HD HYUNDAI CONSTRUCTION EQUIPMENT

3Q25 Earnings Release

October 2025

Disclaimer

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Contents

1. Financial Results Summary

3Q25 Results

- Sales surged 17% YoY, driven by growth in emerging markets due to increased mining demand and a rebound in developed market
- Operating profit surged 30% YoY due to sales growth and F/X effect

(unit : KRW bn)

	3Q25	YoY	QoQ	3Q24	2Q25
Sales	954.7	16.9%	-1.3%	816.8	967.7
Operating Profit	55.8	29.8%	39.4%	43	40
OP Margin(%)	5.8%	0.6%p	1.7%p	5.3%	4.1%
Non-Operating Profit	1.3	-	-	-27.2	-38
Interest Income	-6.8	-	-	-10.7	-7.7
Foreign Exchange	14.6	-	-	-14.3	-22.7
Net Profit	42.3	269.0%	6,715.0%	11.4	0.6
Profit attributable to owners of the company	43.8	297.9%	803.9%	11	4.8

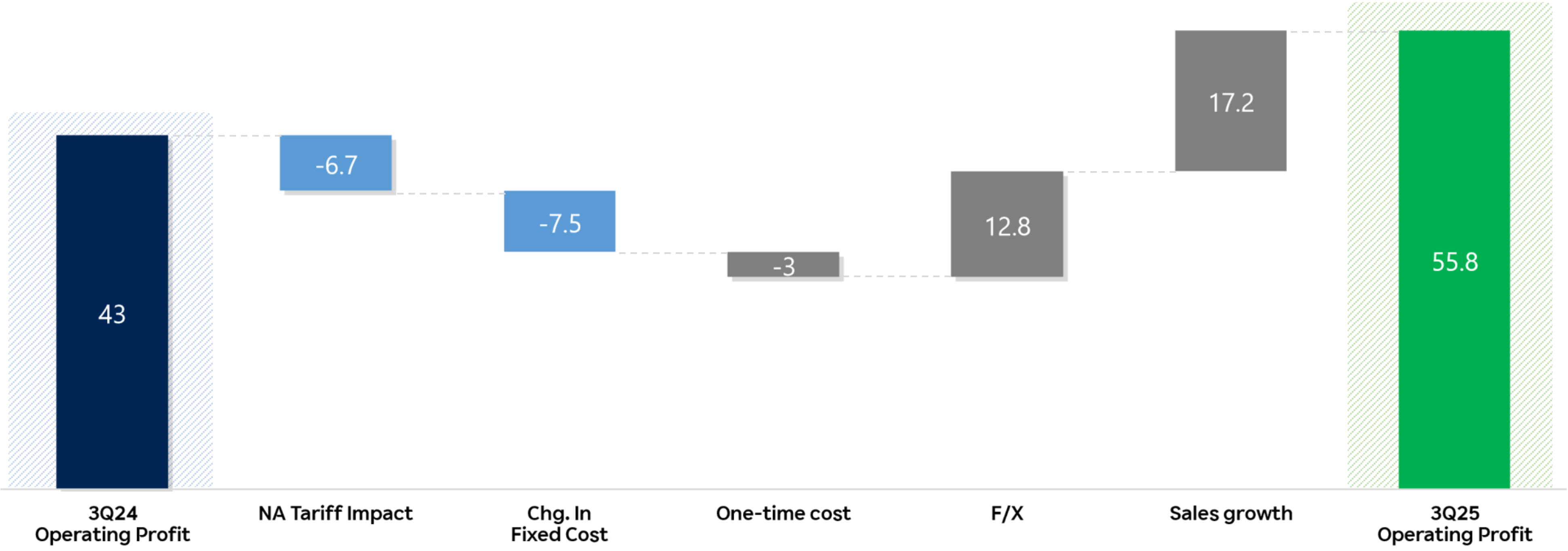
Note. Based on K-IFRS consolidated financial statements

2. Operating Profit Overview

Operating Profit Analysis (YoY)

Operating profit increased by 30% YoY due to higher sales in developed/emerging markets and favorable F/X effects

