

1Q 2022 Review & Outlook





Disclaimer

This presentation material is prepared for investors' reference, based on data that have not been filed with the financial supervisory commission.

Actual business performance may not necessarily be consistent with the projections herein, as a result of unexpected changes in the market environment and other conditions.

The financial information in this document are consolidated earnings results based on K-IFRS.

I . Results & Outlook

Total Results

Sales 730bwn (YoY 140bwn increased), Operating Profit 41bwn (YoY 17bwn increased)

Sales and Operating profit increase by Electric Equipment, Electric Equipment, and Automation Segment

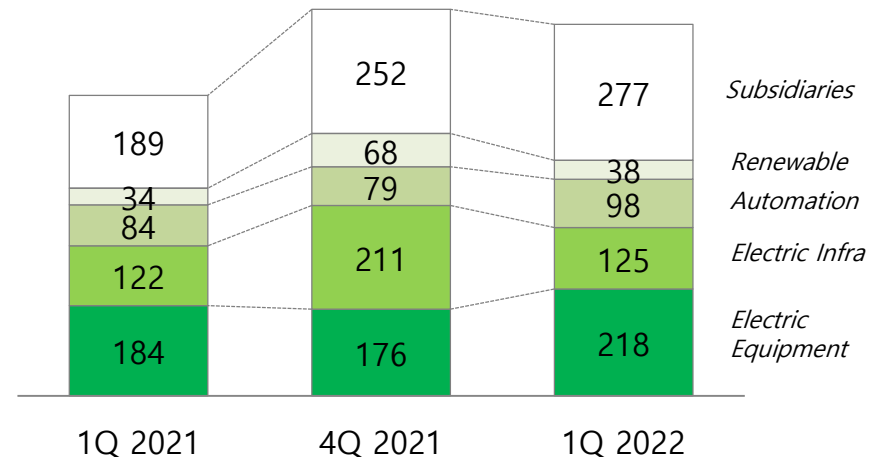
Income Statement

(unit : bwn)

Segment	1Q 2021	4Q 2021	1Q 2022	YoY	QoQ
Sales	589	753	730	140	△23
Operating Profit	23	44	41	17	△4
Profit before tax	21	34	41	20	8
Net income	16	23	33	18	11

Sales Breakdown by Business

(unit : bwn)



* Subsidiaries includes LS Metal, LS Sauter, LS Mecapion, Wuxi, Dalian, Vietnam, LS ITC and AC&T

** Convergence Business includes Trans SOC, Solar, Smart-Grid and EV components.

*** Sales of subsidiaries are before the consolidated adjustments.

Financial Position

Total assets 2,963bwn (YoY 404bwn increased), Net Debts \triangle 18bwn (YoY 30bwn decreased)
Total Liabilities/Equity Ratios 100%, Debts/Total Assets Ratios 28% (Stable financial structure)

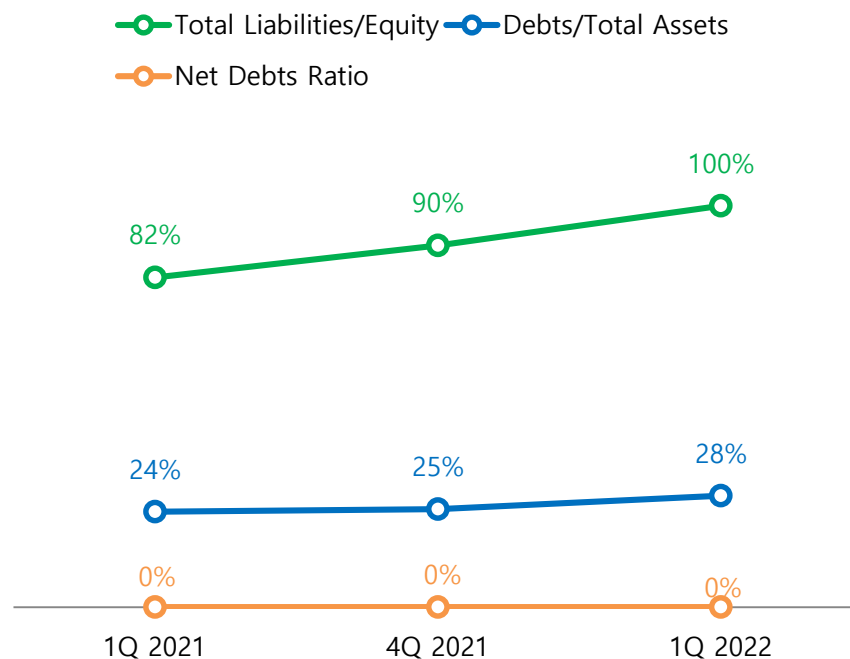
Financial Statement

(unit : bwn)

