

4Q 2022 Review & Outlook

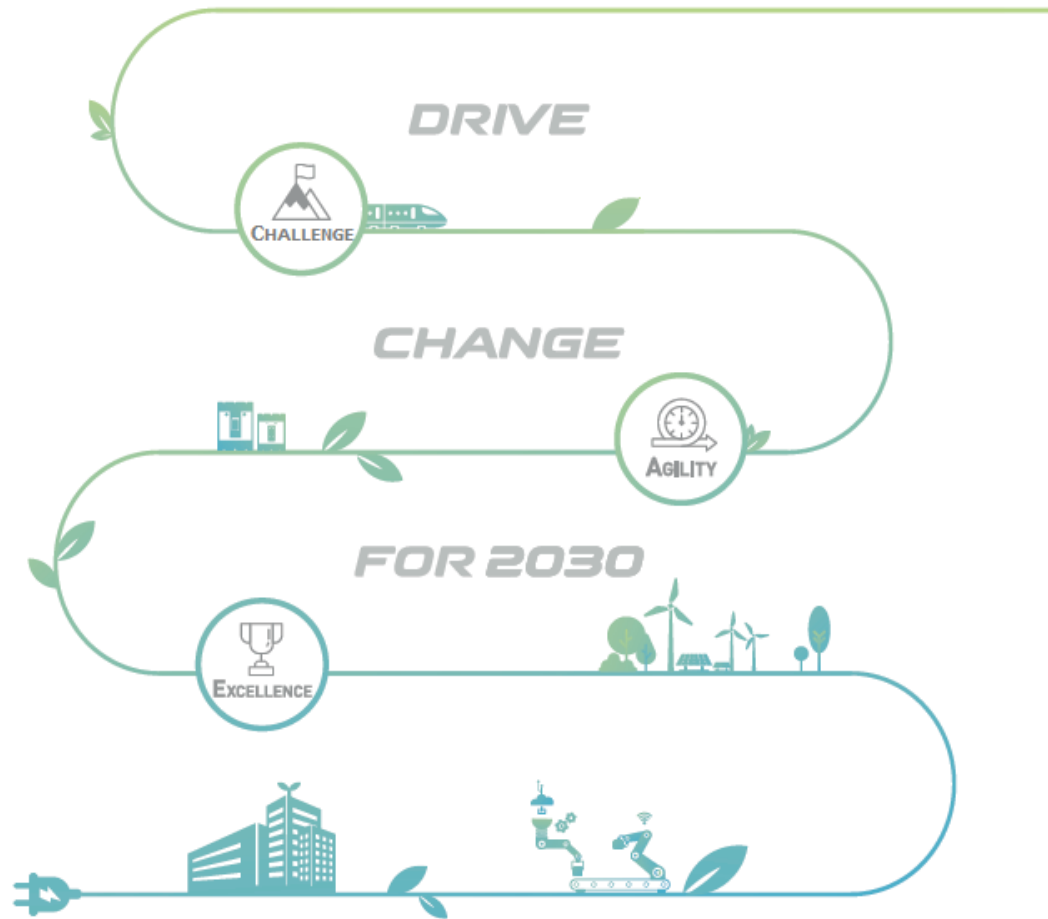


Table of contents

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 930bwn(YoY 177bwn increased), Operating Profit 26bwn(YoY 18bwn decreased)

Sales increase by Electric, Automation segment and subsidiaries, OP decrease by one-off bad debts

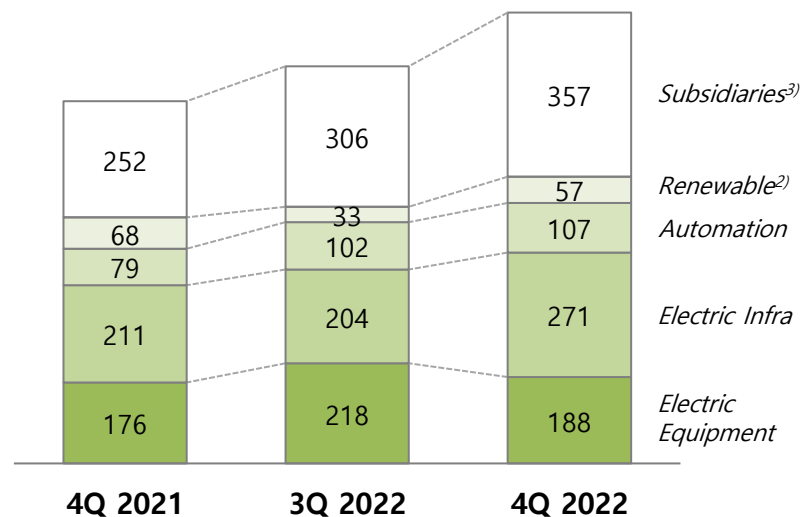
Income Statement

(unit : bwn)

