

2Q 2023 Review & Outlook



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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 1,202bwn(YoY 323bwn increased), Operating Profit 105bwn(YoY 45bwn increased)

The company achieves its highest quarterly performance by investment of domestic company in U. S.

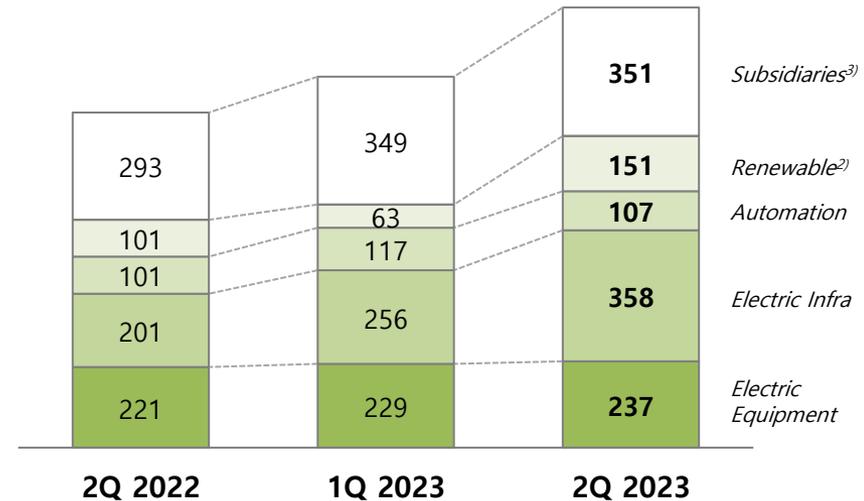
Income Statement

(unit : bwn)

Segment	2Q 2022	1Q 2023	2Q 2023	YoY	QoQ
Sales	879	976	1,202	323	226
Operating Profit	60	82	105	45	23
Profit before tax	35	62	94	60	32
Net income	27	50	73	46	23

Sales Breakdown by Business¹⁾

(unit : bwn)



- 1) Sales of subsidiaries are before the consolidated adjustments.
 2) Renewable 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 3,645bwn(YoY 596bwn increased), Net Debts 440bwn(YoY 361bwn increased)

Total Liabilities/Equity Ratios 122%, Debts/Total Assets Ratio 26%

Net Debts rise due to increased inventories, accounts receivable as operations expand and sales growth

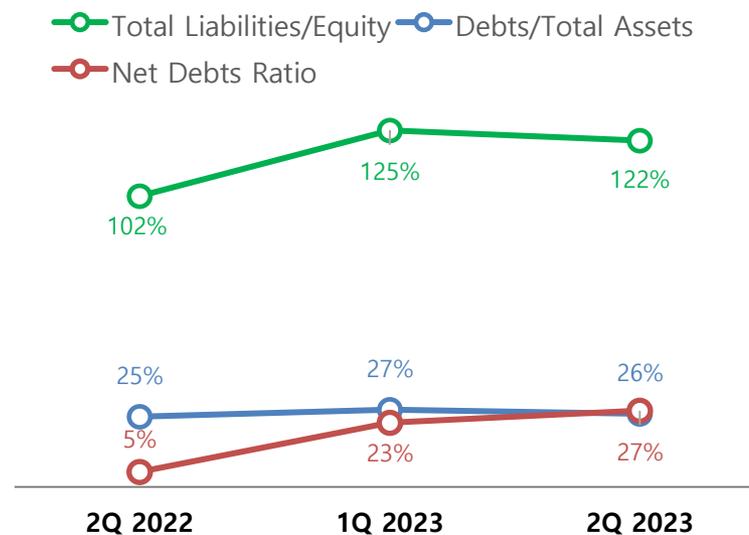
Financial Statement

(unit : bwn)

