

3Q 2022 Review & Outlook

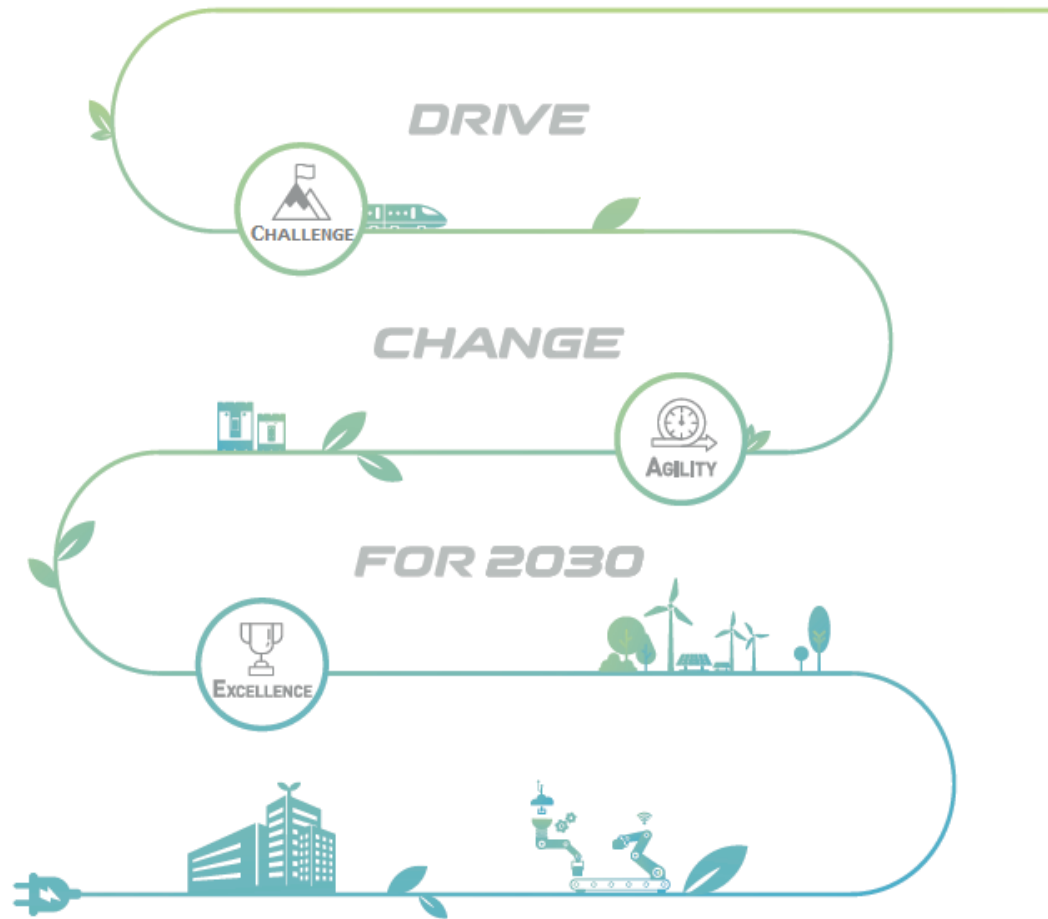


Table of contents

I . Results & Outlook

1. Total Results
2. Financial Position
3. Business Results & Outlook

II. Business Introduction

III. Appendix

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

1. Total Results

Sales 839bwn(YoY 156bwn increased), Operating Profit 61bwn(YoY 13bwn increased)
Sales and Operating profit increase by Electric, Automation segment and subsidiaries.

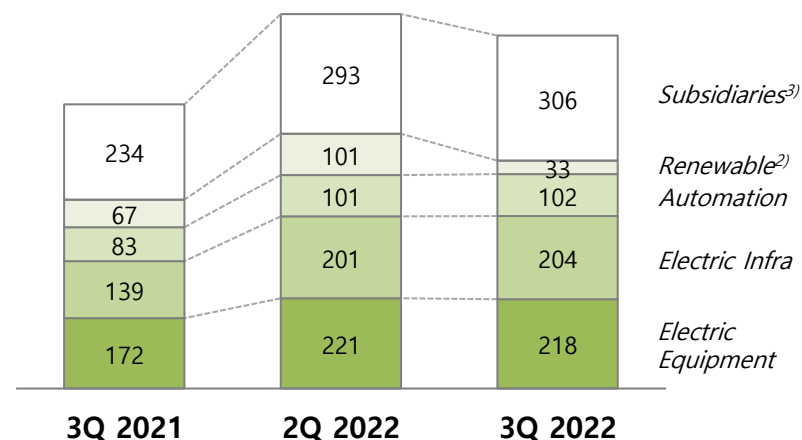
Income Statement

(unit : bwn)

| Segment | 3Q 2021 | 2Q 2022 | 3Q 2022 | YoY | QoQ |
|-------------------|---------|---------|---------|-----|-----|
| Sales | 683 | 879 | 839 | 156 | △40 |
| Operating Profit | 40 | 60 | 61 | 20 | 1 |
| Profit before tax | 11 | 35 | 25 | 13 | △10 |
| Net income | 9 | 27 | 14 | 5 | △14 |

Sales Breakdown by Business¹⁾

(unit : bwn)



¹⁾ Sales of subsidiaries are before the consolidated adjustments.

²⁾ Convergence Business includes Trans SOC, Solar and Smart-Grid.