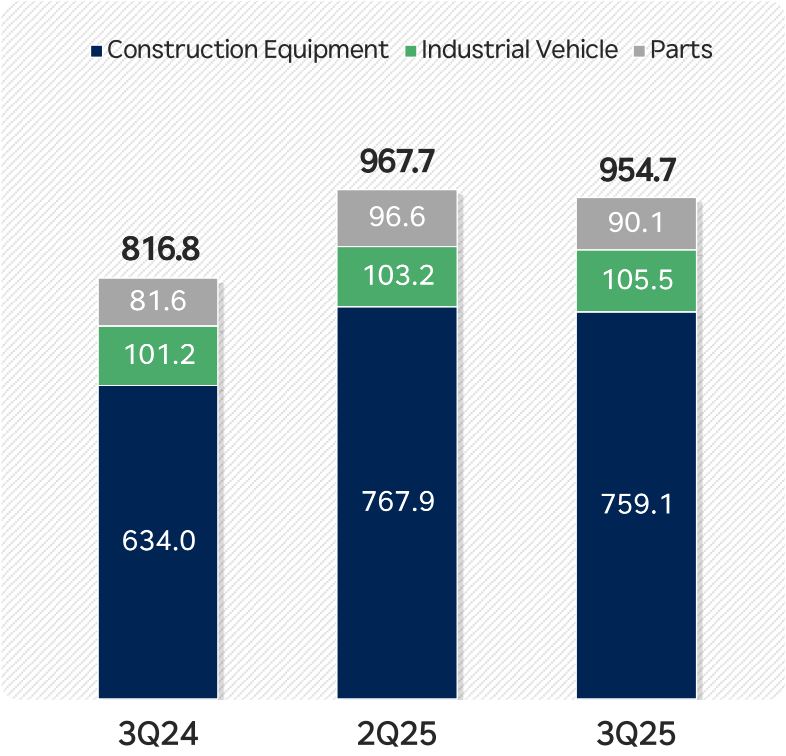
(unit : KRW bn)



3. Sales Overview by Business

Sales by Business in 3Q

(unit : KRW bn)



Sales Analysis by Business in 3Q

		YoY	QoQ
Construction Equipment	• Strong sales growth year-on-year, supported by rising resource and infrastructure demand in emerging markets and stable dealer inventories in developed markets.	+19.7%	-1.1%
Industrial Vehicle	• Stable performance driven by sustaining demand in developed markets	+4.2%	+2.2%
Parts	• Steady sales growth maintained by effects of previously sold equipment, with enhancing AM sales capabilities and expanding sales of attachments and strategic components	+10.5%	-6.7%

Note. Based on K-IFRS consolidated financial statements

Sales Analysis by Region

(unit : KRW bn)

	3Q25				3Q24		2Q25		Analysis (YoY)
	Sales	%	YoY	QoQ	Sales	%	Sales	%	
Emerging*	336.2	35	+33%	+3%	252.5	31	325.0	34	Increased demand driven by expanded gold mine and infrastructure development
North America	219.7	23	+8%	-4%	203.2	25	228.1	24	Improved product mix & Increased pre-demand driven by the anticipation of rising product prices due to tariffs
India	91.9	10	-12%	-20%	104.2	13	114.6	12	Decrease in demand resulting from lower equipment utilization rates due to a longer-than-usual monsoon season
Europe	127.8	13	+32%	+27%	97.0	12	100.9	10	Gradually recovering market demand, due to delivery of deferred orders as port logistics normalize and EUCUP operations stabilize
Brazil	66.3	7	+14%	+26%	57.9	7	52.7	5	Expansion of promotional activities focused on stimulating demand and boosting sales volume
Korea	61.7	6	+16%	-6%	53.0	6	65.3	7	Low base effect from the previous year and aggressive promotional efforts.
China	51.1	5	+4%	-37%	49.0	6	81.0	8	Growth in overseas construction volume and AM parts sales.
Total	954.7	100	+17%	-1%	816.8	100	967.7	100	

