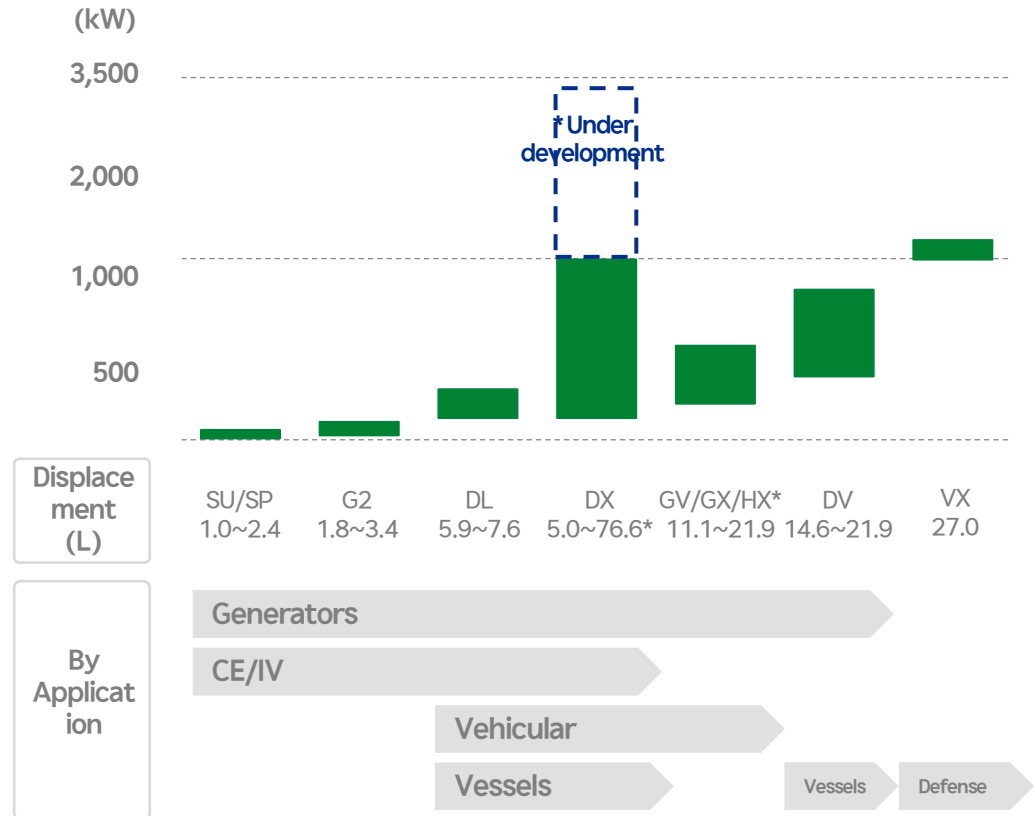
: BEP in 2020 → Revenue growth leading to steep improvement in profit margins
 Enhanced product portfolio to contribute towards further revenue growth

(Sales : KRWbn, EBIT Margin : %)



