1Q 2025
Earning Release

LS ELECTRIC

Beyond X

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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.

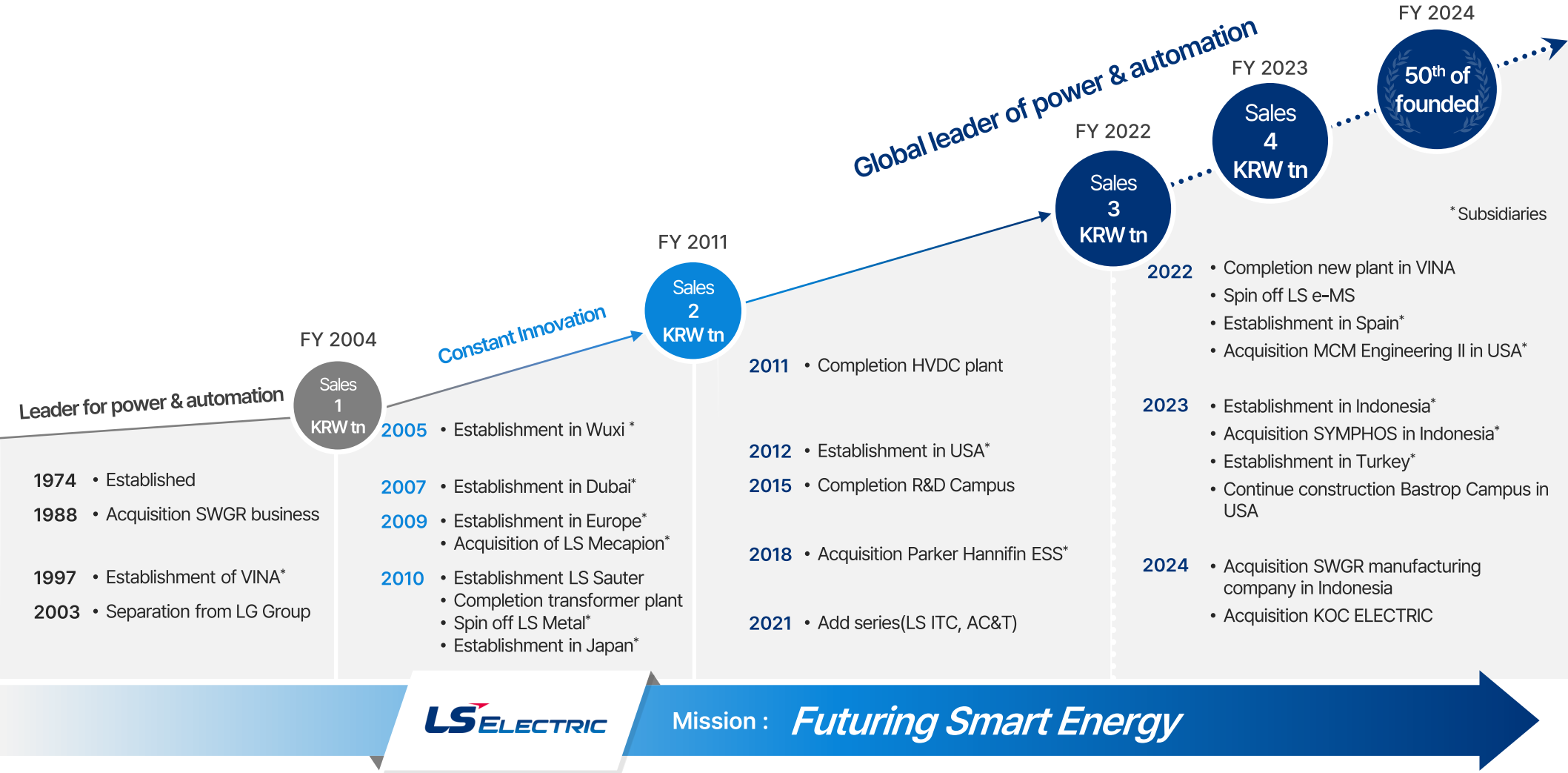
Beyond X

Company Overview

1. History & Growth
2. Business Introduction
3. Business Performance
4. Global Business
5. Sites in US

1. History & Growth

Founded in 1974, Grows to Korea's No.1 company in power and automation business.
Leading the future energy business



2. Business Introduction

Provides an efficient and secure smart manufacturing environment with total solutions of power energy and automation

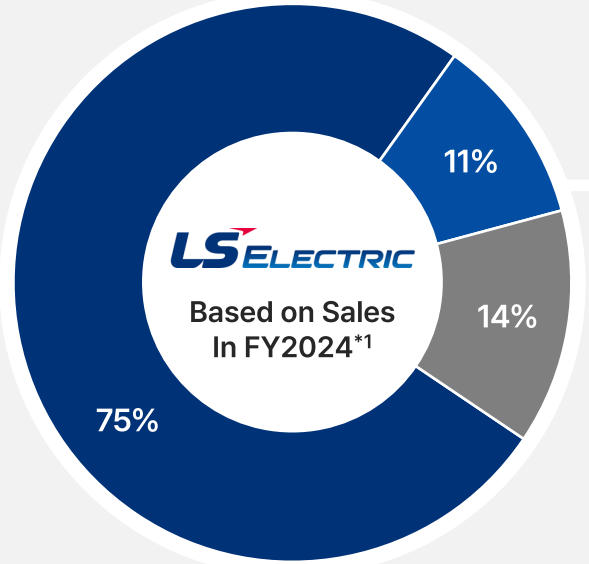
Electric

Total solution for value chain in electric business

Transmission
- High voltage Transformer
- GIS
- HVDC*2
- FACTS*3

Distribution
- Transformer
- SWGR
- Power distribution equipment
- Circuit Breakers Magnetic Contactors