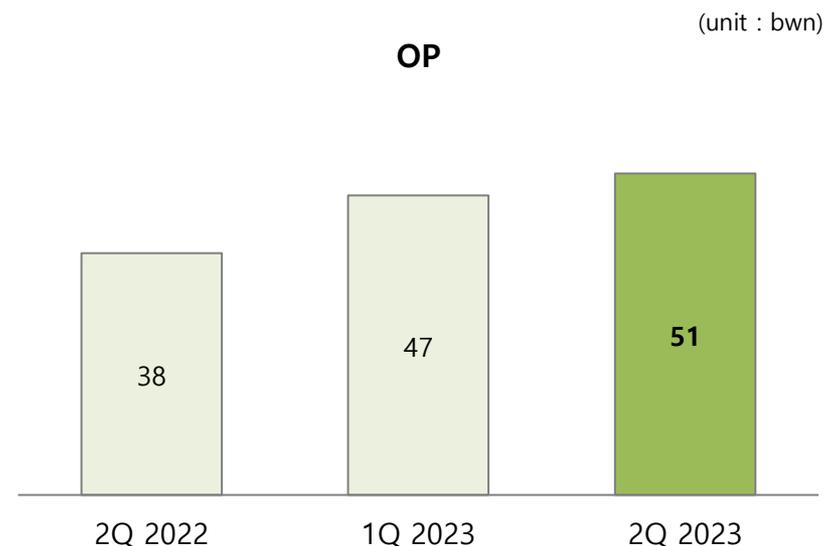
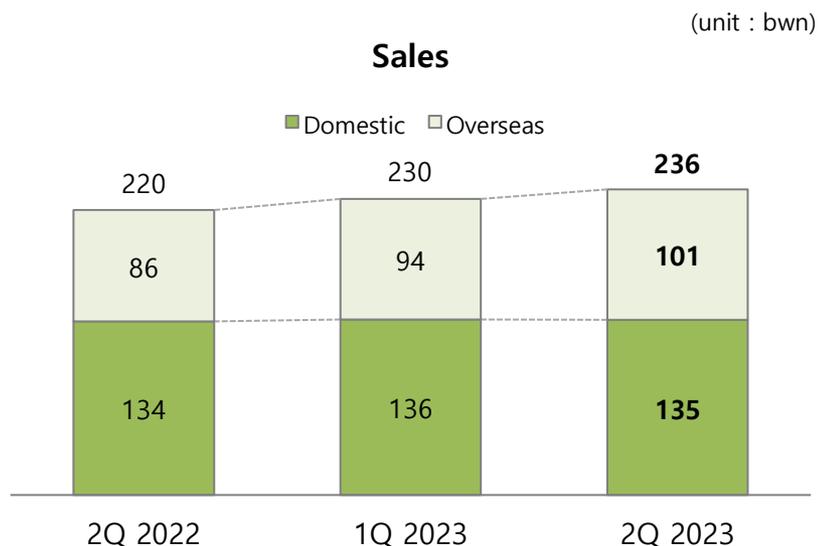
Segment	2Q 2022	1Q 2023	2Q 2023	YoY	QoQ
Total Assets	3,049	3,562	3,645	596	83
Current Assets	2,122	2,562	2,605	483	43
Cash & cash equivalent	673	608	498	△175	△110
Total Liabilities	1,542	1,982	2,002	460	20
Debts	752	965	938	186	△27
Net Debts	79	357	440	361	83
Equity	1,507	1,580	1,643	136	63

Financial Ratios

(unit : %)



A slight increase in sales by overseas stronghold market



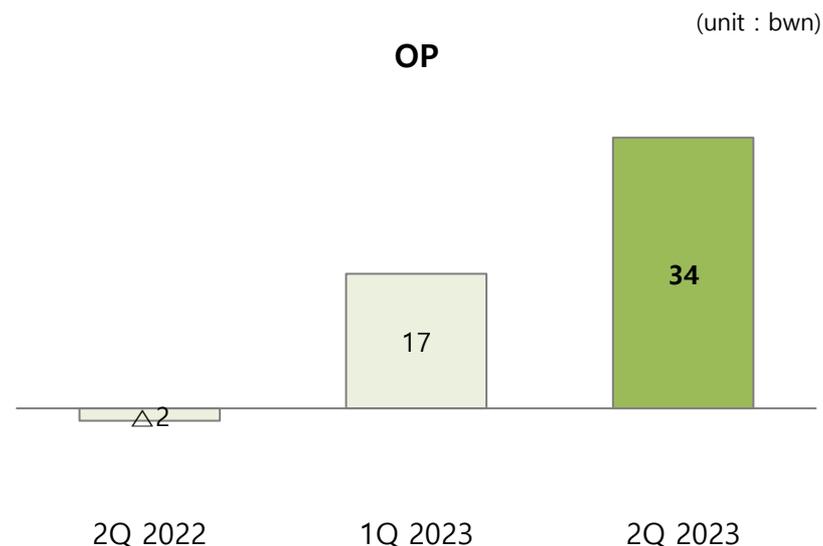
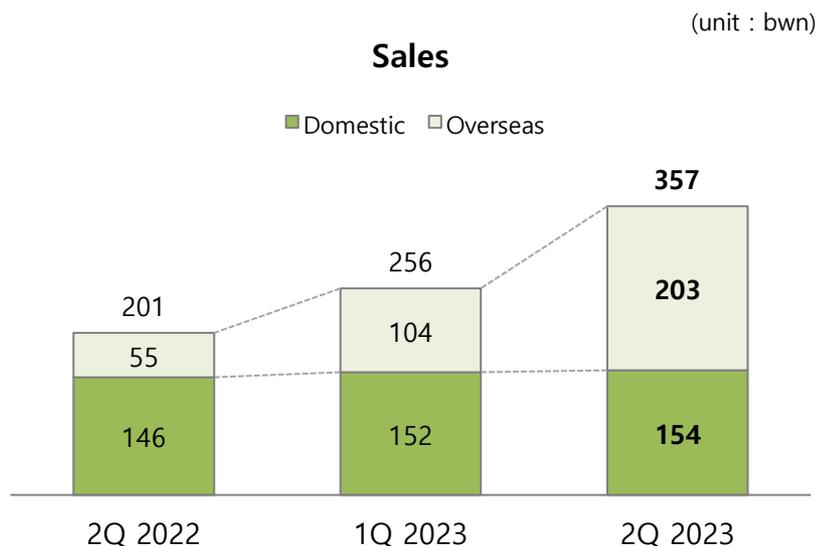
2Q Result