Segment	1Q 2021	4Q 2021	1Q 2022	YoY	QoQ
Total Assets	2,559	2,797	2,963	404	166
Current Assets	1,660	1,888	2,062	402	175
Cash & cash equivalent	662	702	848	186	147
Total Liabilities	1,156	1,323	1,482	326	158
Debts	610	688	831	220	143
Net Debts	\triangle 52	\triangle 14	\triangle 18	34	\triangle 4
Equity	1,403	1,473	1,481	78	8

Financial Ratios

(unit : %)

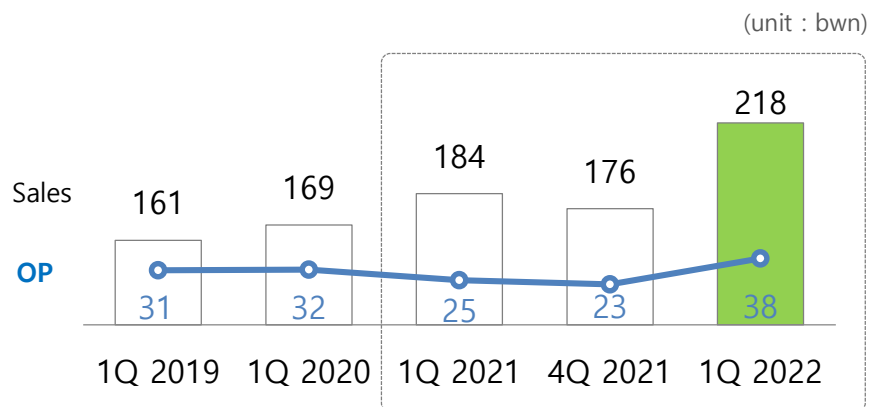


Business Results & Outlook

Electric Equipment – Sales increased in Domestic and Overseas market

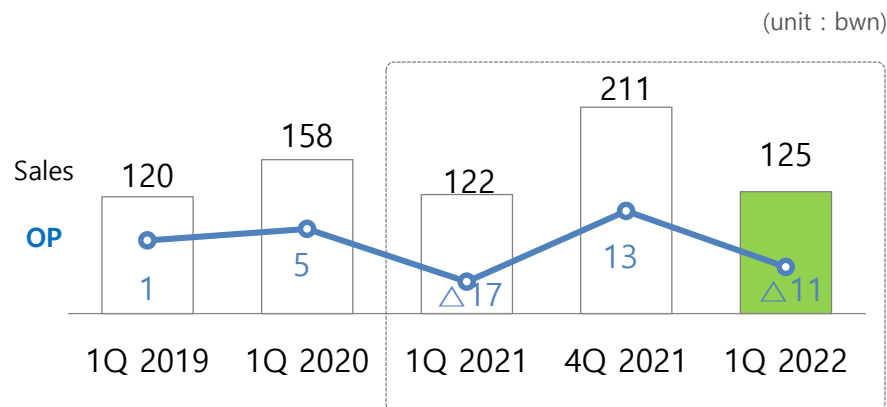
Electric Infra – Sales increased in Overseas market and Profit improved

Electric Equipment



- Sales increased YoY 19%, OP increased YoY 49%
 - Sales continued Domestic and increased Overseas mkt
- Sales continued in Domestic mkt (2nd Quarter)
- Continued sales in EUROPE and Southeast Asia mkt