³⁾ Subsidiaries includes LS Metal, LS Sauter, LS Mecapion, Wuxi, Dalian, Vietnam, LS ITC, AC&T and LS-eMS.

2. Financial Position

Total assets 3,145bwn(YoY 366bwn increased), Net Debts 271bwn(YoY 368bwn increased)

Total Liabilities/Equity Ratios 106%, Debts/Total Assets Ratios 26%

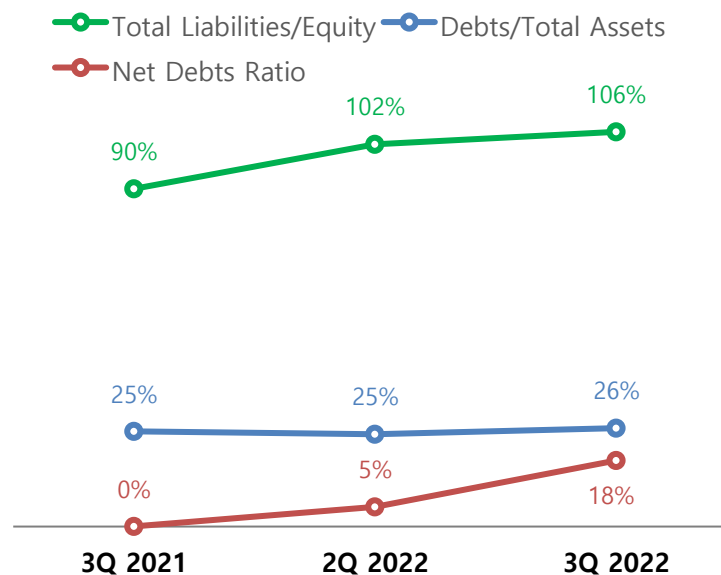
Financial Statement

(unit : bwn)

| Segment | 3Q 2021 | 2Q 2022 | 3Q 2022 | YoY | QoQ |
|------------------------|---------|---------|---------|------|------|
| Total Assets | 2,778 | 3,049 | 3,145 | 366 | 95 |
| Current Assets | 1,889 | 2,122 | 2,189 | 300 | 67 |
| Cash & cash equivalent | 804 | 673 | 558 | △247 | △116 |
| Total Liabilities | 1,319 | 1,542 | 1,616 | 296 | 74 |
| Debts | 707 | 752 | 828 | 121 | 76 |
| Net Debts | △98 | 79 | 271 | 368 | 191 |
| Equity | 1,459 | 1,507 | 1,529 | 70 | 22 |

Financial Ratios

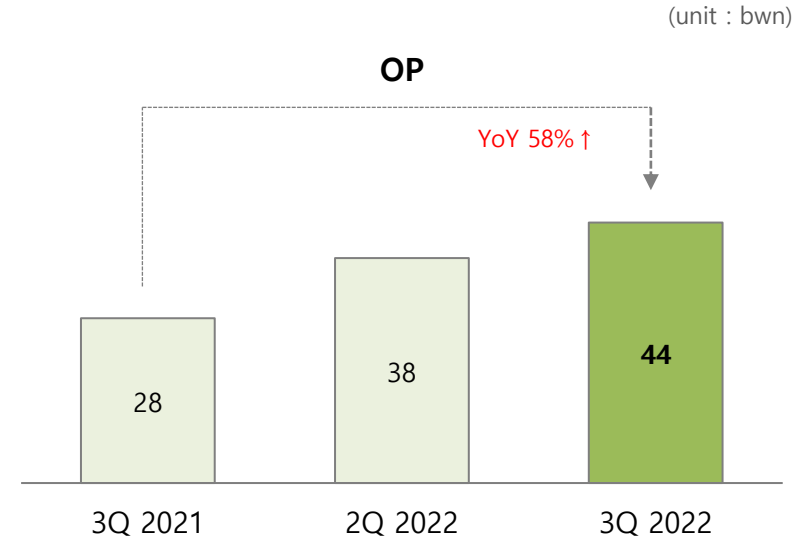
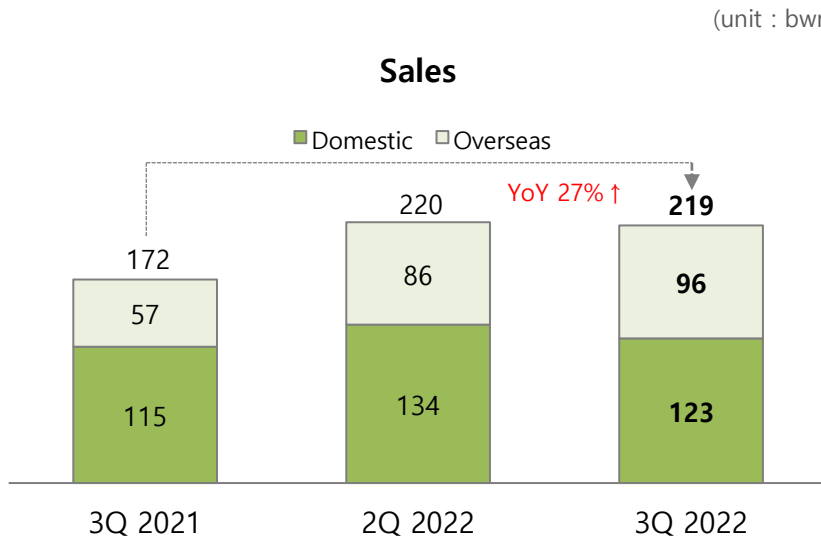
(unit : %)