*EPP: E-Power Pack

Engine Lineup

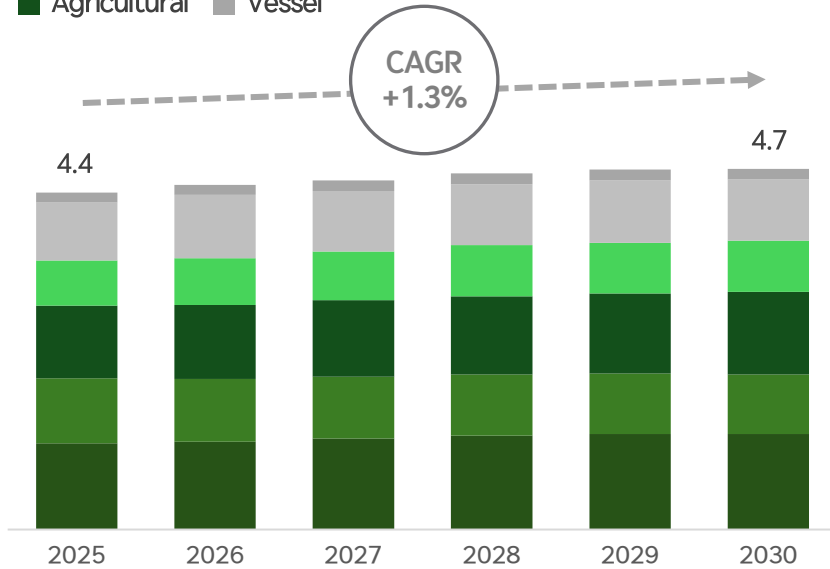


II-2. Engine Mid/Long-term Market Outlook

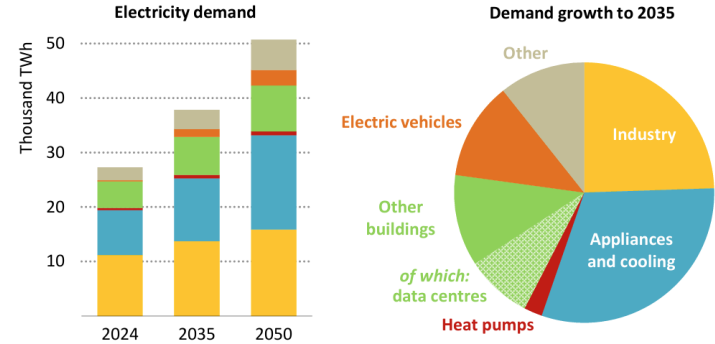
Market Outlook – Internal Combustion Engine

: Potential for growth opportunities given the positive outlook for steady demand and difficulty for competitors to newly enter the market

- Generator
 - Industrial
 - Agricultural
 - Construction
 - Vehicle
 - Vessel
- (Unit : mn units)



Electricity demand outlook

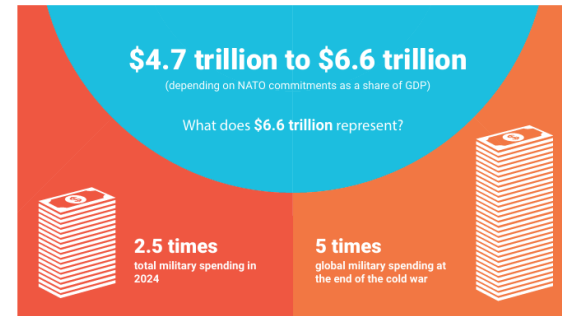


Electricity demand increases by almost 1 000 TWh each year, mostly driven by appliances, cooling and industry

IEA. CC BY 4.0.