Electric Infra



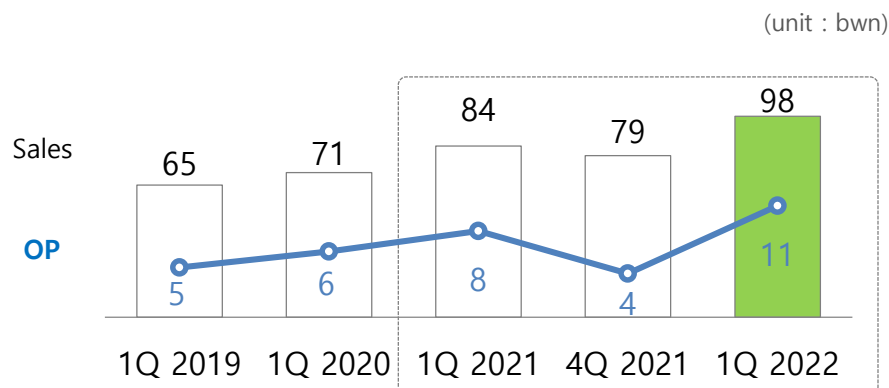
- Sales increased YoY 2%, OP increased YoY 37%
 - QoQ improvement in operating profit
- Sales boost in Government business
- Sales boost in Battery and IDC business

Business Results & Outlook

Automation – Sales and Operating profit increase in Domestic/Overseas market

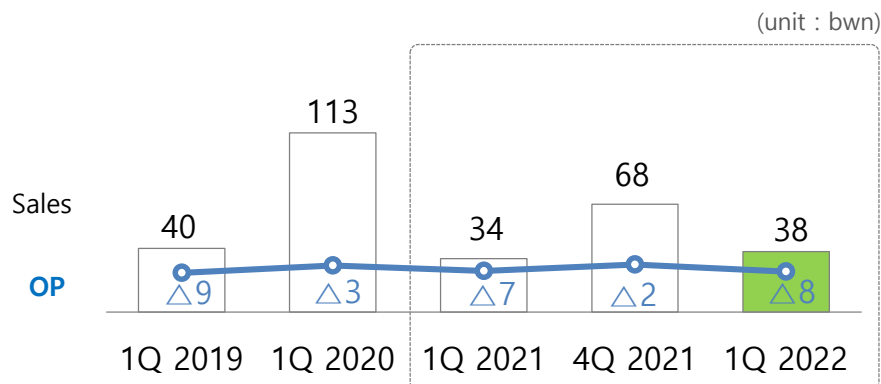
Renewable – Sales and Operating profit increased in Solar system and Smartgrid(ESS)

Automation



- Sales increased YoY 17%, OP increased YoY 30%
 - Sales increase in Domestic mkt (Major and Machinery)
 - Sales increased in Overseas mkt
- Sales Boost in Machinery Business
- Sales Boost in New mkt (Car/Battery)

Renewable Business



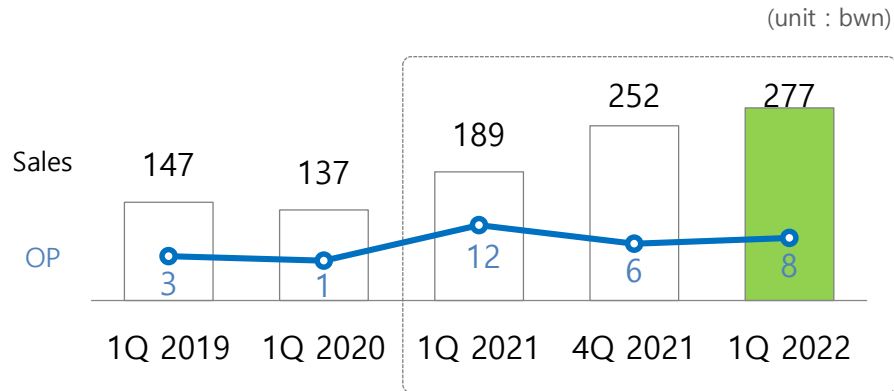
- Sales increased YoY 13%, OP decreased YoY 4%
 - Sales and Operating profit increased in Solar and Smartgrid Business
 - Sales and Operating profits decreased in EV
- Sales Boost in Solar/ESS Business
- EV segment divided and Established new corporation (LS e-Mobility Solutions) – 2022. 2Q