Segment	4Q 2021	3Q 2022	4Q 2022	YoY	QoQ
Sales	753	839	930	177	91
Operating Profit	44	61	26	△18	△35
Profit before tax	34	25	26	△7	2
Net income	23	14	17	△6	3

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 3,323bwn(YoY 526bwn increased), Net Debts 320bwn(YoY 334bwn increased)

Total Liabilities/Equity Ratios 114%, Debts/Total Assets Ratios 26%

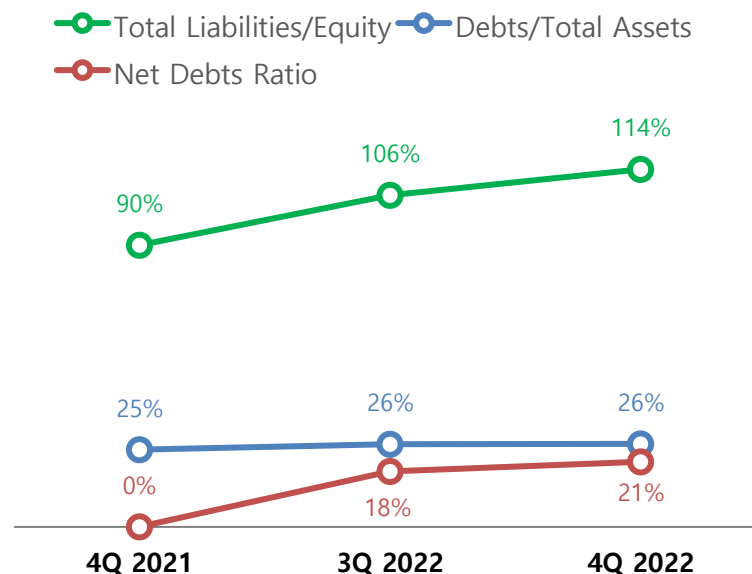
Financial Statement

(unit : bwn)

Segment	4Q 2021	3Q 2022	4Q 2022	YoY	QoQ
Total Assets	2,797	3,145	3,323	526	178
Current Assets	1,888	2,189	2,341	453	152
Cash & cash equivalent	702	558	556	△146	△2
Total Liabilities	1,323	1,616	1,774	450	158
Debts	688	828	876	189	48
Net Debts	△14	271	320	334	50
Equity	1,473	1,529	1,549	76	20

Financial Ratios

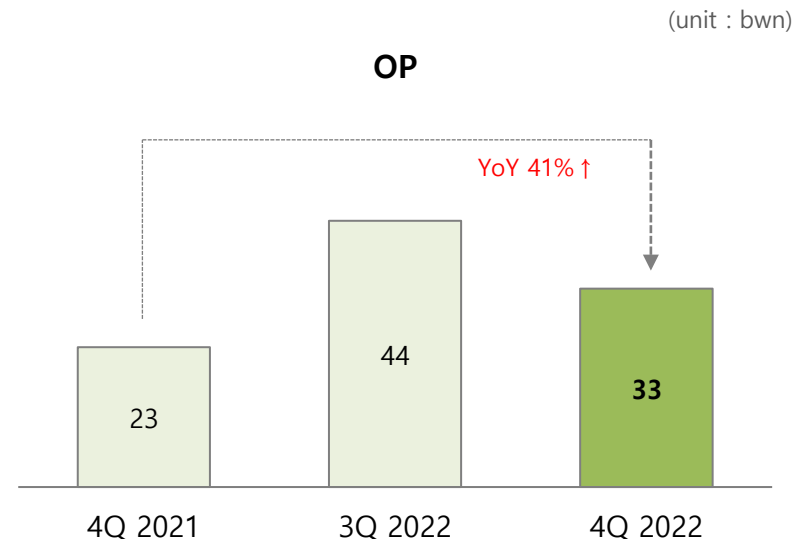
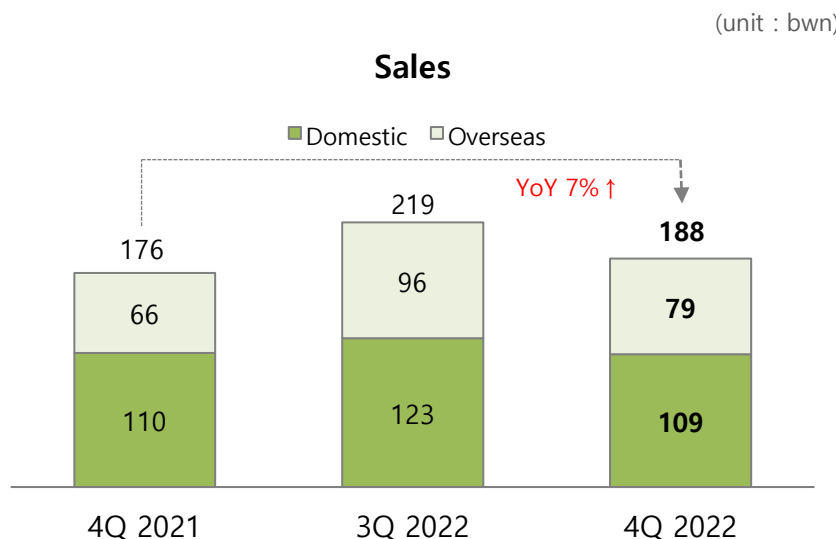
(unit : %)