3. Business Results & Outlook

① Electric Equipment

Sales increased in Domestic and Overseas market



3Q Result

- Sales increased YoY 27%, OP increased YoY 58%
- Increase profit due to exchange rate effect
- Revitalization of domestic and foreign markets

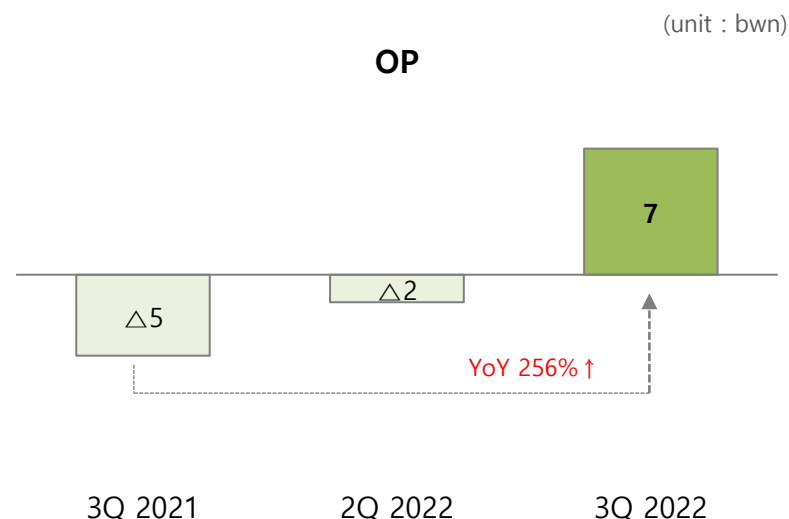
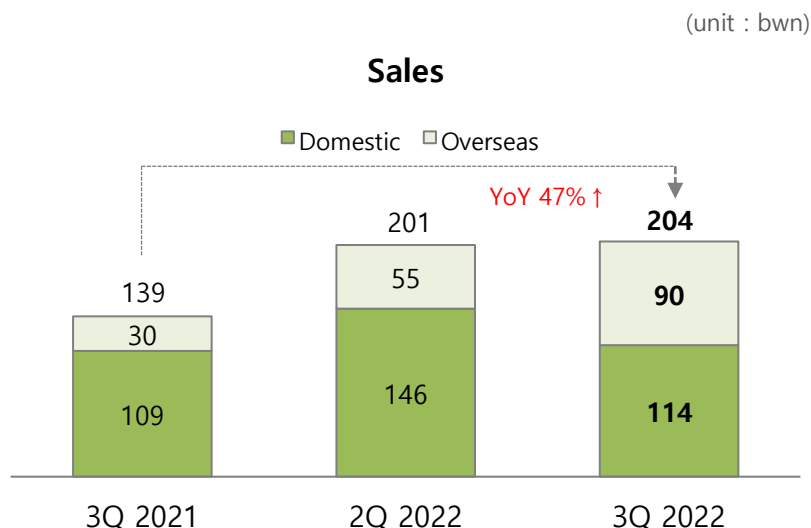
4Q Outlook

- Sales expected to decline in Domestic market
- Sales expected to decline slightly in Europe and Middle East markets

3. Business Results & Outlook

② Electric Infra

Sales increased in Domestic and Overseas markets and due to exchange rate rise



3Q Results

- Sales increased YoY 47%, OP increased YoY 256%
- Sales continued from facility investment of IDC, Battery and Semiconductor business

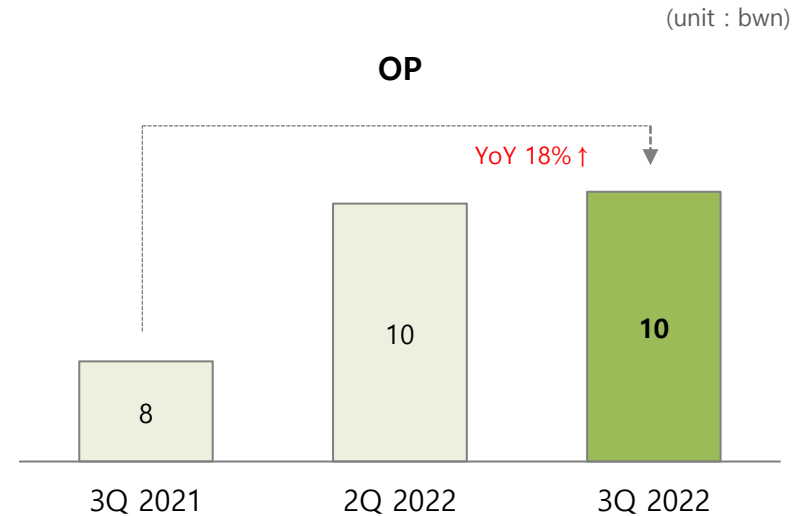
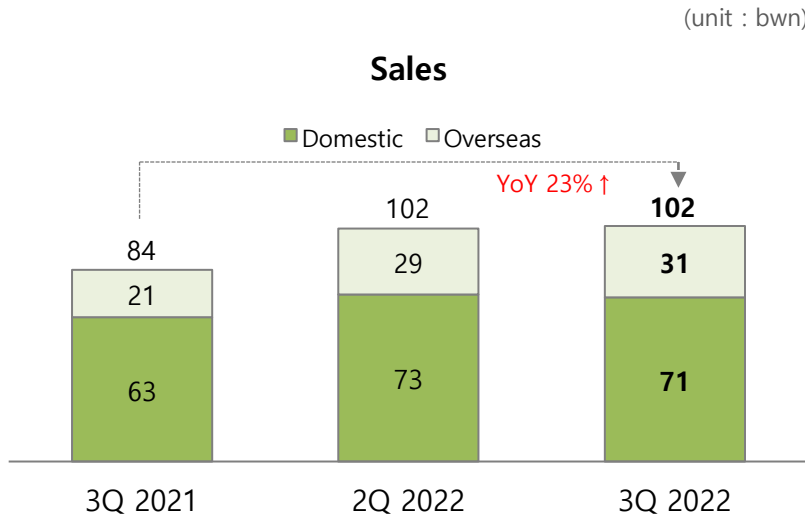
4Q Outlook