- Sales increased YoY 7%, OP increased YoY 33%
- Increase sales of UL-certified power devices
- Profitability improvement in Vietnam market
- Expanding devices sales related in Europe renewable industry investment

3Q Outlook

- Facility investment resumption in domestic display industry
- Expanding low to medium-priced power device in Vietnam market
- Strengthening U.S. market support

Sales and OP increase by facilities investment of domestic company in U. S.



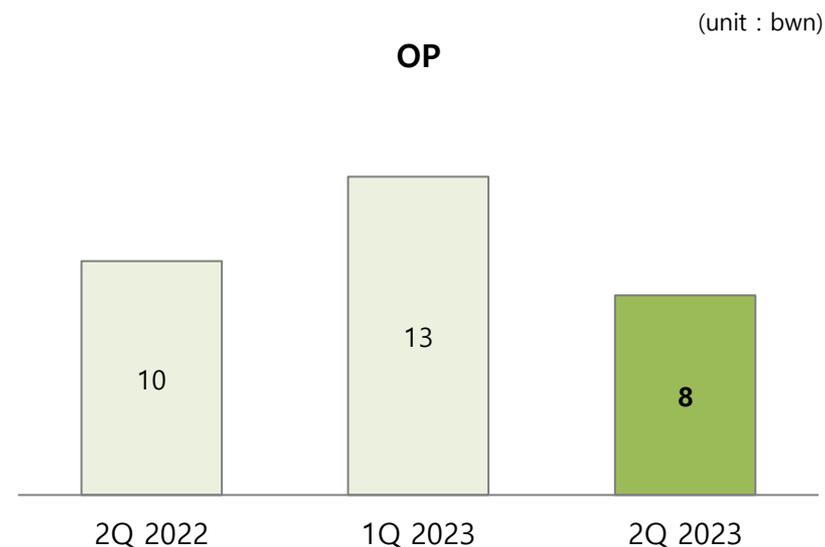
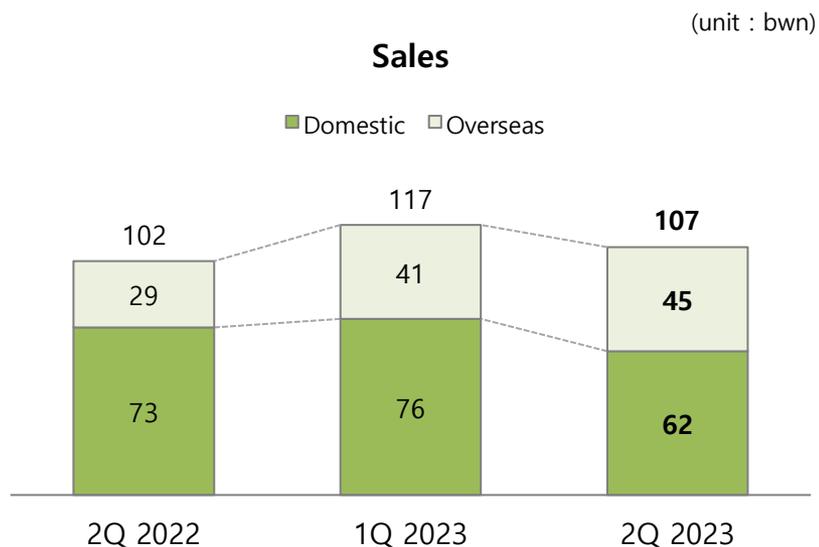
2Q Result

- Sales increased YoY 78%, OP increased YoY 2,250%
- Facilities investment of domestic company in U.S.
 - ➔ Related company with Battery, Semiconductor, EV

3Q Outlook

- Expected increase in sales in the U.S.
- Expected increase IDC in domestic
- Expanding power device delivery to EV-facilities in U.S.