3. Business Results & Outlook

① Electric Equipment

Sales increased in Overseas market and increased in profits from exchange rates



4Q Result

- Sales increased YoY 7%, OP increased YoY 41%
- Increase profit due to exchange rate effect
- Sales increased in foreign markets

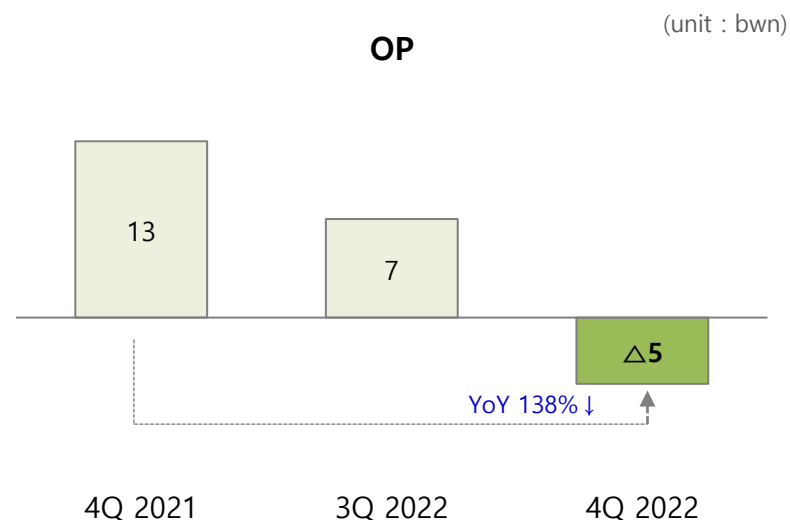
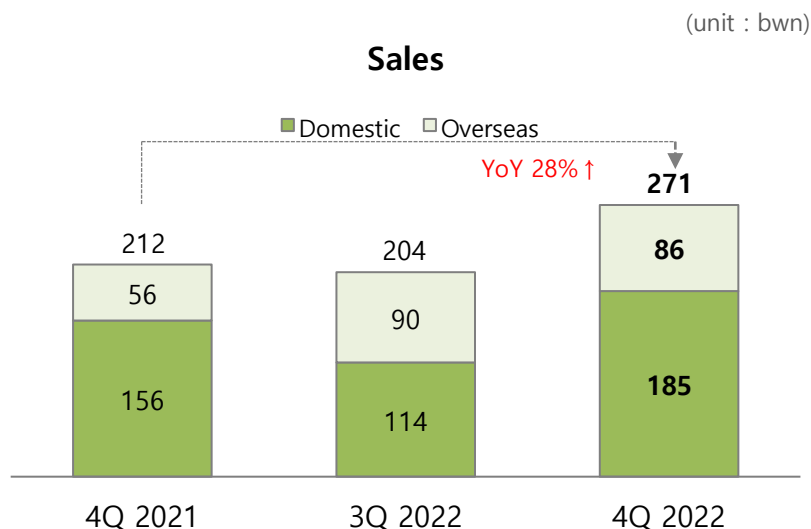
1Q Outlook

- Global recession fears reduce supplies in market
- Promotion of securing performance by expanding product participation in eco-friendly markets

3. Business Results & Outlook

② Electric Infra

Sales increased in Domestic and Overseas markets



4Q Results

- Sales increased YoY 28%, OP decreased YoY 138%
- Sales continued from facility investment of IDC, Battery and Semiconductor business