Business Results & Outlook

LS Metal/Mecapoin – Sales/Profit increased

Sales increased in China and Vietnam Business

Subsidiaries



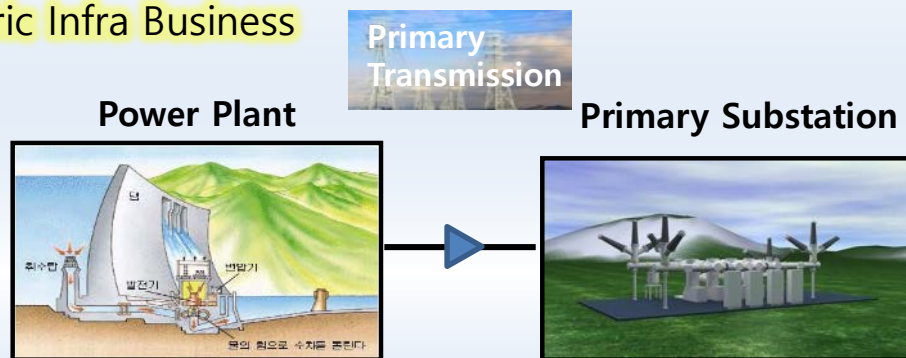
- Sales increased YoY 47%, OP decreased YoY 32%
 - Sales increased in Korea Subsidiaries and China business
- Sales Boost in LS Metals
- Sales Boost in Vietnam business

II. Company & Business Introduction

Business Introduction

Leading Provider of Total Electric Power, Automation & Green Business Solutions

Electric Infra Business



Ultra-high voltage power transmission & distribution system equipment such as gas insulated switchgear (GIS)

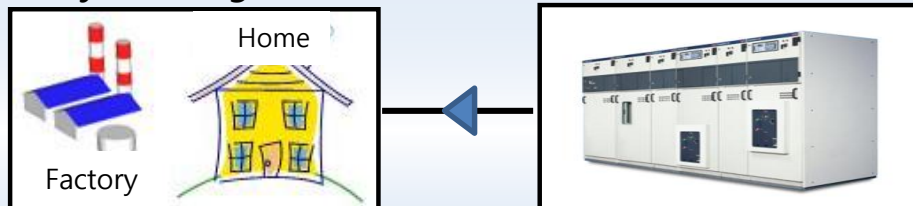
< Main Products >

- Gas Insulated Switchgear (GIS)
- Power Transformers
- Remote Monitoring & Diagnosis Equipment
- HVDC
- Switchgear (SWGR)



Electric Equipment Business

Factory/Building/Household



Top low and medium voltage electrical equipment for electricity users

<Main Products>

- Vacuum Circuit Breakers (VCB)-MV
- Air Circuit Breakers (ACB)
- Molded Case Circuit Breakers (MCCB)
- Magnetic Contactors (MC)



Business Introduction

Automation Business

Factory / Building (FA/PA)



Discrete Automation



Process Automation



Building Automation

From simple automation control to large-scale manufacturing facilities and process control, LSIS provides the optimal solutions to diverse industrial fields.

< Main Products >

- Variable Frequency Drive
- PLC (Programmable Logic Controller)
- HMI (Human Machine Interface)
- Servo Drive & Motor
- DCS (Distributed Control System)
- RTU (Remote Terminal Unit)

Renewable Business



Smart Grid



Green Car Solution



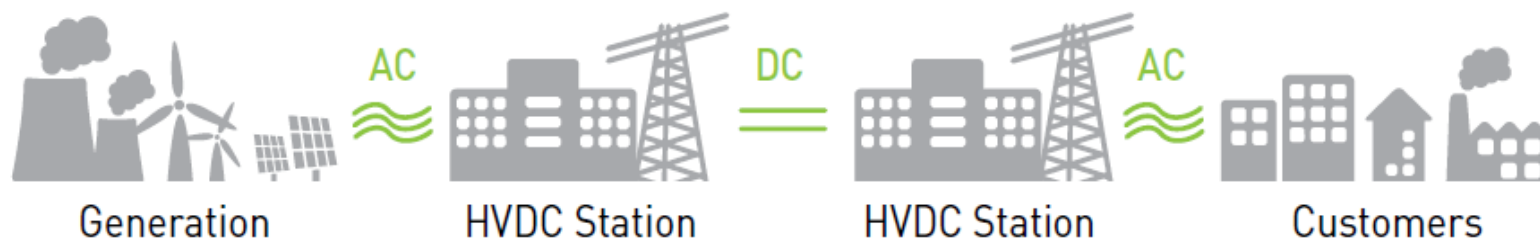
Photovoltaic System



Railway System

HVDC

HVDC system converts AC to DC to transmit long distance and then converts back again to AC to connect with the AC grid with very low loss