Maintaining sales by diversification of overseas market



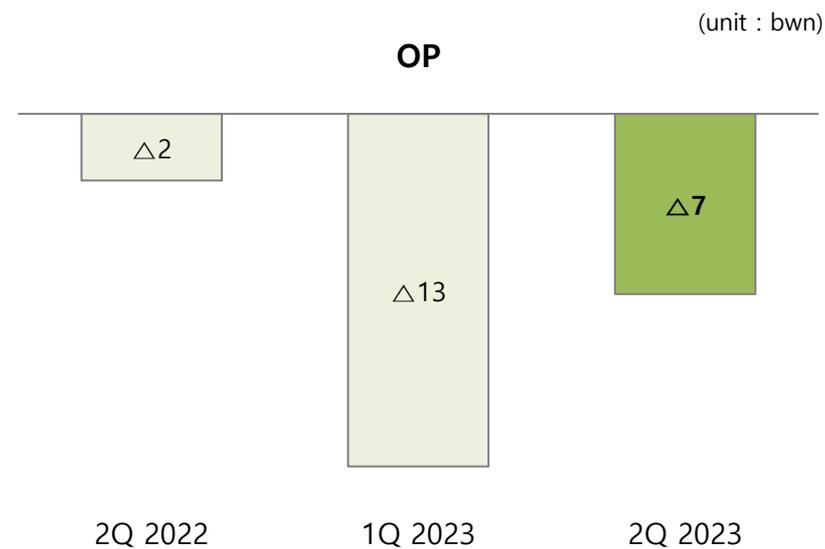
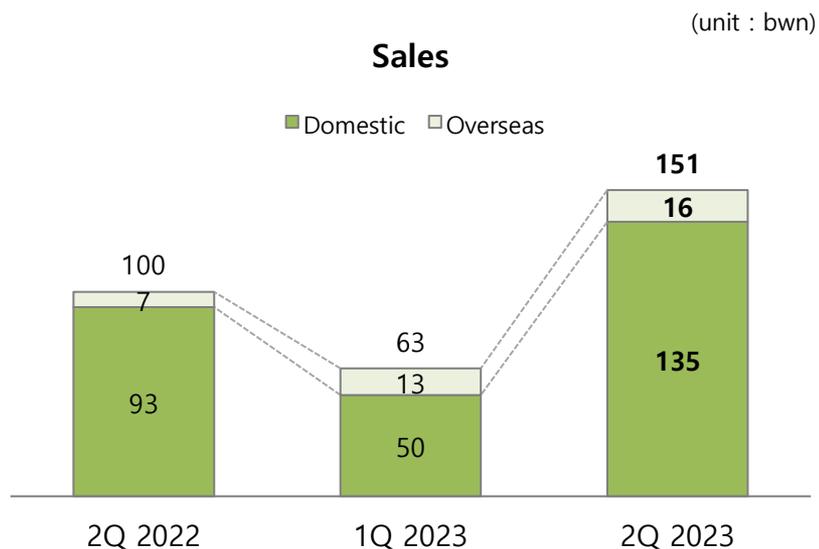
2Q Result

- Sales increased YoY 6%, OP decreased YoY 14%
 - ➔ Decreased OP due to reduction of PLC sale in domestic
- Increase deliveries in facilities of EV market
- U.S. market volume maintain
 - ➔ Inverter in market of Gas & Oil

3Q Outlook

- Focus on deliveries in EV market
- Expanding deliveries in logistics and packaging automation market
- Continued sales in the U.S.