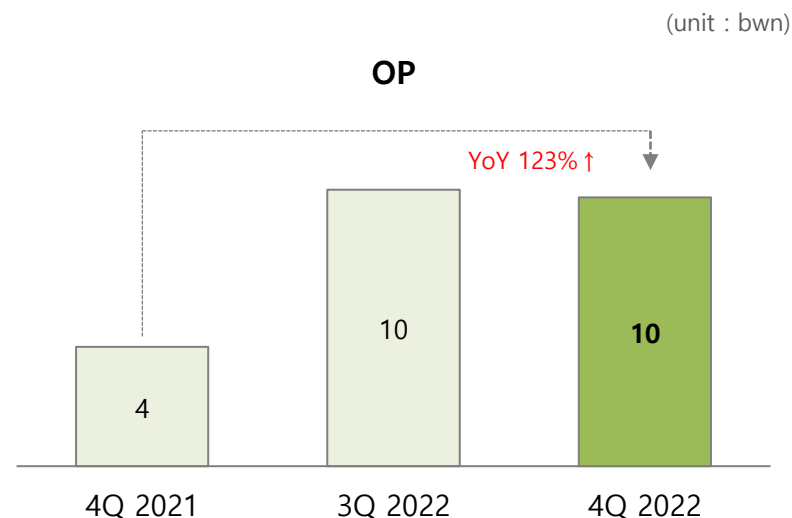
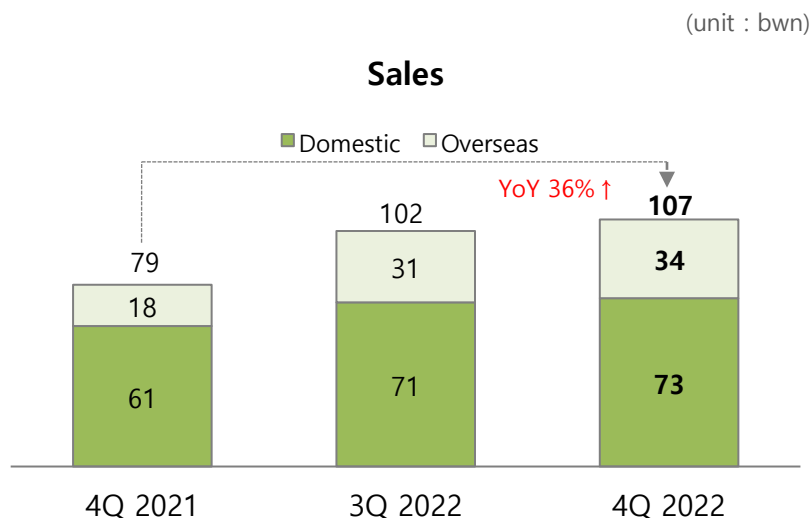
1Q Outlook

- Expected increase in sales due to expansion of facility investment in North America
- Domestic investment expected to decline slightly

3. Business Results & Outlook

③ Automation

Sales and Operating profit increased in Domestic & Overseas markets



4Q Results

- Sales increased YoY 36%, OP increased YoY 123%
- Sales continued in Major and Machinery
- Sales increased North America

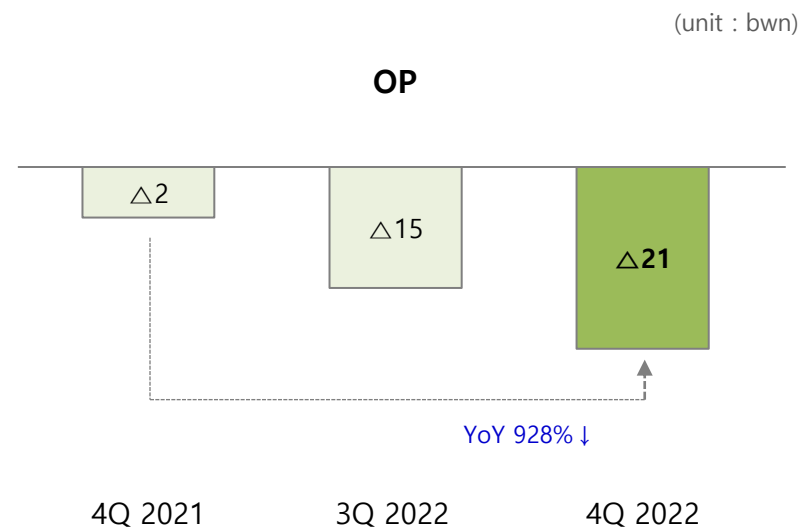
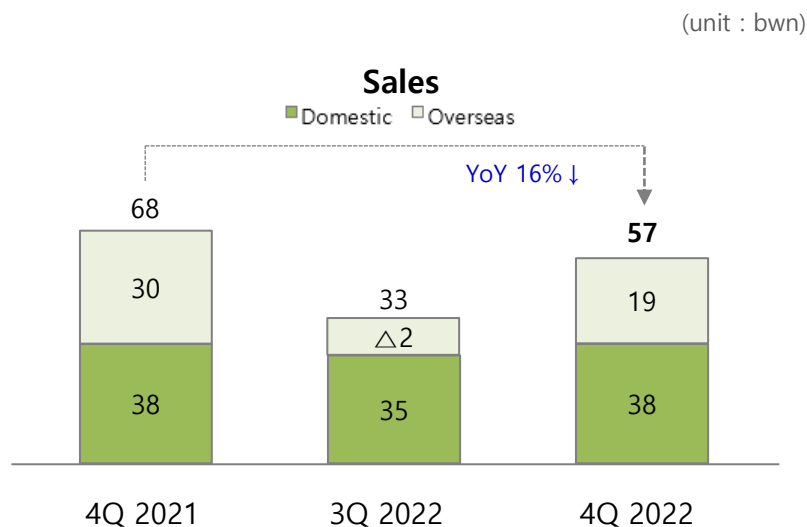
1Q Outlook