Long Distance Transmission with Lower Cost

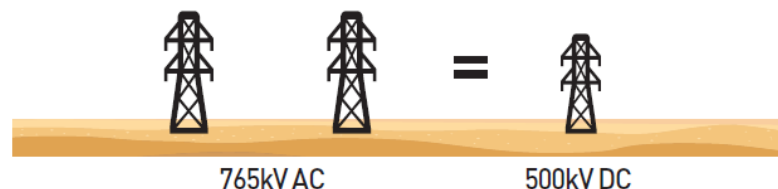
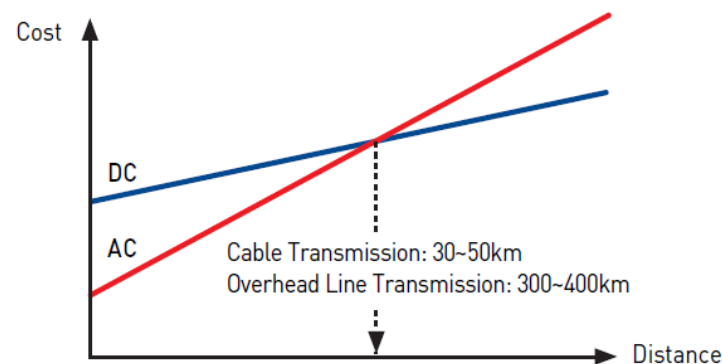
HVDC is the only option for the overhead transmission longer than 300km or submarine/underground 40km thanks to DC characteristics.

Eco-friendly Transmission

HVDC system has lower environmental impact because it requires fewer overhead lines comparing to AC system. The technology is also the key component in the future energy system based on renewable energy sources.

Optimal Grid Management

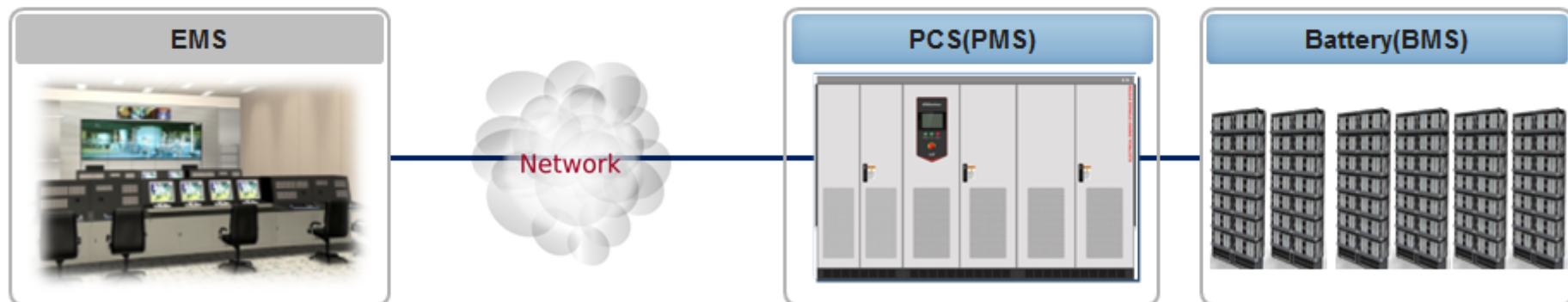
HVDC can directly interconnect load centers with huge energy sources efficiently. Therefore, negative impact on the grid is minimized. HVDC also improves the performance of AC grid by means of additional controllability.



ESS Applications

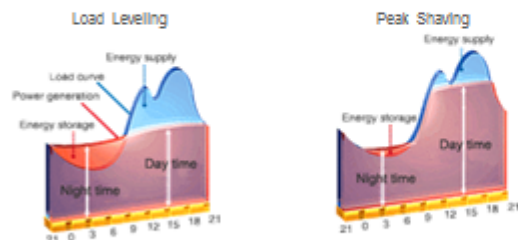
ESS(Energy Storage System) includes PCS(Power Conversion System) and battery, and make an efficient way of use electricity power