Note. Based on K-IFRS consolidated financial statements

5. Financial Statement and Key Financial Ratios

Summarized Financial Statement

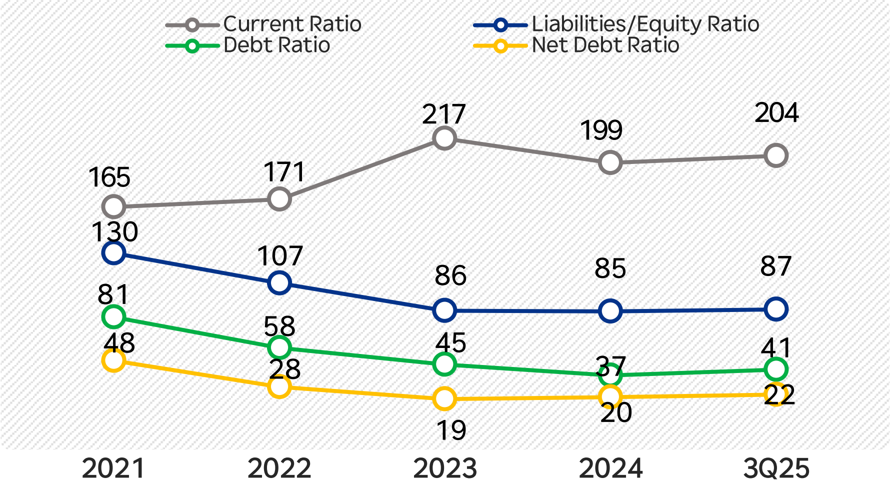
(unit : KRW bn)

	3Q25	2024	2023	2022	2021
Total Assets	3,559.3	3,324.6	3,297.0	3,448.6	3,554.3
Current Assets	2,262.2	2,112.8	2,199.2	2,350.6	2,469.5
Non-current Assets	1,297.2	1,211.8	1,097.8	1,098.0	1,084.8
AR and others	806.0	662.4	635.2	707.7	876.5
Cash Equivalents & Financial Assets	356.3	305.4	458.6	488.3	524.6
Total Liabilities	1,656.2	1,530.8	1,525.9	1,781.3	2,006.5
Current Liabilities	1,110.9	1,063.5	1,014.2	1,373.7	1,499.1
Non-current Liabilities	45.3	467.3	511.7	407.6	507.4
AP and others	547.7	542.5	401.5	457.0	428.0
Borrowings	780.0	664.3	789.5	963.2	1,261.2
Net Borrowings	423.7	358.9	330.9	474.9	736.6
Total Equity	1,903.1	1,793.8	1,771.1	1,667.3	1,547.8

Note. Based on K-IFRS consolidated financial statements

Key Financial Ratios

(unit : %)

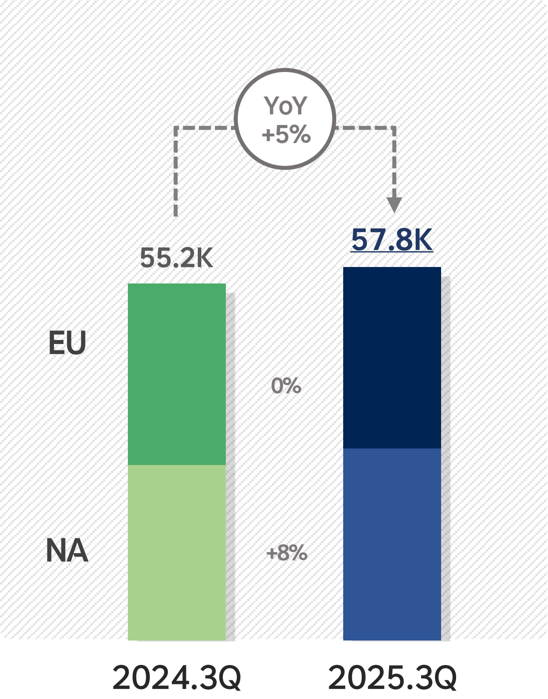


High levels of financial soundness secured through stable operating cash flow generated from diversified regional portfolio.