- Aiming to tap into the U.S. Market
- Sales continued in Major market(Car/Battery)

3. Business Results & Outlook

④ Renewable

Sales and Operating profit decreased in Domestic & Overseas markets



4Q Results

- Sales decreased YoY 16%, OP decreased YoY 928%
- Weak performance due to recognition of one-off bad debts

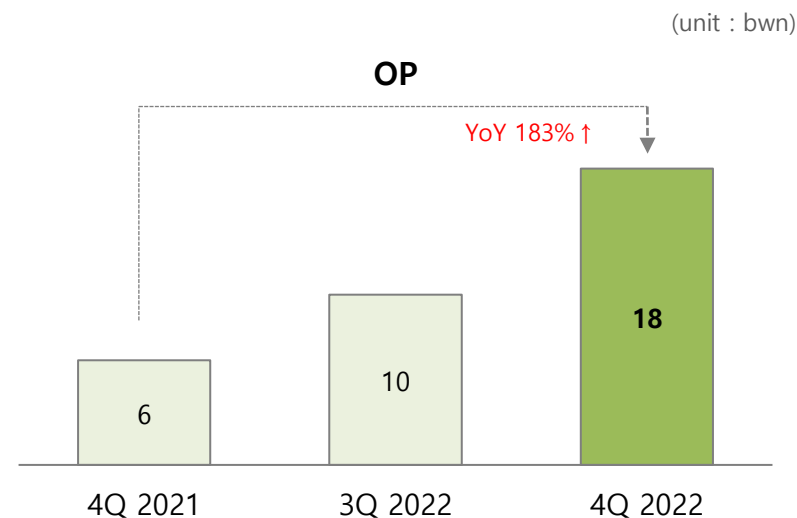
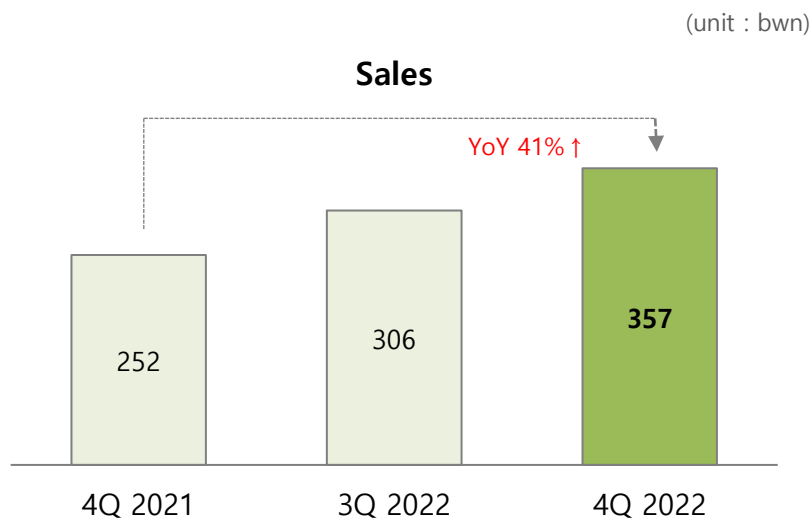
1Q Outlook

- Sales expected to increase in Solar business
- Looking for ESS business in overseas markets

3. Business Results & Outlook

⑤ Subsidiaries

Sales increased in China and Vietnam business



4Q Results

- Sales increased YoY 41%, OP increased YoY 183%
- Sales increased in domestic and overseas subsidiaries

1Q Outlook

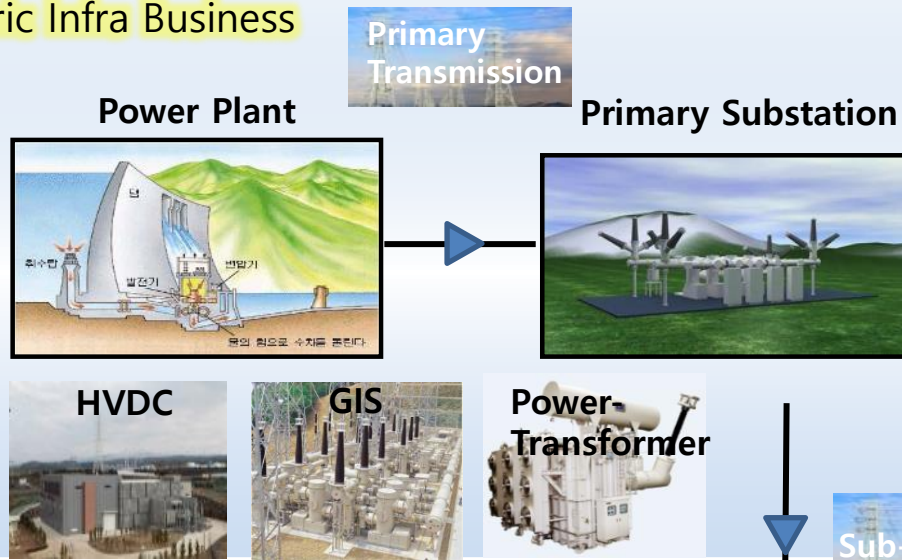
- Sales continued in China business
- Expansion of distribution channels in overseas markets