Increased large-scale solar PJT sales



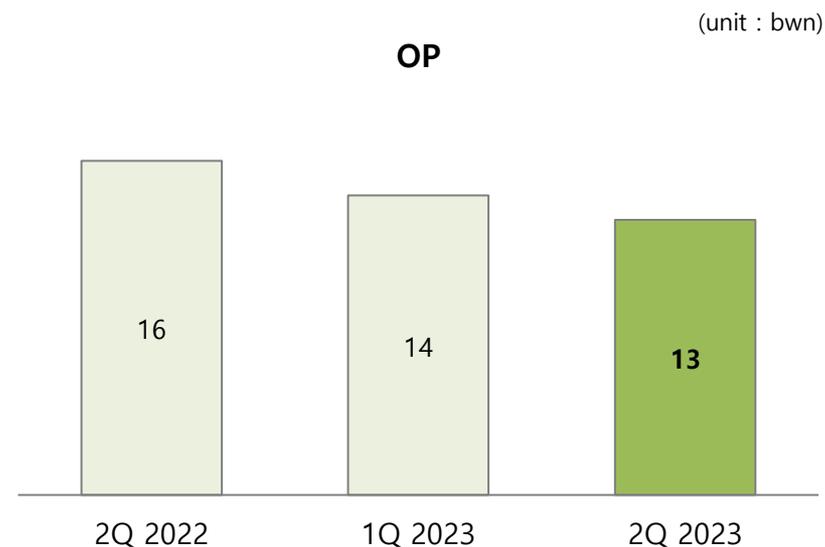
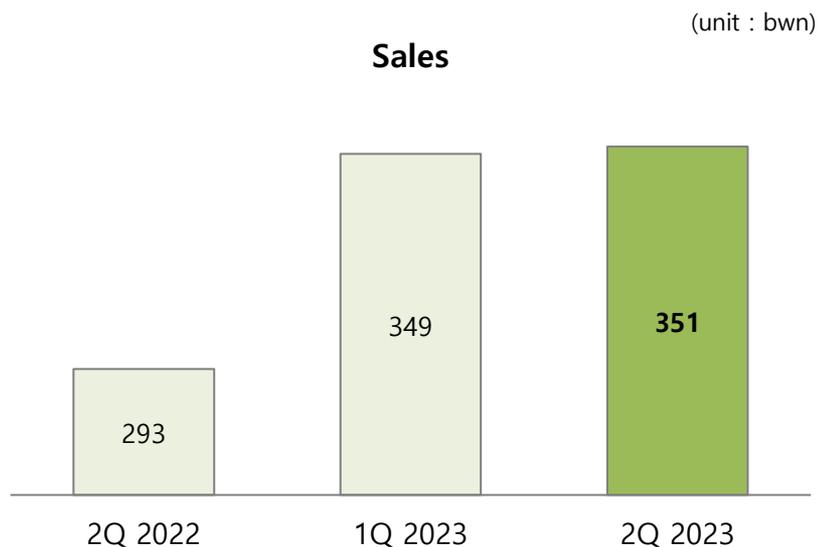
2Q Result

- Sales increased YoY 49%, OP decreased YoY 164%
- Increased ESS PJT Sales in domestic
- Increased large-scale solar PJT sales in Korea
- Start Botley ESS PJT in U.K.

3Q Outlook

- Expected increase in Botley ESS PJT sales
- Continued sales as large-scale solar PJT in Korea
- Looking for renewable business in U.S. and U.K.

Sales and OP increased in Overseas markets



2Q Result

- Sales increased YoY 20%, OP decreased YoY 18%
- Increased profits of overseas subsidiaries(China, Vietnam, U.S.)
- Increased volume of renewable DC devices in Europe

3Q Outlook

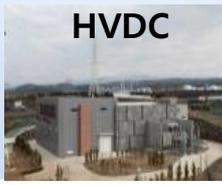
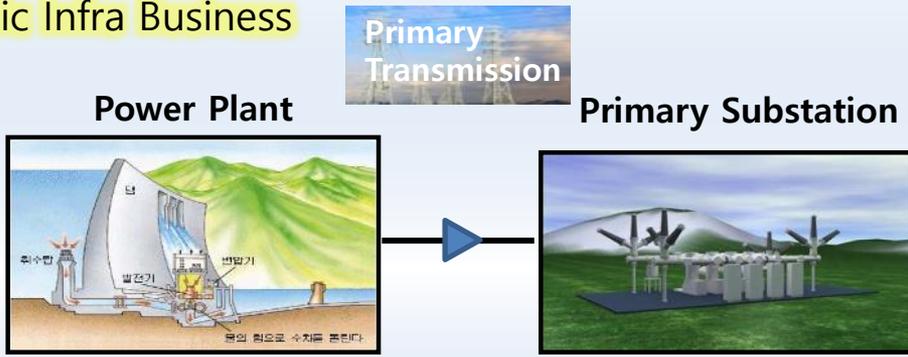
- Due to facility investment delayed in the domestic(expected some subsidiaries underperform)
- Maintaining the volume of overseas markets such as Europe and U.S.