Defense Expenditure Outlook

Figure 5: Projected world military expenditure by 2035



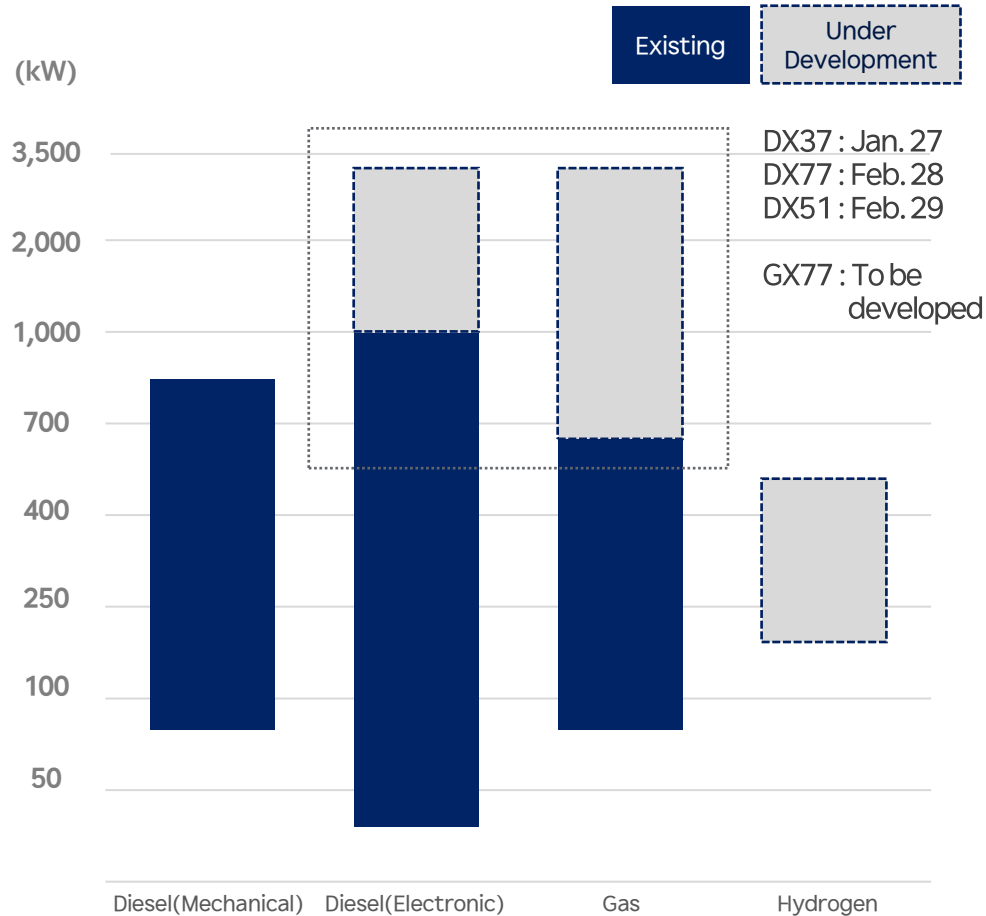
* Market data : Internal estimation based on PSR data and market research such as Off-highway data

* Electricity demand outlook : IEA, World Energy Outlook 2025 (Dec. 2025)

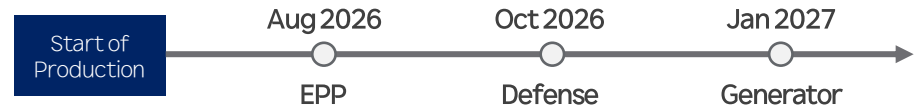
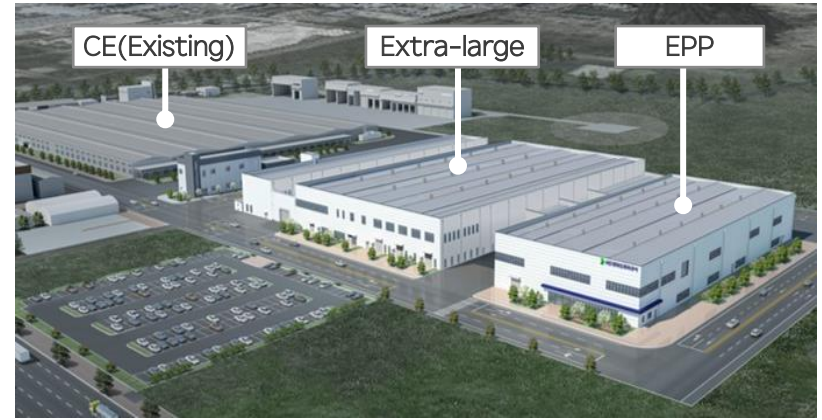
* Defense expenditure outlook : UN, The Security We Need: Rebalancing Military Spending for a Sustainable and Peaceful Future (2025.09)

II-3. Engine Growth Strategy: Expansion of Product Lineup + Utilization of Gunsan Plant

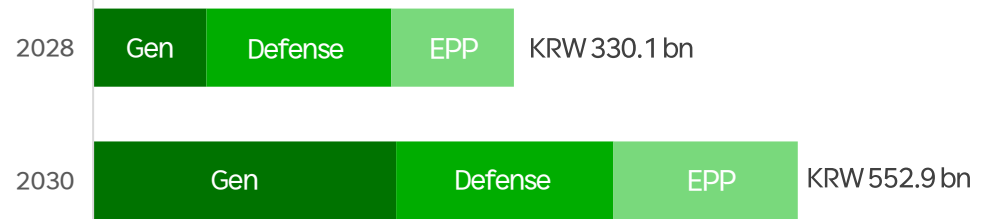
R&D for Extra-large Generator Engines



SOP & Sales Outlook at Gunsan Plant



Revenue projection for Gunsan Plant



II-3. Engine Growth Strategy: Synergy with in-house portfolio + Sales in full swing for eco-engines