North America and Europe

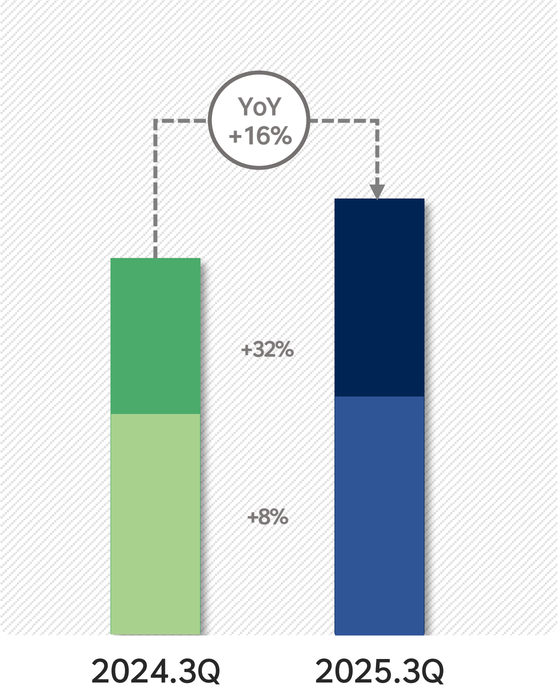
Demand

(Units)



Sales

(Unit: KRW bn)



Overall demand is shifting to a growth trajectory

- NA : Recent recovery in demand appears to be driven by preemptive purchasing ahead of tariff increases, and its sustainability is currently being monitored.
- EU : Moderate recovery in major markets is gradually expanding toward Northern /Eastern Europe.

Sales increase thanks to improved product mix & upward trend in sales is expected to persist

- Improved product mix(ADT*, Large excavators) & stronger business operation (North American flagship store and the coverage expansion to 13 European dealers along with the completion of new dealer development)
- Continue improving profitability through expanded sales of high-value-added functional product

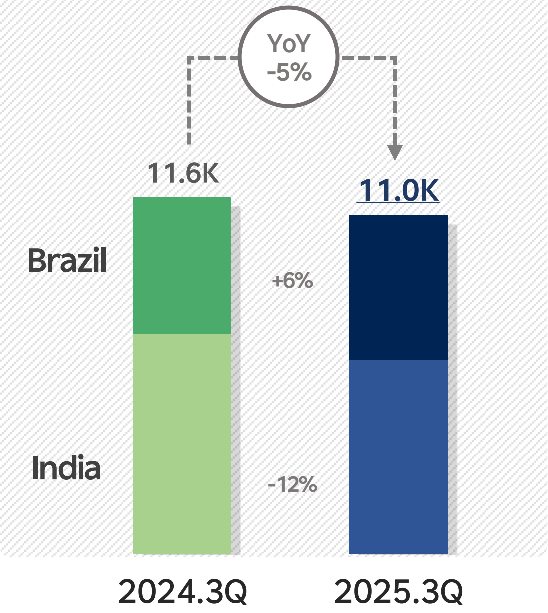
Note: Market Volume based on excavator+mid/large wheel loaders. Sales includes industrial vehicles
Source: Company data

*) ADT : Articulated Dump Truck, Valuemate : HCE brand for cost-effective After Market parts

India & Brazil

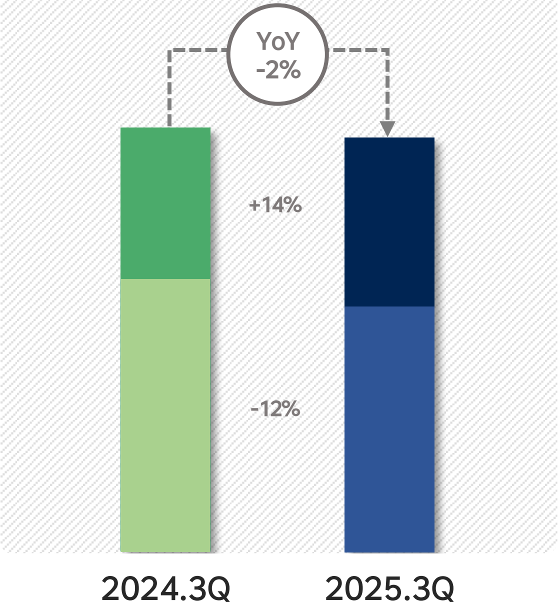
Demand

(Units)



Sales

(Unit: KRW bn)