II. Business Introduction

Business Introduction

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

Electric Infra Business

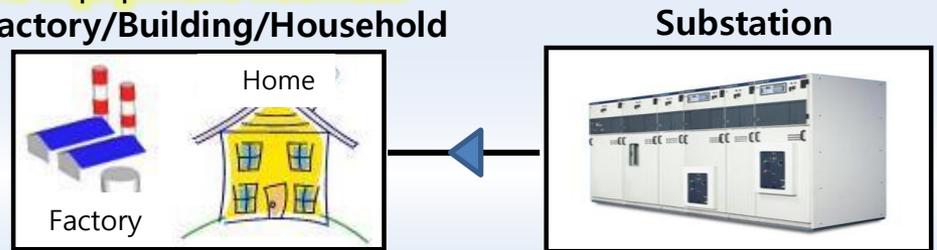


Ultra-high voltage power transmission & distribution system equipment such as gas insulated switchgear (GIS)

- < Main Products >**
- Gas Insulated Switchgear (GIS)
 - Power Transformers
 - Remote Monitoring & Diagnosis Equipment
 - HVDC
 - Switchgear (SWGR)



Electric Equipment Business



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

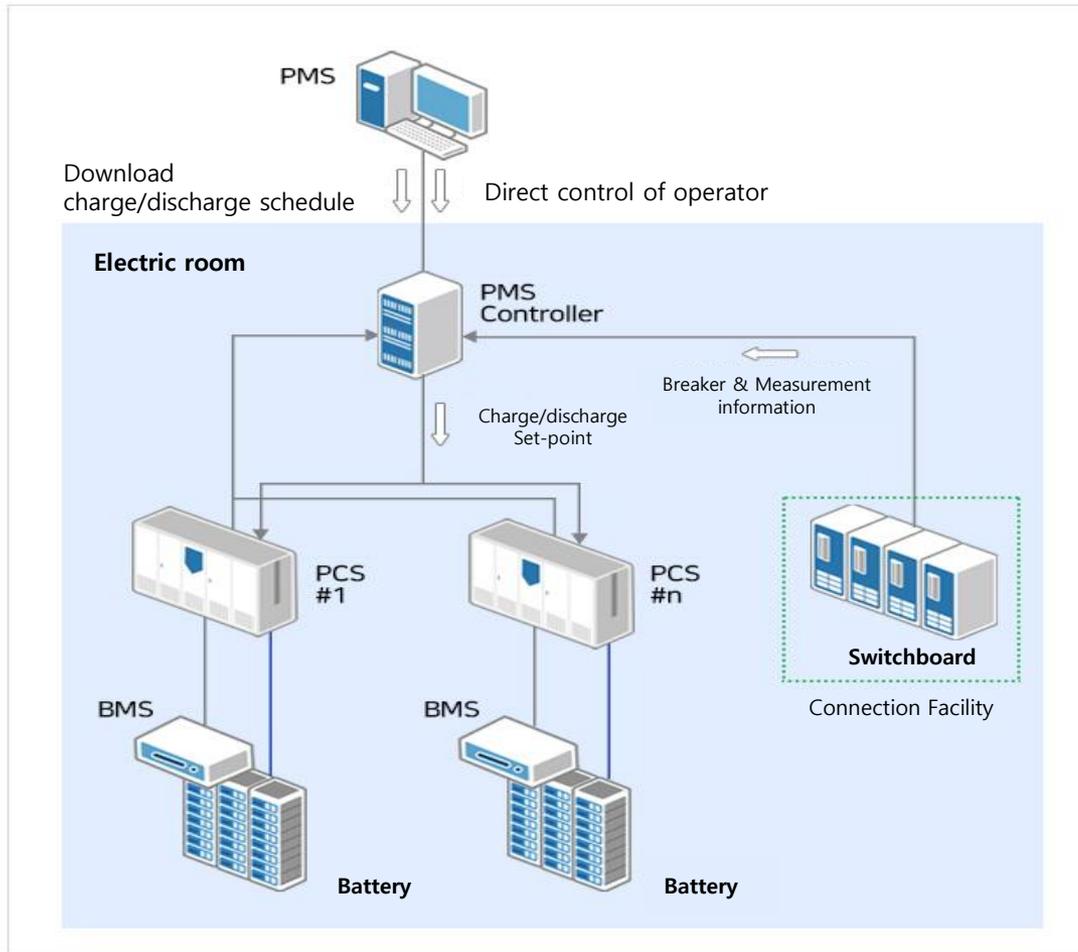


Railway System

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

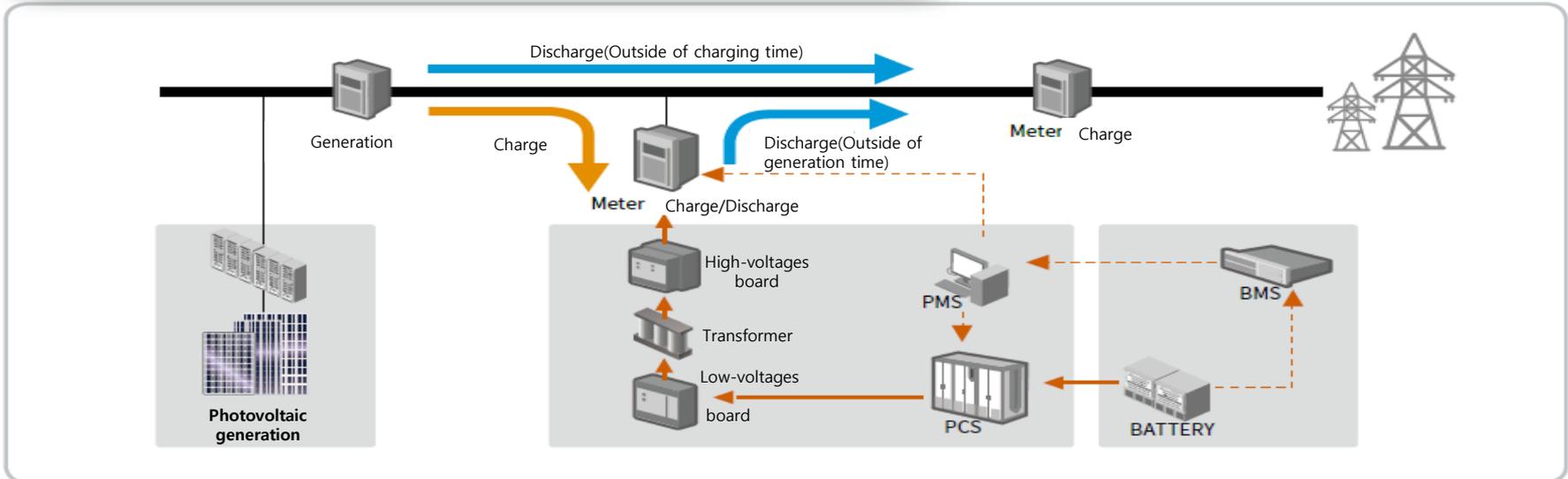
Business Introduction

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



System Components

- PV Power System**
 - Module
 - Inverter
 - Balance of System
- Switchgear**
 - HV Switchgear
 - MV Switchgear
 - LV Switchgear
- Transformer**
- Monitoring(SCADA)**



III. Appendix

Appendix 1. Condensed Statement

Income Statement

(unit : bwn, %)

Segment	2Q 2022	1Q 2023	2Q 2023	YoY	QoQ
Sales	879	976	1,202	36.7%	23.2%
Cost of Sales	△718	△786	△985	37.2%	25.3%
Gross Profit	161	189	216	34.5%	14.3%
(%)	18.3%	19.4%	18.0%	-	-
SG&A	△101	△108	△112	10.7%	3.6%
Operating Profit	60	82	105	74.5%	28.3%
(%)	6.8%	8.4%	8.7%	-	-
Non-OP and Loss	△26	△20	△11	△58.4%	△45.6%
Profit before tax	35	62	94	172.6%	51.5%