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)

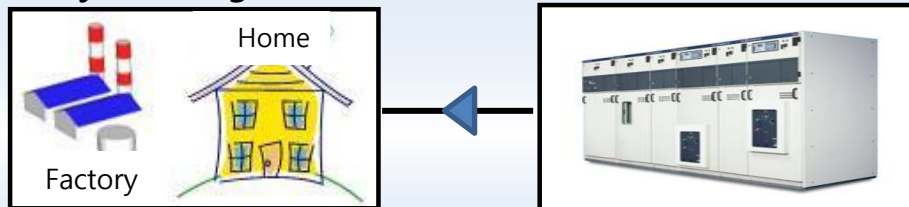
< Main Products >

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



Electric Equipment Business

Factory/Building/Household



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

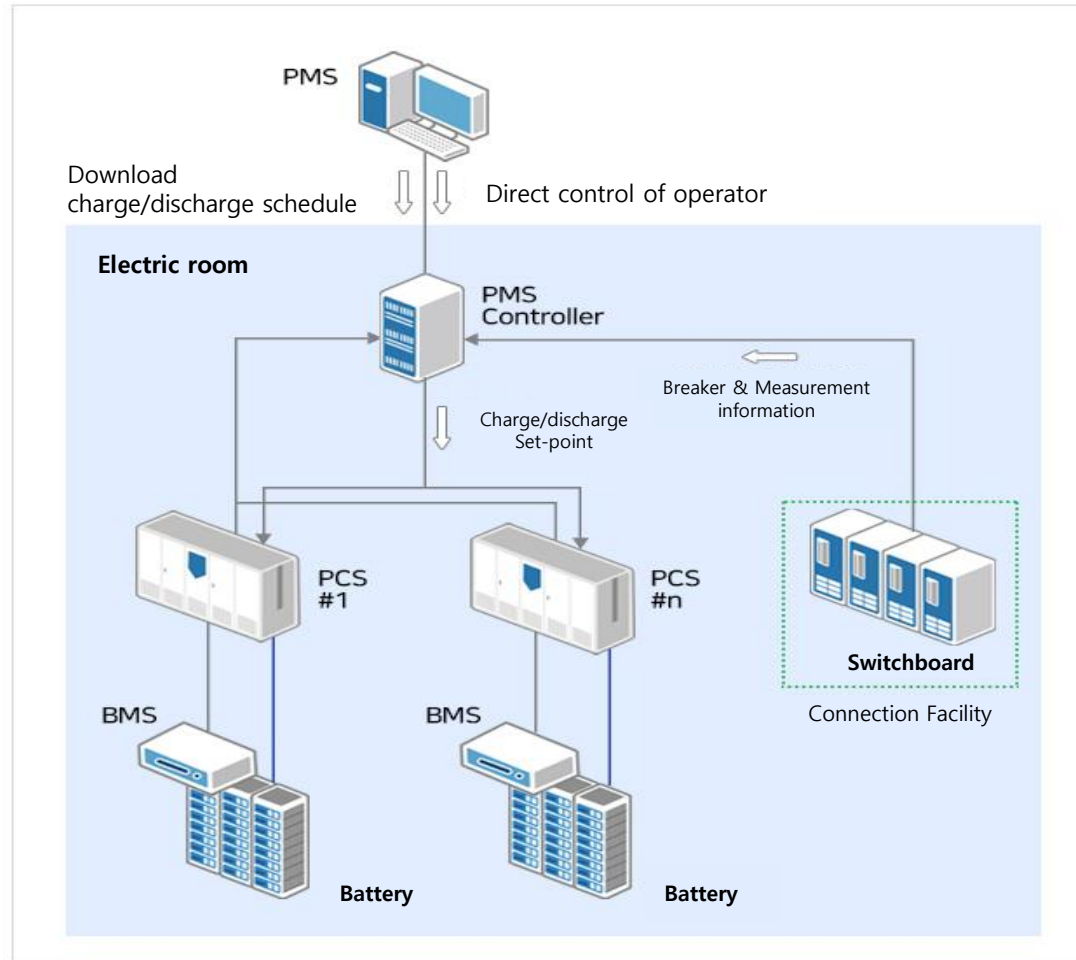


Railway System

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



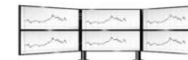
PV Power System
- Module
- Inverter
- Balance of System