Concept of ESS



Function of ESS

➤ Peak Shaving, Load Leveling



➤ Renewable Energy Smoothing



➤ Frequency Regulation



• EMS : Energy Management System

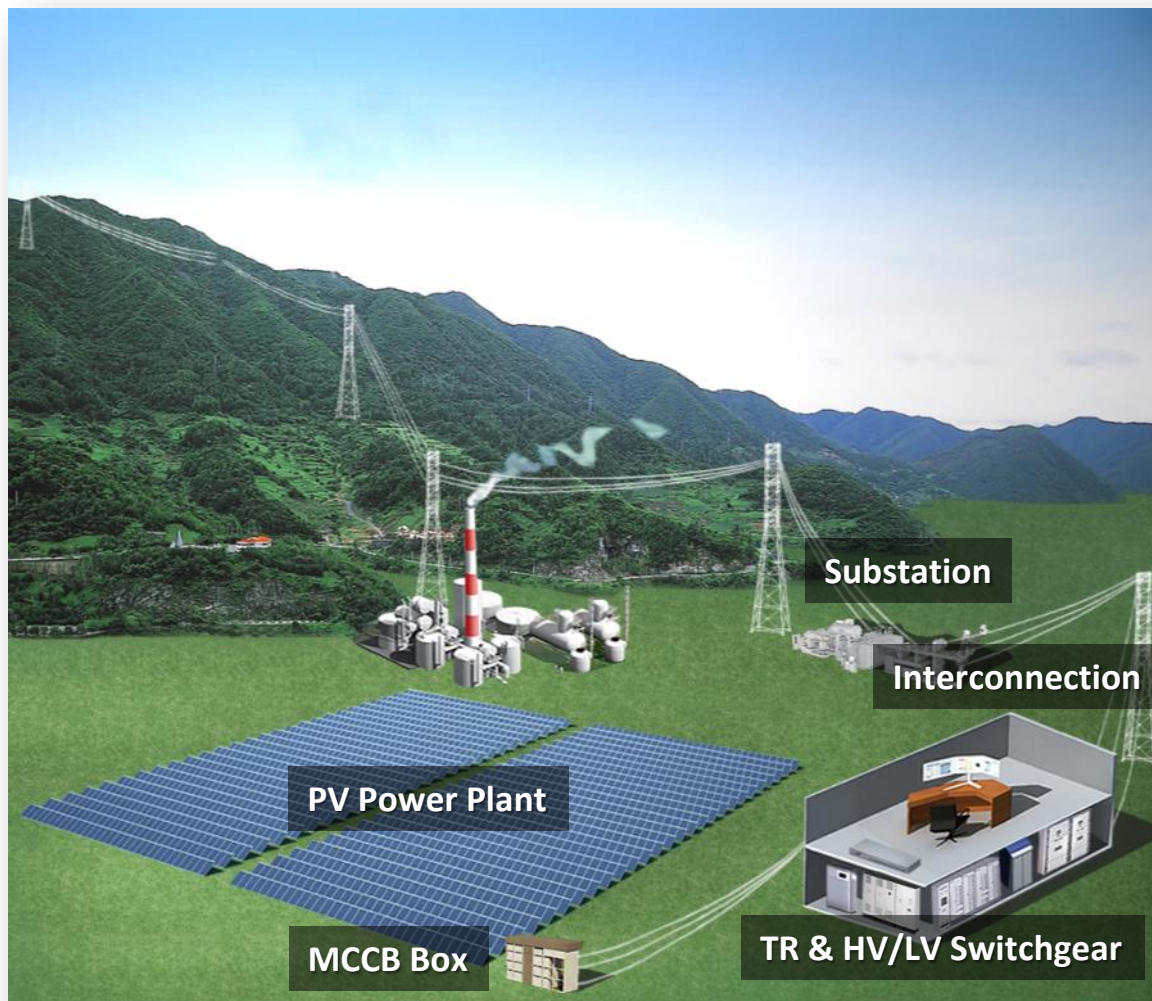
• PCS : Power Conditioning System

• PMS : Power Management System

• BMS : Battery Management System

PV Power Plant

We provide total solution for PV Power Plant. In addition to PV products, we can provide customers with all kinds of electric power equipment manufactured by LS ELECTRIC.



System Components

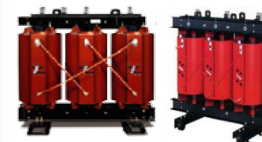


PV Power System

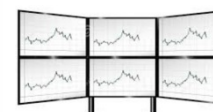
- Module
- Inverter
- Balance of System



- HV Switchgear
- MV Switchgear
- LV Switchgear



Transformer



Monitoring(SCADA)

III. Appendix

Appendix 1. Condensed Statement

Income statement

(unit : bwn, %)