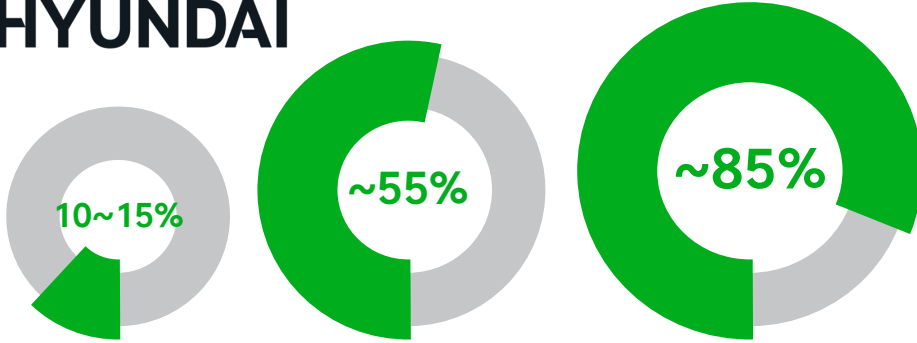
Target to expand in-house engine portfolio

: Plans to develop engines for industrial usage

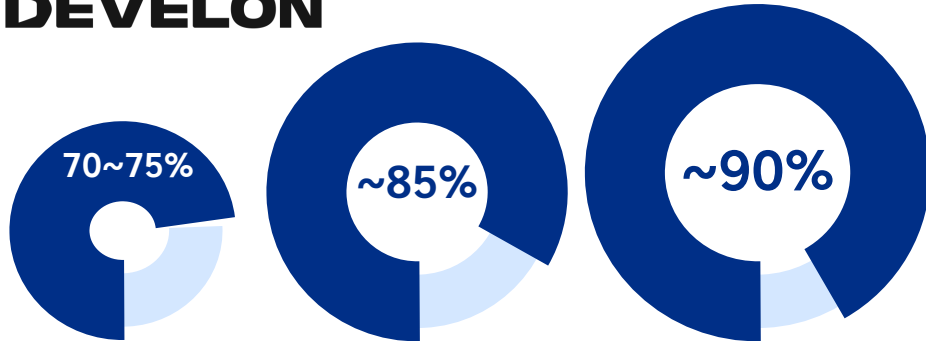
DX12(Oct. 26), DX22(Dec. 26)

→ Expand in-house engine portfolio

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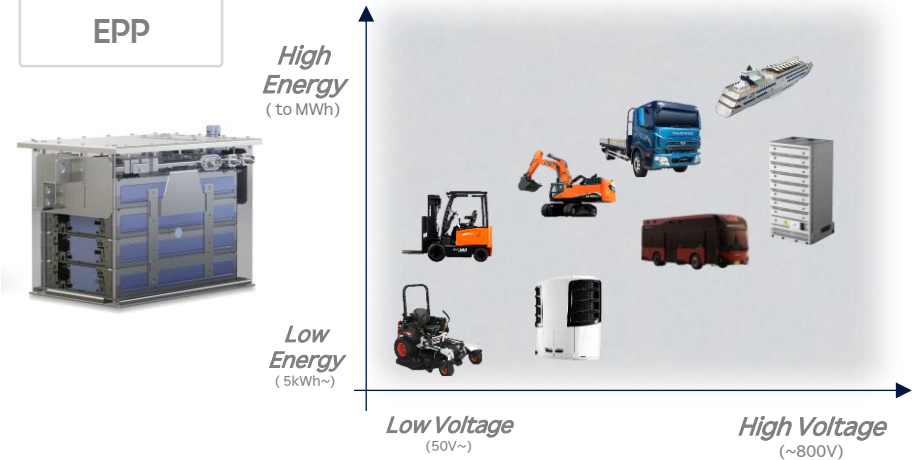