- Increased order backlog and expected sales
- Expected increase in sales due to expansion of facility investment in North America

3. Business Results & Outlook

③ Automation

Sales and Operating profit increased in Domestic & Overseas markets



3Q Results

- Sales increased YoY 23%, OP increased YoY 18%
- Sales continued in Major and Machinery
- Sales increased in Europe and North America

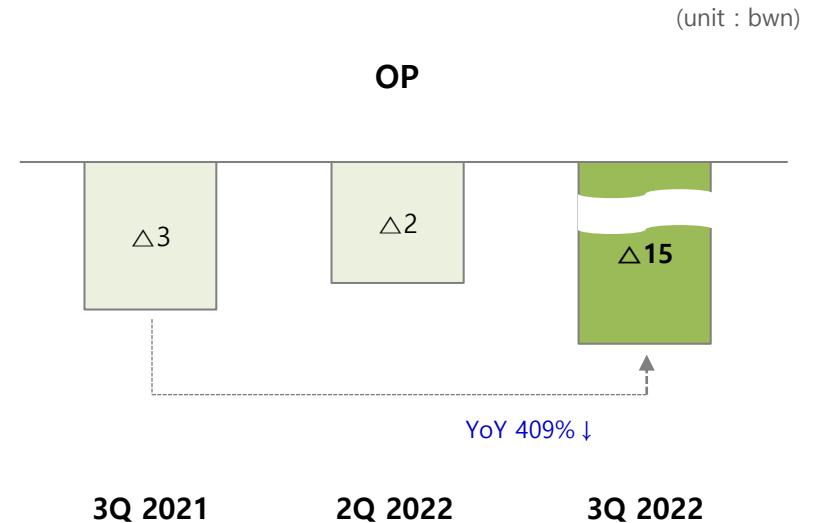
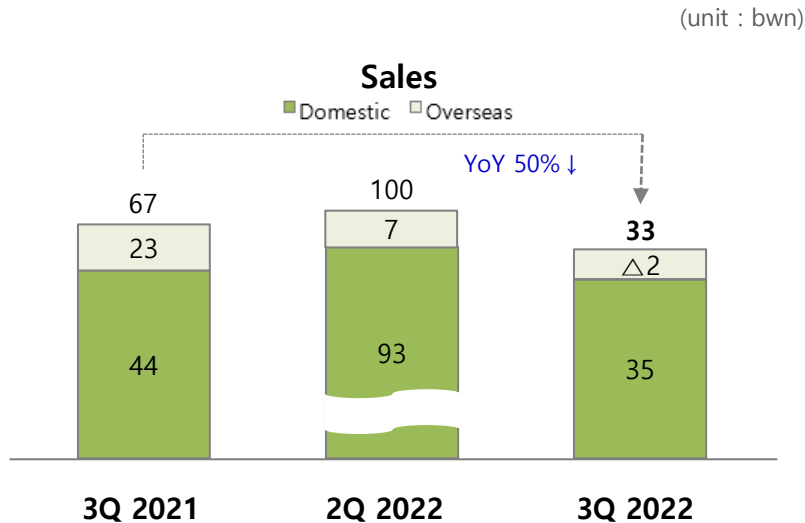
4Q Outlook

- Sales continued in Machinery business
- Sales continued in Major market(Car/Battery)

3. Business Results & Outlook

④ Renewable

Sales and Operating profit decreased in Domestic & Overseas markets



3Q Results

- Sales decreased YoY 50%, OP decreased YoY 409%
- Weak performance due to recognition of one-off bad debts