Net Income	27	50	73	166.0%	44.6%
(%)	3.1%	5.2%	6.1%	-	-
EBITDA Margin	6.7%	8.8%	10.1%	-	-

Statements of Cash Flows

(unit : bwn)

Segment	2Q 2022	2Q 2023	YoY
Cash and cash equivalents at the beginning of year	702	556	△146
Cash Flows From Operating Activities	12	74	62
Cash Flows From Investing Activities	△55	△156	△101
Capex	△47	△59	△11
R&D	1	△6	△6
Others	△8	△92	△84
Cash Flows From Financing Activities	12	16	3
Effect of exchange rate changes on cash and cash equivalents	2	8	7
Cash and cash equivalents	673	498	△175

Statement of Financial position

(unit : bwn, %)

Segment	2Q 2022	1Q 2023	2Q 2023	YoY	QoQ
Total Assets	3,049	3,562	3,645	20%	2%
Current Assets	2,122	2,562	2,605	23%	2%
Cash&Cash Equivalents	673	608	498	△26%	△18%
Inventories	337	493	493	46%	△0%
Other Current Assets	1,112	1,461	1,614	45%	11%
Non-Current Assets	927	1,000	1,040	12%	4%
Tangible Assets	586	626	647	10%	3%
Intangible Assets	98	86	86	△12%	0%
Other Non-Current Assets	243	288	306	26%	6%
Total Liabilities	1,542	1,982	2,002	30%	1%
Current Liabilities	1,089	1,595	1,519	39%	△5%
Short-term borrowings	339	610	493	45%	△19%
Non-Current Liabilities	453	386	483	7%	25%
Long-term borrowings	413	355	445	8%	25%
Equity	1,507	1,580	1,643	9%	4%
Current Ratio	195%	161%	172%	△12%	7%
Equity/Total Assets	49%	44%	45%	△9%	2%
Total Liabilities/Equity	102%	125%	122%	19%	△3%
Net debts Ratio	5%	23%	27%	409%	19%