- **[India] Digesting excess inventory, particularly in the mid-sized equipment segment**
- **[Brazil] Temporary demand growth due to anticipated construction halts ahead of the 2026 presidential election**
- **Pursuing sales expansion through enhanced product competitiveness despite market uncertainties**
  - India : Boost sales through the launch of the new 20T model and BS5*WLO along with our participation in the Excon exhibition in Dec.
  - Brazil : Revenue growth sustained by stronger product lineup and expanded sales in construction segment

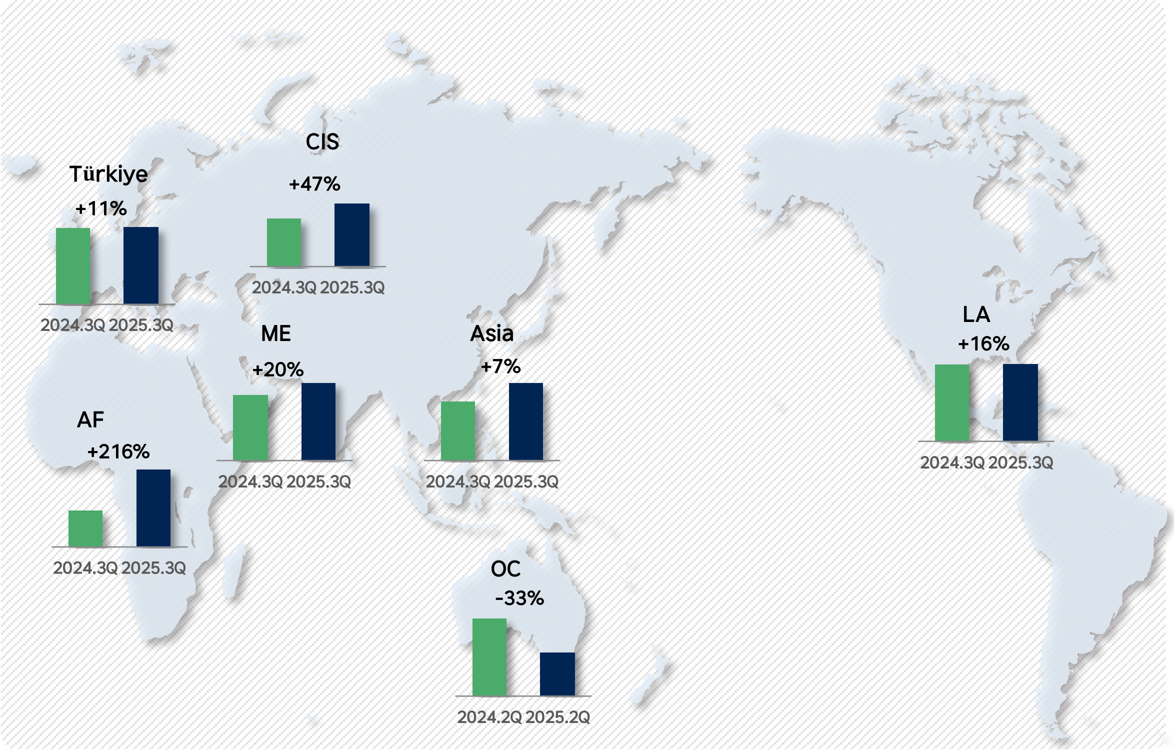
*)BS5: Bharat Stage 5 emission reg. BHL : Backhoe Loader

Note: Market Volume based on excavator+mid/large wheel loaders. Sales includes industrial vehicles
Source: Company data

Emerging Markets

Sales

(Unit: KRW bn)