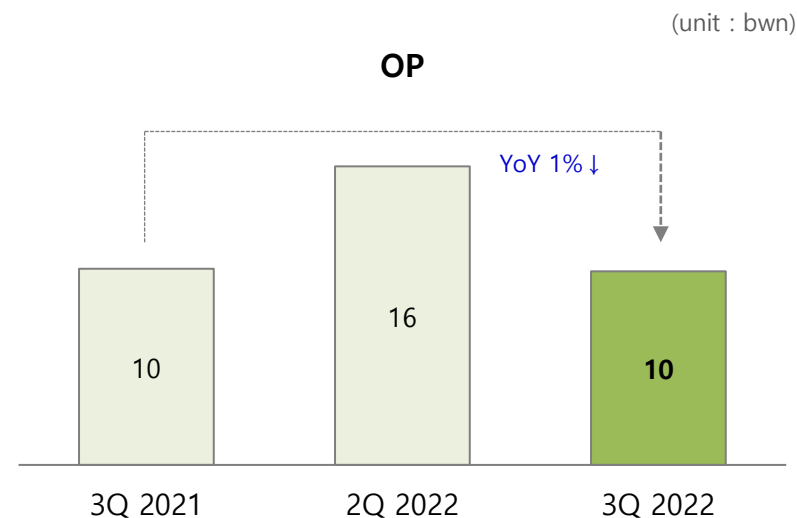
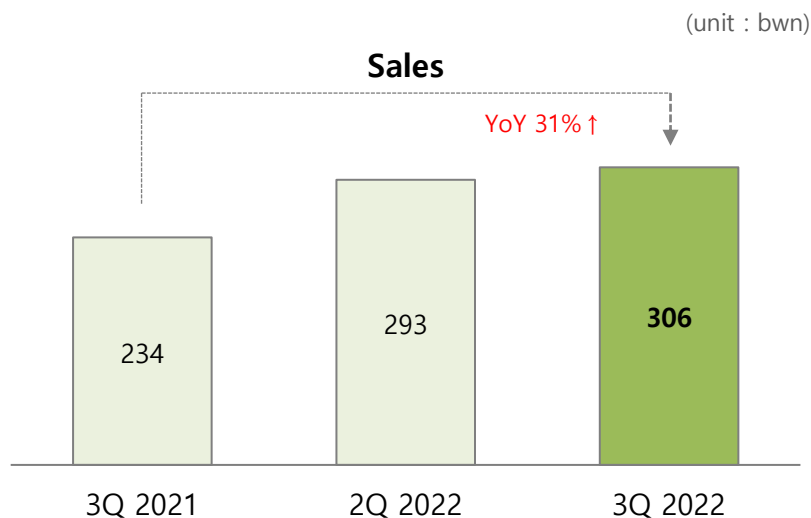
4Q Outlook

- Sales decreased in Solar business
- Looking for ESS business in overseas markets

3. Business Results & Outlook

⑤ Subsidiaries

Sales increased in China and Vietnam business



3Q Results

- Sales increased YoY 31%, OP decreased YoY 1%
- Sales increased in China business

4Q Outlook

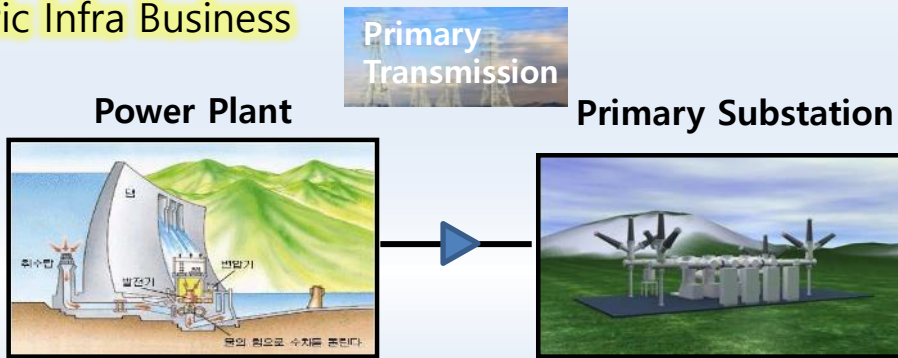
- Sales continued in China business
- LS-eMS sales are expected to increase due to electric vehicle market expected increase