Eco-friendly Engine

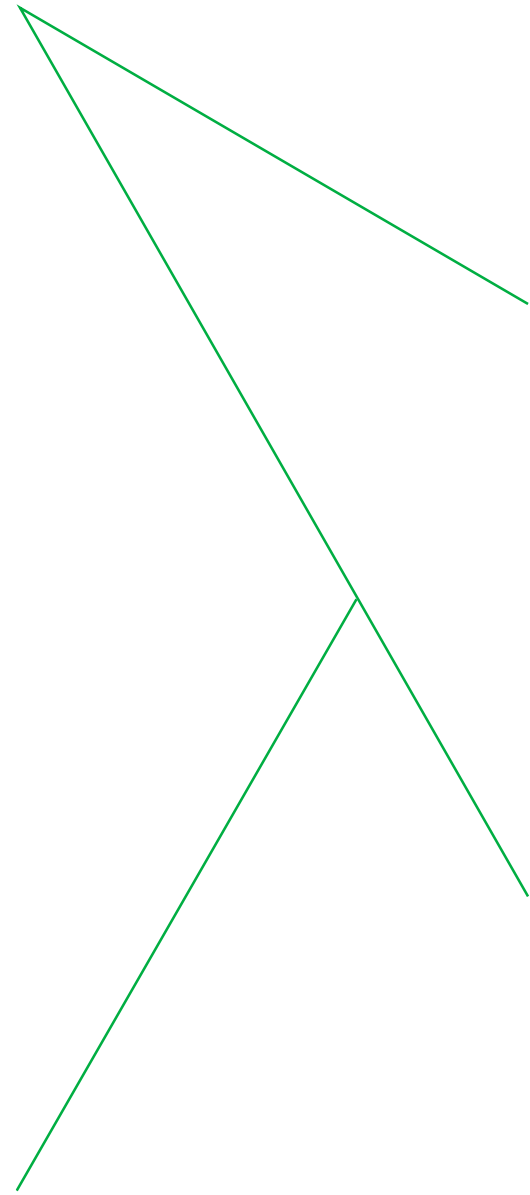
Hydrogen Engine



EPP



III. 2026 Business Plan



On-going favorable emerging markets and full-fledged recover in Europe

Emerging



Demand outlook expected to be strong driven by large government and private projects and mining activities in resource-rich countries. Rising logistics and infrastructure investment should also lead to market growth for mid to large-sized equipment.

India



Positive economic outlook supported by GDP growth forecast above 6%. Infrastructure investment to continue including new residential construction.

Europe



Recovery supported by ongoing interest rate cuts and improving construction activity in key markets. Investment to grow backed by EU funds and national policy financing.