Strong demand growth continues in most of the key regions in Emerging market

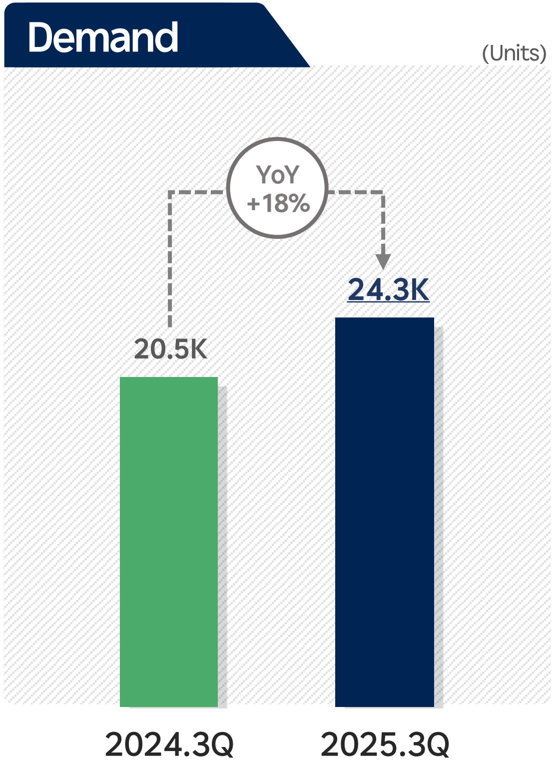
- Demand is increasing, driven by gold mining activities in Africa, mining projects in Latin America, construction growth in the Middle East (particularly the UAE), and ongoing infrastructure investment in CIS/Asia.

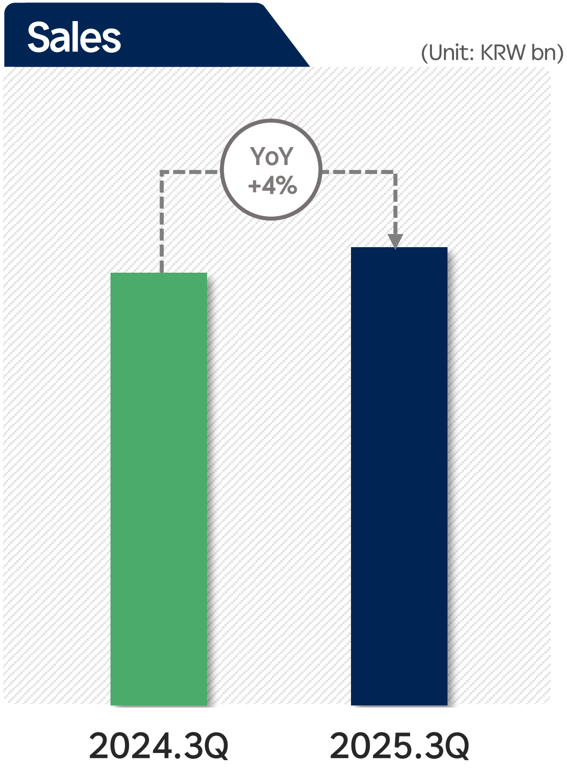
Sales and profitability continue to grow steadily, supported by favorable market condition

- Orders continue in key countries like Sudan, Ethiopia, Ecuador
- Large equipment sales has risen, leading to significant improvements in profitability
- Continues to strengthen its competitiveness by leveraging local subsidiaries(Chile, Dubai, Thailand) and global production sites(Korea, India, China, Brazil)

6-4. Market Review & Outlook

China





Steady demand trend continues

- Government initiatives promoting rural and urban infrastructure projects are driving MEX market activity
- Demand recovery is expected to continued due to replacement demand for aging equipment

Steady Sales trend continues

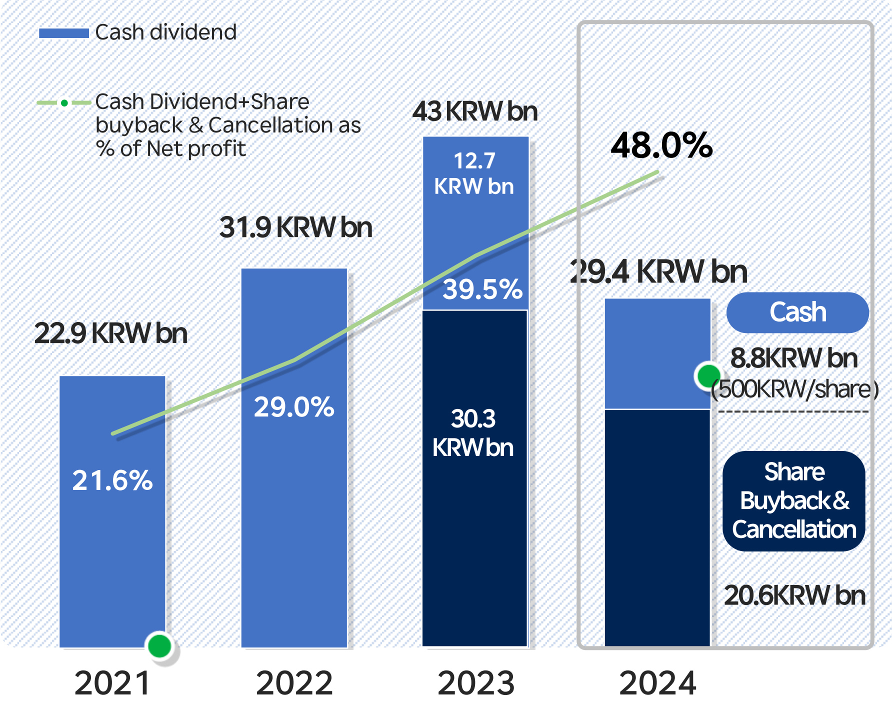
- Improved market position thanks to strengthened sales networks and enhanced product competitiveness
- Under China's Belt and Road Initiative, overseas construction projects led by Chinese contractors are increasing