II. 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



Substation



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



Photovoltaic System

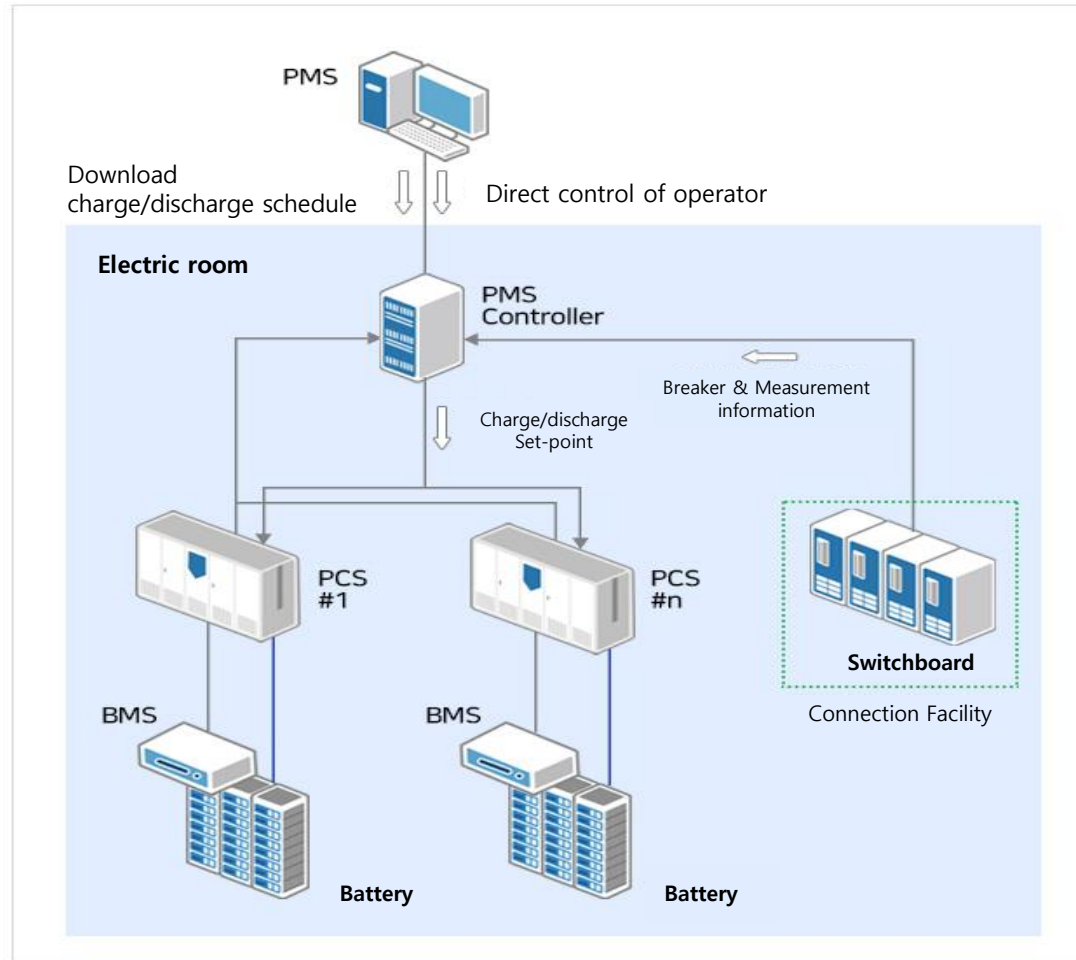


Railway System

Business Introduction

ESS(Energy Storage System) is a system that stores the generated power and supplies it appropriately when necessary.

※ System Configuration and Roles



- ESS System
 - Frequency control, auxiliary reserve power
 - Improve power quality and reliability
 - Consumer energy management
- PMS
 - Power Management System
 - AC-DC conversion
 - Power quality control
 - PCS & Battery control
- PCS
 - Power Conditioning System
 - AC-DC conversion
 - Power quality control
 - Modular type PCS
- Connection Facility
 - Transformer, Circuit breaker, Switch
 - Relay
 - GIMAC, GIPAM
- BMS
 - Battery control
 - Charge/Discharge
- Battery
 - Power storage

Business Introduction

Provides a total solution that includes all power devices as well as solar modules.



System Components



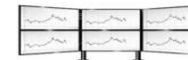
- PV Power System**
- **Module**
- **Inverter**
- **Balance of System**



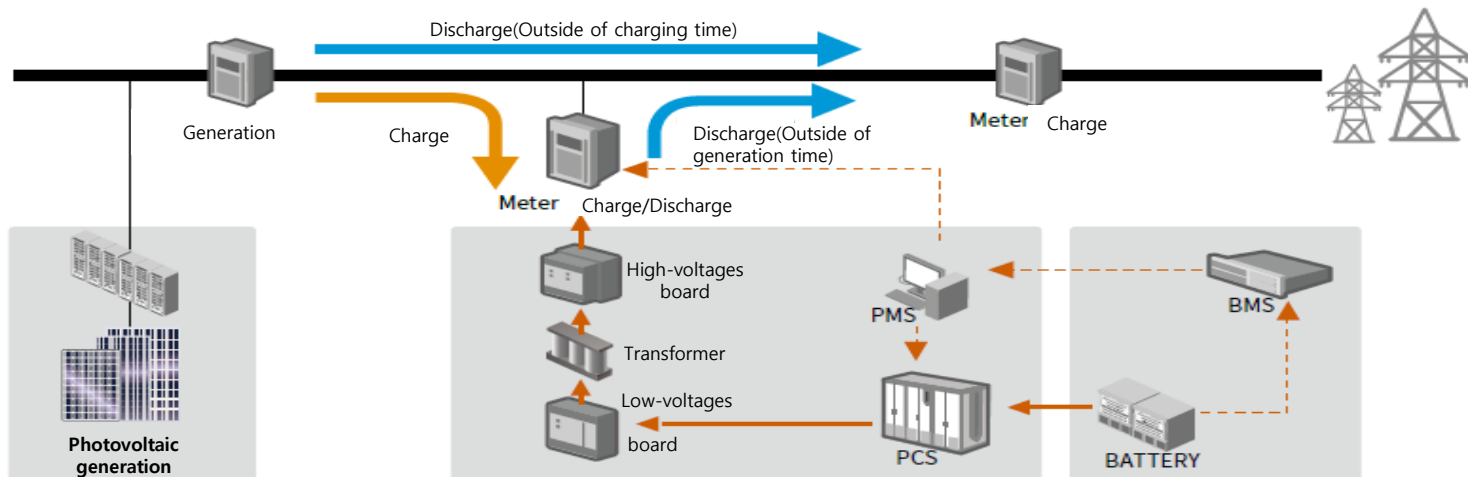
- HV Switchgear
- MV Switchgear
- LV Switchgear



Transformer



Monitoring(SCADA)



III. Appendix

Appendix 1. Condensed Statement

Income Statement

(unit : bwn, %)

| Segment | 3Q 2021 | 2Q 2022 | 3Q 2022 | YoY | QoQ |
|-------------------|---------|---------|---------|--------|--------|
| Sales | 683 | 879 | 839 | 22.9% | △4.5% |
| Cost of Sales | △564 | △718 | △677 | 20.2% | △5.6% |
| Gross Profit | 119 | 161 | 161 | 35.6% | 0.3% |
| (%) | 17.4% | 18.3% | 19.2% | - | - |
| SG&A | △79 | △101 | △101 | 28.1% | △0.1% |
| Operating Profit | 40 | 60 | 61 | 50.2% | 1.1% |
| (%) | 5.9% | 6.8% | 7.2% | - | - |
| Non-OP and Loss | △29 | △26 | △36 | 23.4% | 40.9% |
| Profit before tax | 11 | 35 | 25 | 119.2% | △28.3% |
| Net Income | 9 | 27 | 14 | 52.1% | △49.8% |
| (%) | 1.3% | 3.1% | 1.6% | - | - |
| EBITDA Margin | 8.0% | 6.7% | 5.0% | - | - |