China



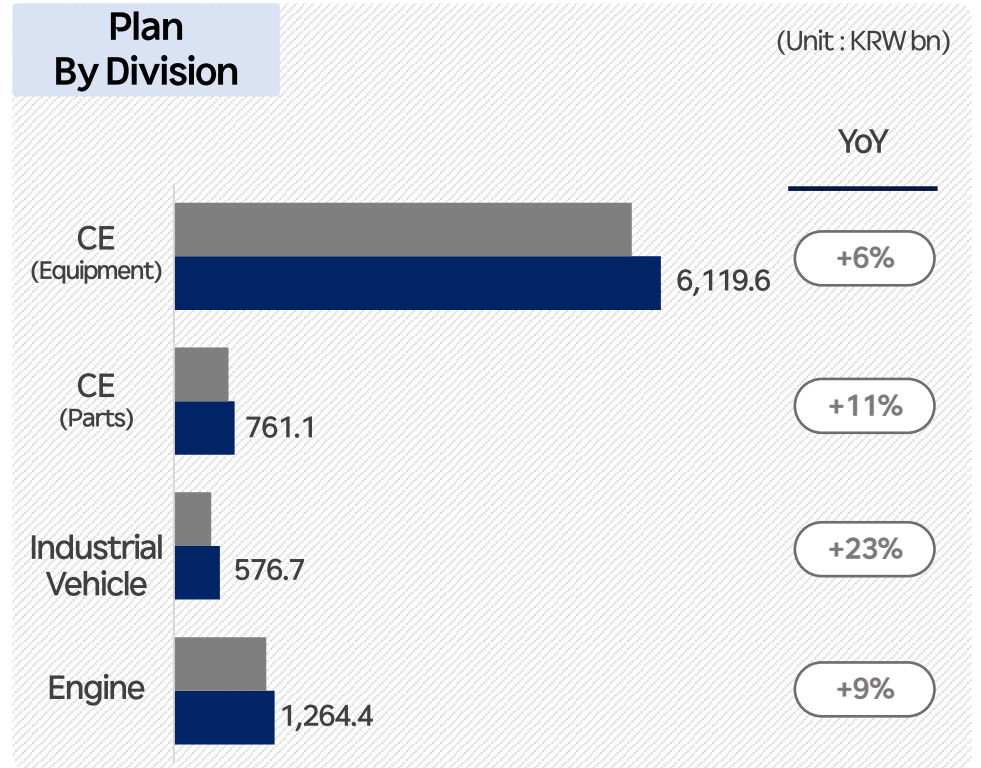
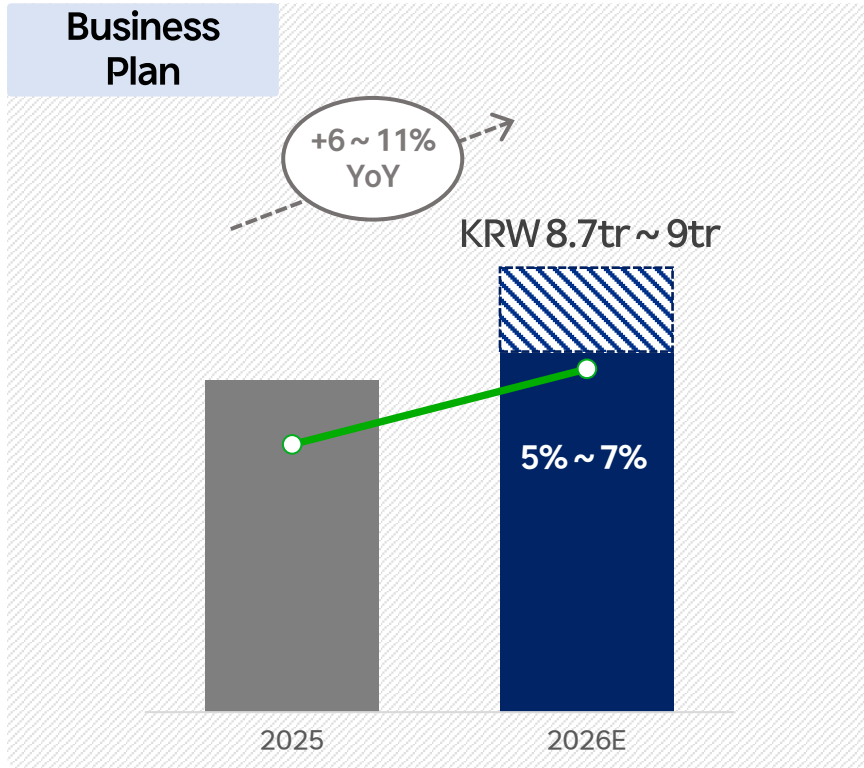
Development activity to pick up, particularly in western regions.