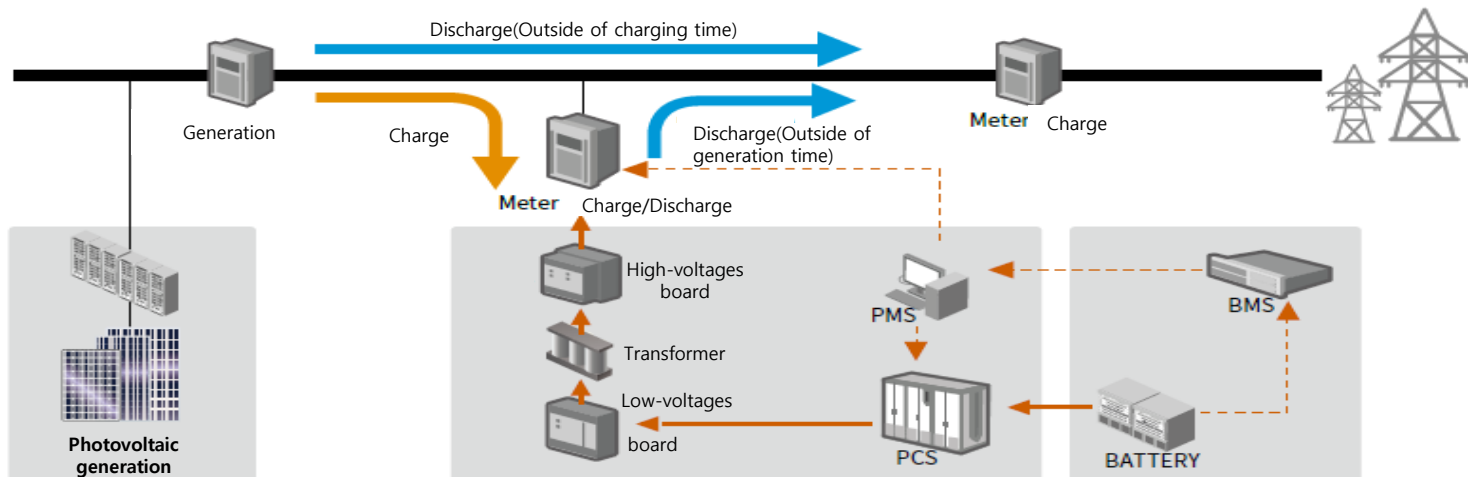
- HV Switchgear
- MV Switchgear
- LV Switchgear



Transformer



Monitoring(SCADA)



III. Appendix

Appendix 1. Condensed Statement

Income Statement

(unit : bwn, %)

Segment	4Q 2021	3Q 2022	4Q 2022	YoY	QoQ
Sales	753	839	930	23.5%	10.9%
Cost of Sales	△618	△677	△792	28.1%	16.9%
Gross Profit	135	161	138	2.3%	△14.4%
(%)	17.9%	19.2%	14.9%	-	-
SG&A	△91	△101	△112	23.5%	11.2%
Operating Profit	44	61	26	△41.0%	△57.0%
(%)	5.9%	7.2%	2.8%	-	-
Non-OP and Loss	△11	△36	0	△102.1%	△100.6%
Profit before tax	34	25	26	△21.5%	6.2%
Net Income	23	14	17	△27.2%	20.6%
(%)	3.0%	1.6%	1.8%	-	-
EBITDA Margin	8.4%	5.0%	6.7%	-	-

Statements of Cash Flows

(unit : bwn)

Segment	4Q 2021	4Q 2022	YoY
Cash and cash equivalents at the beginning of year	683	702	18
Cash Flows From Operating Activities	102	△145	△247
Cash Flows From Investing Activities	△120	△131	△11
Capex	△56	△114	△59
R&D	△7	△3	5
Others	△57	△14	43
Cash Flows From Financing Activities	35	135	100
Effect of exchange rate changes on cash and cash	2	△4	△6
Cash and cash equivalents	702	556	△146

Statement of Financial position

(unit : bwn, %)

Segment	4Q 2021	3Q 2022	4Q 2022	YoY	QoQ
Total Assets	2,797	3,145	3,323	19%	6%
Current Assets	1,888	2,189	2,341	24%	7%
Cash&Cash Equivalents	702	558	556	△21%	△0%
Inventories	261	426	460	76%	8%
Other Current Assets	925	1,205	1,325	43%	10%
Non-Current Assets	909	955	982	8%	3%
Tangible Assets	564	598	618	10%	3%
Intangible Assets	102	96	86	△15%	△10%
Other Non-Current Assets	243	261	277	14%	6%
Total Liabilities	1,323	1,616	1,774	34%	10%
Current Liabilities	845	1,162	1,390	64%	20%
Short-term borrowings	244	417	526	115%	26%
Non-Current Liabilities	478	453	383	△20%	△15%
Long-term borrowings	444	411	350	△21%	△15%
Equity	1,473	1,529	1,549	5%	1%
Current Ratio	223%	188%	168%	△25%	△11%
Equity/Total Assets	53%	49%	47%	△12%	△4%
Total Liabilities/Equity	90%	106%	114%	27%	8%
Net debts Ratio	△1%	18%	21%	△2306%	17%