Statements of Cash Flows

(unit : bwn)

| Segment | 3Q 2021 | 3Q 2022 | YoY |
|--|---------|---------|------|
| Cash and cash equivalents at the beginning of year | 683 | 702 | 18 |
| Cash Flows From Operating Activities | 166 | △102 | △268 |
| Cash Flows From Investing Activities | △104 | △112 | △7 |
| Capex | △44 | △75 | △31 |
| R&D | △6 | △1 | 5 |
| Others | △55 | △35 | 19 |
| Cash Flows From Financing Activities | 57 | 66 | 9 |
| Effect of exchange rate changes on cash and cash | 2 | 3 | 1 |
| Cash and cash equivalents | 804 | 558 | △247 |

Statement of Financial position

(unit : bwn, %)

| Segment | 3Q 2021 | 2Q 2022 | 3Q 2022 | YoY | QoQ |
|---------------------------------|--------------|--------------|--------------|------------|-----------|
| Total Assets | 2,778 | 3,049 | 3,145 | 13% | 3% |
| Current Assets | 1,889 | 2,122 | 2,189 | 16% | 3% |
| Cash&Cash Equivalents | 804 | 673 | 558 | △31% | △17% |
| Inventories | 230 | 337 | 426 | 85% | 27% |
| Other Current Assets | 855 | 1,112 | 1,205 | 41% | 8% |
| Non-Current Assets | 890 | 927 | 955 | 7% | 3% |
| Tangible Assets | 557 | 586 | 598 | 7% | 2% |
| Intangible Assets | 106 | 98 | 96 | △9% | △2% |
| Other Non-Current Assets | 227 | 243 | 261 | 15% | 7% |
| Total Liabilities | 1,319 | 1,542 | 1,616 | 22% | 5% |
| Current Liabilities | 777 | 1,089 | 1,162 | 50% | 7% |
| Short-term borrowings | 194 | 339 | 417 | 115% | 23% |
| Non-Current Liabilities | 543 | 453 | 453 | △16% | 0% |
| Long-term borrowings | 512 | 413 | 411 | △20% | △0% |
| Equity | 1,459 | 1,507 | 1,529 | 5% | 1% |
| Current Ratio | 243% | 195% | 188% | △23% | △3% |
| Equity/Total Assets | 53% | 49% | 49% | △7% | △2% |
| Total Liabilities/Equity | 90% | 102% | 106% | 17% | 3% |
| Net debts Ratio | △7% | 5% | 18% | △365% | 237% |

Appendix 2. Results for the past 3 years

HQ

(unit : bwn)

| Segment | | | | 20 | | | | | 21 | | | | | 22 | | | | YoY (3Q) |
|---------|--------------------|------------------|----------|-----|-----|-----|-----|-------|-----|-----|-----|-----|-------|-----|-----|-----|-------|-------------|
| | | | | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | Total | |
| HQ | Electric Equipment | Sales | Domestic | 108 | 107 | 103 | 103 | 421 | 118 | 111 | 115 | 110 | 455 | 131 | 134 | 123 | 388 | 6% |
| | | | Overseas | 60 | 61 | 49 | 51 | 222 | 66 | 68 | 57 | 66 | 256 | 87 | 86 | 96 | 269 | 68% |
| | | Total | | 169 | 168 | 152 | 154 | 643 | 184 | 179 | 172 | 176 | 711 | 218 | 221 | 218 | 657 | 27% |
| | | Operating Profit | | 32 | 31 | 19 | 18 | 100 | 25 | 29 | 28 | 23 | 105 | 38 | 38 | 44 | 120 | 58% |
| | Electric Infra | Sales | Domestic | 118 | 134 | 110 | 115 | 476 | 103 | 100 | 109 | 156 | 468 | 81 | 146 | 114 | 340 | 5% |
| | | | Overseas | 40 | 33 | 19 | 26 | 117 | 18 | 31 | 30 | 56 | 135 | 44 | 55 | 90 | 189 | 199% |
| | | Total | | 158 | 167 | 128 | 140 | 593 | 122 | 131 | 139 | 211 | 603 | 125 | 201 | 204 | 529 | 47% |
| | | Operating Profit | | 5 | 8 | △8 | 2 | 8 | △17 | △1 | △5 | 13 | △9 | △10 | △2 | 7 | △5 | 256% |
| | Automation | Sales | Domestic | 49 | 52 | 55 | 55 | 210 | 63 | 63 | 63 | 61 | 250 | 69 | 73 | 71 | 213 | 14% |
| | | | Overseas | 22 | 18 | 16 | 16 | 72 | 21 | 26 | 21 | 18 | 85 | 29 | 29 | 31 | 89 | 51% |
| | | Total | | 71 | 70 | 71 | 71 | 282 | 84 | 89 | 83 | 79 | 335 | 98 | 101 | 102 | 302 | 23% |
| | | Operating Profit | | 6 | 7 | 6 | 7 | 26 | 8 | 12 | 8 | 4 | 33 | 11 | 10 | 10 | 31 | 18% |
| | Renewable Business | Sales | Domestic | 101 | 68 | 42 | 73 | 285 | 18 | 26 | 44 | 38 | 127 | 25 | 93 | 35 | 153 | △21% |
| | | | Overseas | 12 | △3 | 14 | 29 | 52 | 16 | 32 | 23 | 30 | 101 | 13 | 7 | △2 | 19 | △108% |
| | | Total | | 113 | 65 | 57 | 102 | 337 | 34 | 59 | 67 | 68 | 228 | 38 | 101 | 33 | 172 | △50% |
| | | Operating Profit | | △3 | △17 | △2 | 1 | △21 | △7 | △2 | △3 | △2 | △14 | △7 | △2 | △15 | △25 | △409% |
| | Subtotal | Sales | Domestic | 376 | 360 | 310 | 346 | 1,392 | 302 | 301 | 331 | 366 | 1,301 | 306 | 446 | 343 | 1,094 | 3% |
| | | | Overseas | 134 | 109 | 98 | 122 | 463 | 121 | 157 | 131 | 169 | 577 | 174 | 178 | 215 | 566 | 64% |
| | | Total | | 510 | 469 | 408 | 468 | 1,855 | 423 | 458 | 462 | 535 | 1,877 | 479 | 623 | 558 | 1,660 | 21% |
| | | Operating Profit | | 41 | 30 | 15 | 28 | 113 | 10 | 38 | 29 | 38 | 115 | 31 | 44 | 46 | 121 | 61% |