North America



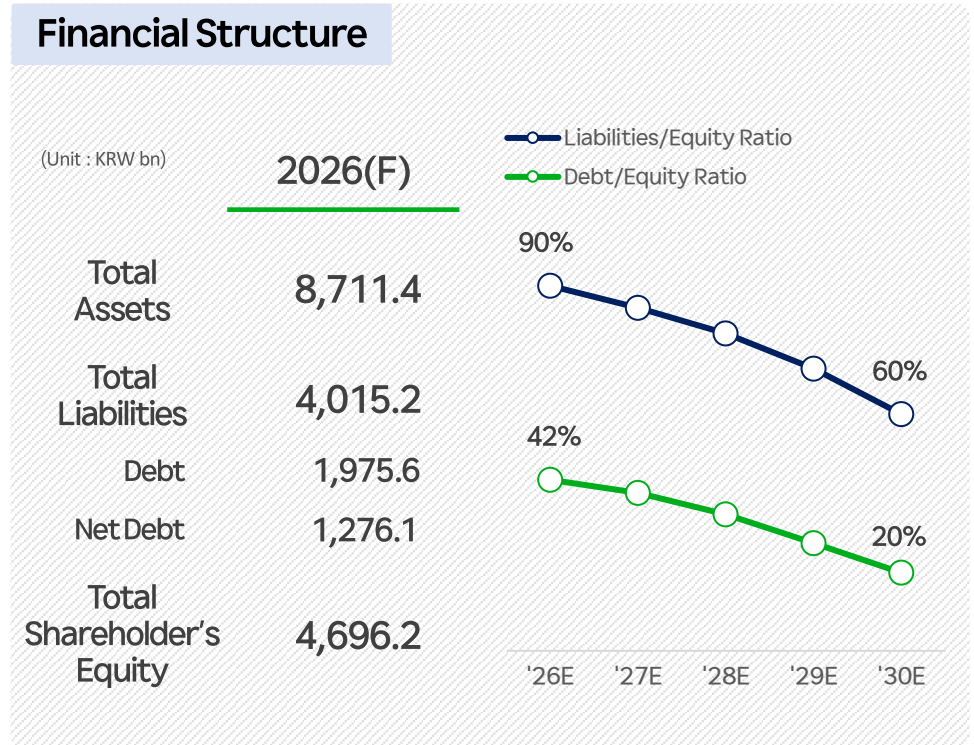
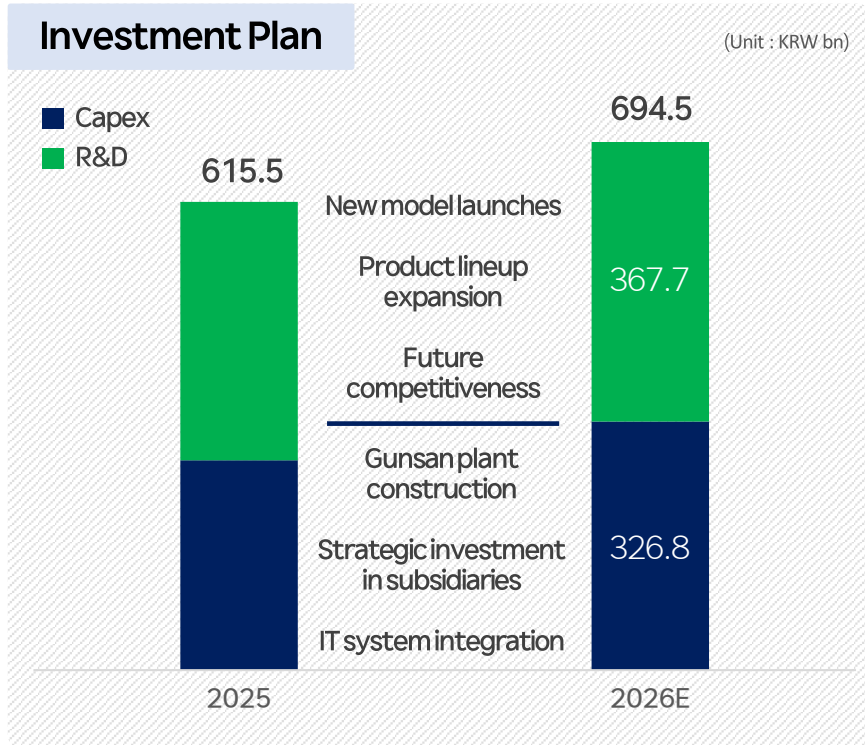
Market condition to be weighed down by uncertainties over tariff during 1H26, but is anticipated to recovery in 2H26.

Plans to secure future growth with enhanced fundamental competitiveness To achieve above-market growth via execution of key strategies and synergy creation



III-2. 2026 Business Plan : Investment & Financial Structure

Continued commitment towards facility investment to strengthen market competitiveness, alongside ongoing R&D efforts to secure future growth drivers
Maintain financial soundness while pursuing sustainable shareholder return policy



Q&A