Segment	1Q 2021	4Q 2021	1Q 2022	YoY	QoQ
Sales	589	753	730	23.8%	△3.1%
Cost of Sales	△483	△618	△596	23.2%	△3.6%
Gross Profit	106	135	134	26.6%	△0.7%
(%)	(18.0%)	(17.9%)	(18.4%)	-	-
SG&A	△83	△91	△94	13.2%	3.1%
Operating Profit	23	44	41	73.7%	△8.4%
(%)	(4.0%)	(5.9%)	(5.6%)	-	-
Non-OP and Loss	△2	△11	0	△112.1%	△102.7%
Profit before tax	21	34	41	96.4%	22.7%
Net Income	16	23	33	112.8%	46.5%
(%)	(2.7%)	(3.0%)	(4.6%)	-	-
EBITDA Margin	7.2%	8.4%	8.7%	-	-

Statements of Cash Flows

(unit : bwn)

Segment	'21.1Q	'22.1Q	YoY
Cash and cash equivalents at the beginning of year	683	702	18
Cash Flows From Operating Activities	19	31	13
Cash Flows From Investing Activities	△15	△19	△4
Capex	△12	△17	△5
R&D	△3	2	4
Others	△0	△3	△3
Cash Flows From Financing Activities	△32	135	167
Effect of exchange rate changes on cash and cash equivalents	1	△1	△2
Cash and cash equivalents	662	848	186

Statement of Financial position

(unit : bwn, %)

Segment	1Q 2021	4Q 2021	1Q 2022	QoQ	YoY
Total Assets	2,559	2,797	2,963	16%	6%
Current Assets	1,660	1,888	2,062	24%	9%
Cash&Cash Equivalents	662	702	848	28%	21%
Inventories	192	261	296	54%	13%
Other Current Assets	806	925	918	14%	△1%
Non-Current Assets	899	909	901	0%	△1%
Tangible Assets	562	564	561	△0%	△1%
Intangible Assets	113	102	101	△10%	△0%
Other Non-Current Assets	225	243	238	6%	△2%
Total Liabilities	1,156	1,323	1,482	28%	12%
Current Liabilities	669	845	881	32%	4%
Short-term borrowings	149	244	268	79%	10%
Non-Current Liabilities	487	478	600	23%	26%
Long-term borrowings	461	444	563	22%	27%
Equity	1,403	1,473	1,481	6%	1%
Current Ratio	248%	223%	234%	△6%	5%
Equity/Total Assets	55%	53%	50%	△9%	△5%
Total Liabilities/Equity	82%	90%	100%	21%	11%
Net debts Ratio	△4%	△1%	△1%	△68%	27%

Appendix 2. Results for the past 3 years

HQ

(unit : bwn)

Segment				20					21					22		Y-o-Y (1Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	Total	
HQ	Electric Equipment	Sales	Domestic	108	107	103	103	421	118	111	115	110	455	131	131	11%
			Overseas	60	61	49	51	222	66	68	57	66	256	87	87	32%
		Total		169	168	152	154	643	184	179	172	176	711	218	218	19%
		Operating Profit		32	31	19	18	100	25	29	28	23	105	38	38	49%
	Electric Infra	Sales	Domestic	118	134	110	115	476	103	100	109	156	468	81	81	△22%
			Overseas	40	33	19	26	117	18	31	30	56	135	44	44	141%
		Total		158	167	128	140	593	122	131	139	211	603	125	125	2%
		Operating Profit		5	8	△8	2	8	△17	△1	△5	13	△9	△10	△10	37%
	Automation	Sales	Domestic	49	52	55	55	210	63	63	63	61	250	69	69	10%
			Overseas	22	18	16	16	72	21	26	21	18	85	29	29	40%
		Total		71	70	71	71	282	84	89	83	79	335	98	98	17%
		Operating Profit		6	7	6	7	26	8	12	8	4	33	11	11	30%
	Renewable Business	Sales	Domestic	101	68	42	73	285	18	26	44	38	127	25	25	37%
			Overseas	12	△3	14	29	52	16	32	23	30	101	13	13	△15%
		Total		113	65	57	102	337	34	59	67	68	228	38	38	13%
		Operating Profit		△3	△17	△2	1	△21	△7	△2	△3	△2	△14	△7	△7	△4%
	Subtotal	Sales	Domestic	376	360	310	346	1,392	302	301	331	366	1,301	306	306	1%
			Overseas	134	109	98	122	463	121	157	131	169	577	174	174	44%
		Total		510	469	408	468	1,855	423	458	462	535	1,877	479	479	13%
		Operating Profit		41	30	15	28	113	10	38	29	38	115	31	31	208%