Appendix 2. Results for the past 3 years

Subsidiaries

(unit : bwn)

| Segment | | | | 20 | | | | | 21 | | | | | 22 | | | | YoY (3Q) |
|--------------|------------------------|------------------|----------|-----|-----|-----|-----|-------|-----|-----|-----|-----|-------|-----|-----|-----|-------|-------------|
| | | | | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | Total | |
| Subsidiaries | LS Metal | Sales | Domestic | 37 | 40 | 44 | 40 | 161 | 44 | 57 | 55 | 63 | 219 | 73 | 81 | 68 | 222 | 24% |
| | | | Overseas | 46 | 40 | 37 | 42 | 166 | 45 | 52 | 59 | 69 | 224 | 65 | 65 | 65 | 195 | 12% |
| | | Total | | 83 | 80 | 82 | 82 | 326 | 90 | 108 | 113 | 131 | 443 | 137 | 146 | 133 | 416 | 17% |
| | Subsidiaries (Korea) | Operating Profit | | 0 | 2 | 0 | △1 | 2 | △0 | 1 | 1 | 1 | 3 | 0 | 7 | 1 | 9 | 52% |
| | | Sales | | 16 | 18 | 14 | 16 | 63 | 32 | 35 | 43 | 47 | 156 | 44 | 61 | 62 | 167 | 45% |
| | | Operating Profit | | 0 | 1 | 1 | 1 | 3 | 3 | 3 | 5 | 3 | 14 | 5 | 4 | 4 | 12 | △28% |
| | Subsidiaries (China) | Sales | | 34 | 44 | 42 | 52 | 173 | 49 | 51 | 59 | 53 | 212 | 73 | 63 | 81 | 217 | 37% |
| | | Operating Profit | | 1 | 4 | 5 | 3 | 14 | 7 | 5 | 4 | 2 | 18 | 3 | 4 | 6 | 14 | 65% |
| | Subsidiaries (Vietnam) | Sales | | 4 | 7 | 8 | 7 | 26 | 18 | 14 | 19 | 22 | 73 | 23 | 23 | 30 | 76 | 62% |
| | | Operating Profit | | △1 | 0 | 0 | △0 | △1 | 1 | 0 | 1 | △0 | 2 | △0 | 1 | △1 | △1 | △317% |
| | Subtotal | Sales | | 137 | 149 | 145 | 158 | 588 | 189 | 209 | 234 | 252 | 884 | 277 | 293 | 306 | 876 | 31% |
| | | Operating Profit | | 1 | 8 | 7 | 3 | 19 | 12 | 9 | 10 | 6 | 37 | 8 | 16 | 10 | 34 | △1% |

Consolidated

(unit : bwn)

| Segment | | | | 20 | | | | | 21 | | | | | 22 | | | | YoY (3Q) |
|------------------------------------|--|--|--|-----|-----|-----|-----|-------|-----|-----|-----|-----|-------|-----|-----|-----|-------|-------------|
| | | | | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | Total | |
| Consolidation adjustment for Sales | | | | △11 | △20 | 6 | △15 | △40 | △23 | △23 | △13 | △34 | △93 | △27 | △38 | △24 | △89 | △89% |
| Consolidation adjustment for OP | | | | △2 | 1 | 0 | 2 | 1 | 2 | 0 | 1 | △0 | 3 | 2 | 0 | 4 | 6 | 252% |
| Total Sales | | | | 636 | 598 | 559 | 610 | 2,403 | 589 | 643 | 683 | 753 | 2,668 | 730 | 879 | 839 | 2,447 | 23% |
| Total Operating Profit | | | | 40 | 39 | 22 | 33 | 134 | 23 | 47 | 40 | 44 | 155 | 41 | 60 | 61 | 161 | 50% |