Appendix 2. Results for the past 3 years

HQ

(unit : bwn)

Segment				21					22					23			YoY (2Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total	
HQ	Electric Equipment	Sales	Domestic	118	111	115	110	455	131	134	123	109	497	136	135	271	1%
			Overseas	66	68	57	66	256	87	86	96	79	348	94	101	195	17%
			Total	184	179	172	176	711	218	221	218	188	845	229	237	466	7%
		Operating Profit	25	29	28	23	105	38	38	44	33	153	47	51	98	33%	
	Electric Infra	Sales	Domestic	103	100	109	156	468	81	146	114	185	525	152	154	306	6%
			Overseas	18	31	30	56	135	44	55	90	86	275	104	203	307	268%
			Total	122	131	139	211	603	125	201	204	271	800	256	358	613	78%
		Operating Profit	△17	△1	△5	13	△9	△10	△2	7	△5	△10	17	34	51	2,292%	
	Automation	Sales	Domestic	63	63	63	61	250	69	73	71	73	287	76	62	139	△14%
			Overseas	21	26	21	18	85	29	29	31	34	123	41	45	86	57%
			Total	84	89	83	79	335	98	101	102	107	410	117	107	224	6%
		Operating Profit	8	12	8	4	33	11	10	10	10	40	13	8	22	△15%	
	Renewable Business	Sales	Domestic	18	26	44	38	127	25	93	35	38	191	50	135	185	45%
			Overseas	16	32	23	30	101	13	7	△2	19	38	13	16	29	108%
			Total	34	59	67	68	228	38	101	33	57	229	63	151	214	50%
		Operating Profit	△7	△2	△3	△2	△14	△7	△2	△15	△21	△46	△13	△7	△20	△170%	
Subtotal	Sales	Domestic	302	301	331	366	1,301	306	446	343	405	1,500	414	487	901	9%	
		Overseas	121	157	131	169	577	174	178	215	218	784	251	365	616	105%	
		Total	423	458	462	535	1,877	479	623	558	623	2,283	665	853	1,517	37%	
	Operating Profit	10	38	29	38	115	31	44	46	17	138	65	87	151	98%		

Appendix 2. Results for the past 3 years

Subsidiaries

(unit : bwn)

Segment				21					22					23			YoY (2Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total	
Subsidiaries	LS Metal	Sales	Domestic	44	57	55	63	219	73	81	68	69	291	64	66	130	△19%
			Overseas	45	52	59	69	224	65	65	65	73	268	91	71	162	9%
			Total	90	108	113	131	443	137	146	133	142	558	155	136	291	△7%
		Operating Profit	△0	1	1	1	3	0	7	1	2	11	4	5	9	△26%	
	Subsidiaries (Korea)	Sales		32	35	43	47	156	44	61	62	78	246	64	61	125	△1%
		Operating Profit		3	3	5	3	14	5	4	4	5	17	1	△2	△0	△139%
	Subsidiaries (China)	Sales		49	51	59	53	212	73	63	81	107	323	103	117	221	87%
		Operating Profit		7	5	4	2	18	3	4	6	7	21	6	6	13	50%
	Subsidiaries (Vietnam)	Sales		18	14	19	22	73	23	23	30	30	106	27	37	64	59%
		Operating Profit		1	0	1	△0	2	△0	1	△1	3	2	2	3	5	428%
	Subtotal	Sales		189	209	234	252	884	277	293	306	357	1,233	349	351	701	20%
		Operating Profit		12	9	10	6	37	8	16	10	18	52	14	13	27	△18%

Consolidated

(unit : bwn)

Segment				21					22					23			YoY (2Q)
				1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total	
Consolidation adjustment for Sales				△23	△23	△13	△34	△93	△27	△38	△24	△50	△139	△39	△2	△41	94%
Consolidation adjustment for OP				2	0	1	△0	3	2	0	4	△9	△2	3	5	8	1,061%
Total Sales				589	643	683	753	2,668	730	879	839	930	3,377	976	1,202	2,178	37%
Total Operating Profit				23	47	40	44	155	41	60	61	26	188	82	105	187	75%