



Cho Young-cheul, President and CEO of HD Hyundai XiteSolution.

IMAGE SOURCE: HD Hyundai XiteSolution

HD Hyundai merge construction entities for global expansion

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- HD Hyundai Construction Equipment and HD Hyundai Infracore will merge to form HD Construction Equipment, effective January 1, 2026.
- The new entity will operate under two brands: HYUNDAI and DEVELON, focusing on construction equipment, engines, and aftermarket services.
- The merger aims to achieve KRW 14.8 trillion (USD 11 billion) in revenue by 2030, enhancing global competitiveness and technological capabilities.
- The merger decision was made on July 1, with an extraordinary shareholders' meeting scheduled for September 16.

- HD Construction Equipment will optimize product lines, specialize production facilities by region, and expand its compact equipment business.
- The company will leverage integrated R&D to develop electrified and smart construction equipment, aiming for diversified revenue streams and future growth engines.
- Targeting KRW 14.8 trillion (USD 11 billion) in revenue by 2030, establishing a foundation to become a leading global player
- **HD Construction Equipment** to launch as a unified entity operating two distinct brands - HYUNDAI and **DEVELON** - with the merger effective 1st January, 2026
- Aiming to strengthen fundamental competitiveness, diversify revenue streams, and secure future growth engines
- This initiative is vital for driving sustainable growth and reinforcing a strong presence in the global marketplace.

HD Hyundai Construction Equipment and HD Hyundai Infracore will merge to form a new entity named **HD Construction Equipment** with a consolidated revenue set at KRW 8 trillion (USD 6.15 billion).

The decision to merge was made during separate board meetings held by both companies on 1st July. An extraordinary shareholders' meeting will follow which is scheduled for 16th September, along with necessary regulatory reviews.

The merger aims to enhance agility in responding to market demands amid intensifying competition and global uncertainties while strengthening future technological capabilities and ensuring cost competitiveness.

The newly formed company will operate under two brands: HYUNDAI and DEVELON. The core business area will be construction equipment, supplemented by growth in engines and aftermarket services. With balanced growth across all business areas, the company aims to achieve revenue of KRW 14.8 trillion (USD 11 billion) by 2030, positioning itself as a global industry leader.

Moreover, HD Construction Equipment will focus on strengthening fundamental growth, diversifying revenue sources and securing future growth engines through a unified decision-making process.

HD Construction Equipment aims to achieve economies of scale by optimizing its product lines and specializing production facilities by region. At the same time, by expanding its compact equipment business, the company aims to establish a full lineup ranging from compact to ultra-large construction machinery, thereby strengthening its fundamental business competitiveness.

To diversify revenue streams, the company will focus on fostering its high-potential engine business and expanding its aftermarket operations, which center on parts replacement and maintenance. Leveraging its integrated R&D capabilities, the company aims to secure future growth engines through the development of electrified and smart construction equipment, as well as comprehensive total solutions.

The merger will involve an exchange of shares: for each common share of HD Hyundai Infracore, shareholders will receive a designated amount of common shares, 0.1621707 in HD Hyundai Construction Equipment.

Cho Young-cheul, President and CEO of **HD Hyundai XiteSolution**, stated, "This merger will drive sustainable growth for the Construction Equipment Division of HD Hyundai, helping us strengthen our position in the global market and serving as a significant milestone in advancing Korea's construction equipment industry."

Source: DEVELON