  - Expanding its regional focus beyond Africa to include CIS, Southeast Asia and Saudi Arabia.
- Performance is expected to keep improving as China's business restructuring (integration of production bases) has completed

Note: Market volume based on excavator
Source: Company data

[Appendix] Progress on shareholder returns for the FY2024

FY'24 Shareholder return



Progress

Cancelling existing treasury stocks (643,797 shares)

- Outstanding shares : 18,305,586 → 17,667,789
- Date : April 30th, 2024
- Rationale : To enhance shareholder value by canceling treasury stocks

Share buyback and cancellation (20.6 KRW bn)

- Purchase period : Feb. 7th, 2025~Aug. 7, 2025
- 304,176 shares have been canceled on August 13, 2025
- Total shares : 17,667,789 shares → 17,357,613 shares

Policies to improve shareholder returns

- Until Y2026, more than 30% of net profit (non-consolidated base) will be paid out as dividends or share buyback & cancellation (One-time gains and losses can be excluded when calculating net profit.)
- We seek to enhance predictability on shareholder return

[Appendix] Transaction Overview

HD Hyundai Construction Equipment will merge with HD Hyundai Infracore, and issues new shares of HD Hyunadai Construction Equipment to shareholders of HD Hyundai Infracore.

	Content	Note
Surviving Entity	HD Hyundai Construction Equipment	
Dissolved Entity	HD Hyundai Infracore	
Merger Ratio	To allocate 0.1621707 shares of HD Hyundai Construction Equipment common stock for every one common stock of HD Hyundai Infracore	Merger ratio is determined in accordance with Korean law and based on the closing share price as of June 30. - Merger price per share : HD Hyundai Construction Equipment KRW76,408, HD Hyundai Infracore KRW12,391 Calculation method (Capital Market Act Article 176-5) - Weighted average of last 1 month/1 week and most recent closing price
New Shares Issued	30,626,144 shares	No new shares will be issued with respect to the treasury shares purchased during the exercise of dissent and appraisal rights.
Dissent and Appraisal Rights	HD Hyundai Construction Equipment : KRW 75,545 HD Hyundai Infracore : KRW11,885	Calculation method (Capital Market Act Article 176-7) - Weighted average of the share price of last 2 month/1 month/1 week

Merger Milestones

25.07.01	25.07.16	25.09.16	25.11.07	26.01.01	26.01.26(E)
Board of Directors Resolution	Record Date for Shareholders' Meeting	Shareholders' Meeting	Payment for Dissenting Shareholder's Shares	Merger Date	Expected listing date of newly issued shares

[Appendix] Strategy & Expectations

Leap to global top tier position by strengthening fundamental competitiveness and fostering strategic businesses

01 Stronger Fundamental Competitiveness

Product portfolio expansion · optimization

Global Production System

HYUNDAI DEVELON

Stronger overseas market penetration with dual brands

02 Expand Strategic Biz with Strong Growth Potential

Expand compact business

Expansion of AM business*

※ AM Biz : Aftermarket Parts Supply Business

03 Seek Opportunities in New Growth Businesses

Nurture Engine Business

Jointly secure future competitiveness (Electrification/Smart CE)

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