Appendix 2. Results for the past 3 years

HQ

(unit : bwn)

Segment				20					21					22					YoY (4Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	
HQ	Electric Equipment	Sales	Domestic	108	107	103	103	421	118	111	115	110	455	131	134	123	109	497	△1%
			Overseas	60	61	49	51	222	66	68	57	66	256	87	86	96	79	348	19%
		Total		169	168	152	154	643	184	179	172	176	711	218	221	218	188	845	7%
		Operating Profit		32	31	19	18	100	25	29	28	23	105	38	38	44	33	153	42%
	Electric Infra	Sales	Domestic	118	134	110	115	476	103	100	109	156	468	81	146	114	185	525	19%
			Overseas	40	33	19	26	117	18	31	30	56	135	44	55	90	86	275	54%
		Total		158	167	128	140	593	122	131	139	211	603	125	201	204	271	800	28%
		Operating Profit		5	8	△8	2	8	△17	△1	△5	13	△9	△10	△2	7	△5	△10	△138%
	Automation	Sales	Domestic	49	52	55	55	210	63	63	63	61	250	69	73	71	73	287	20%
			Overseas	22	18	16	16	72	21	26	21	18	85	29	29	31	34	123	91%
		Total		71	70	71	71	282	84	89	83	79	335	98	101	102	107	410	36%
		Operating Profit		6	7	6	7	26	8	12	8	4	33	11	10	10	10	40	125%
	Renewable Business	Sales	Domestic	101	68	42	73	285	18	26	44	38	127	25	93	35	38	191	△2%
			Overseas	12	△3	14	29	52	16	32	23	30	101	13	7	△2	19	38	△35%
		Total		113	65	57	102	337	34	59	67	68	228	38	101	33	57	229	△16%
		Operating Profit		△3	△17	△2	1	△21	△7	△2	△3	△2	△14	△7	△2	△15	△21	△46	△928%
	Subtotal	Sales	Domestic	376	360	310	346	1,392	302	301	331	366	1,301	306	446	343	405	1,500	11%
			Overseas	134	109	98	122	463	121	157	131	169	577	174	178	215	218	784	29%
		Total		510	469	408	468	1,855	423	458	462	535	1,877	479	623	558	623	2,283	17%
		Operating Profit		41	30	15	28	113	10	38	29	38	115	31	44	46	17	138	△55%

Appendix 2. Results for the past 3 years

Subsidiaries

(unit : bwn)

Segment				20					21					22					YoY (4Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	
Subsidiaries	LS Metal	Sales	Domestic	37	40	44	40	161	44	57	55	63	219	73	81	68	69	291	10%
			Overseas	46	40	37	42	166	45	52	59	69	224	65	65	65	73	268	6%
		Total		83	80	82	82	326	90	108	113	131	443	137	146	133	142	558	8%
		Operating Profit		0	2	0	△1	2	△0	1	1	1	3	0	7	1	2	11	73%
	Subsidiaries (Korea)	Sales		16	18	14	16	63	32	35	43	47	156	44	61	62	78	246	68%
		Operating Profit		0	1	1	1	3	3	3	5	3	14	5	4	4	5	17	86%
	Subsidiaries (China)	Sales		34	44	42	52	173	49	51	59	53	212	73	63	81	107	323	102%
		Operating Profit		1	4	5	3	14	7	5	4	2	18	3	4	6	7	21	230%
	Subsidiaries (Vietnam)	Sales		4	7	8	7	26	18	14	19	22	73	23	23	30	30	106	38%
		Operating Profit		△1	0	0	△0	△1	1	0	1	△0	2	△0	1	△1	3	2	5,699%
	Subtotal	Sales		137	149	145	158	588	189	209	234	252	884	277	293	306	357	1,233	41%
		Operating Profit		1	8	7	3	19	12	9	10	6	37	8	16	10	18	52	183%

Consolidated

(unit : bwn)

Segment				20					21					22					YoY (4Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	
Consolidation adjustment for Sales				△11	△20	6	△15	△40	△23	△23	△13	△34	△93	△27	△38	△24	△50	△139	△46%
Consolidation adjustment for OP				△2	1	0	2	1	2	0	1	△0	3	2	0	4	△9	△2	△3,031%
Total Sales				636	598	559	610	2,403	589	643	683	753	2,668	730	879	839	930	3,377	24%
Total Operating Profit				40	39	22	33	134	23	47	40	44	155	41	60	61	26	188	△41%