Appendix 2. Results for the past 3 years

Subsidiaries

(unit : bwn)

Segment				20					21					22		Y-o-Y (1Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	Total	
Subsidiaries	LS Metal	Sales	Domestic	37	40	44	40	161	44	57	55	63	219	73	73	64%
			Overseas	46	40	37	42	166	45	52	59	69	224	65	65	43%
		Total		83	80	82	82	326	90	108	113	131	443	137	137	54%
		Operating Profit		0	2	0	△1	2	△0	1	1	1	3	0	0	174%
	Subsidiaries (Korea)	Sales		16	18	14	16	63	32	35	43	47	156	44	44	37%
		Operating Profit		0	1	1	1	3	3	3	5	3	14	5	5	36%
	Subsidiaries (China)	Sales		34	44	42	52	173	49	51	59	53	212	73	73	49%
		Operating Profit		1	4	5	3	14	7	5	4	2	18	3	3	△55%
	Subsidiaries (Vietnam)	Sales		4	7	8	7	26	18	14	19	22	73	23	23	24%
		Operating Profit		△1	0	0	△0	△1	1	0	1	△0	2	△0	△0	△123%
	Subtotal	Sales		137	149	145	158	588	189	209	234	252	884	277	277	47%
		Operating Profit		1	8	7	3	19	12	9	10	6	38	8	8	△32%

Consolidated

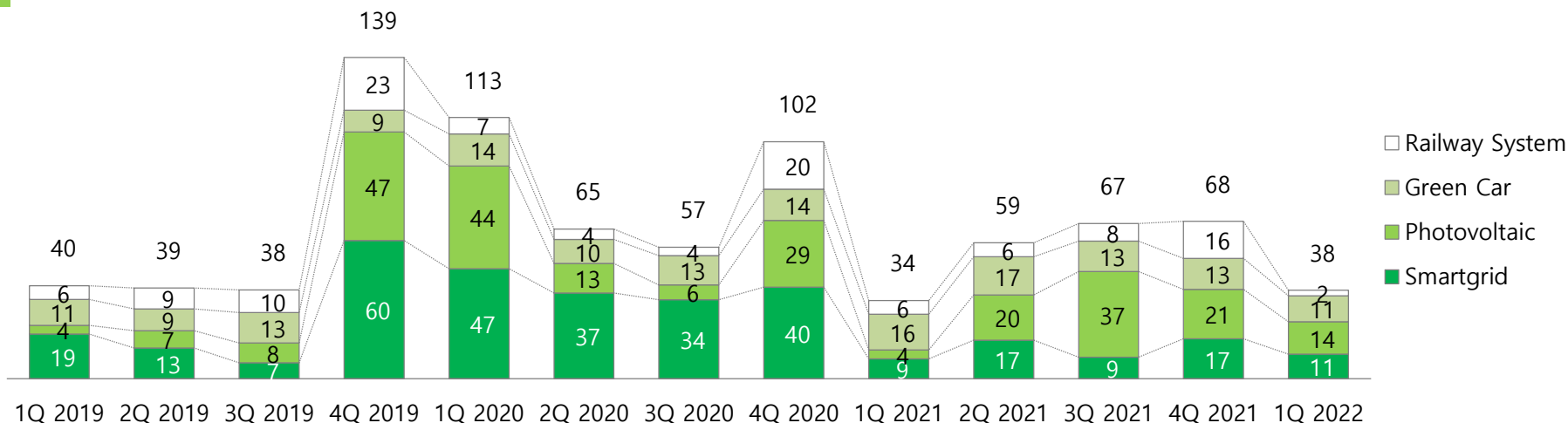
(unit : bwn)

Segment				20					21					22		Y-o-Y (1Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	Total	
Consolidation adjustment for Sales				△11	△20	6	△15	△40	△23	△23	△13	△34	△93	△27	△27	△18%
Consolidation adjustment for OP				△2	1	0	2	1	2	0	1	△0	3	2	2	△0%
Total Sales				636	598	559	610	2,403	589	643	683	753	2,668	730	730	24%
Total Operating Profit				40	39	22	33	134	23	47	40	44	155	41	41	74%

Appendix 3. Sales details for Convergence & Subsidiaries

Renewable

(unit : bwn)



Subsidiaries

(unit : bwn)