Renewable Energy
- Solar
- ESS
- VPP*4, Micro Grid
- Energy consulting



Automation

Building a Smart Factory based on total solution

- Efficient energy management
- Efficient machine operation
- Automation process control
- Real-time monitoring

Subsidiaries

LS e-Mobility Solutions
EV Relay(Contactor) & BDU(Battery Disconnect Unit) solution

LS Metal
Manufacture stainless steel thick & copper pipes

LS 사우타
Building solutions & DR services for Energy efficiency

LS 메카피온
Servo, Motion Controller, Automation solution for business

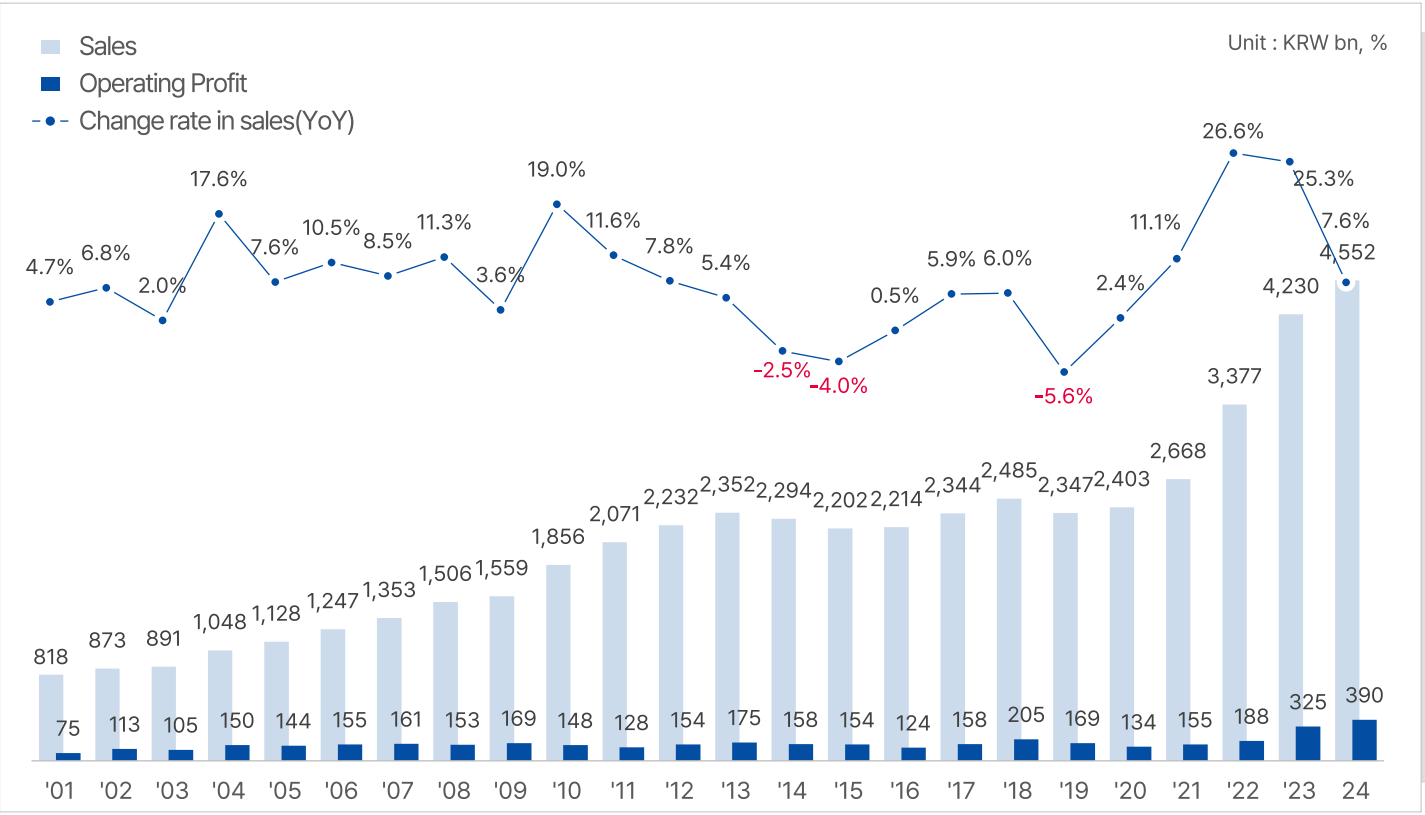
Others

*1 : Excluding consolidated adjustment
*2 : HVDC(High Voltage Direct Current transmission system)
*3 : FACTS(Flexible AC Transmission System)
*4 : VPP (Virtual Power Plant)

3. Business Performance

Continuing stable sales & profit growth, Active implementation of shareholder return policies

CAGR 8% | **Surplus for 24 consecutive years**



Condensed Statement FY 2024

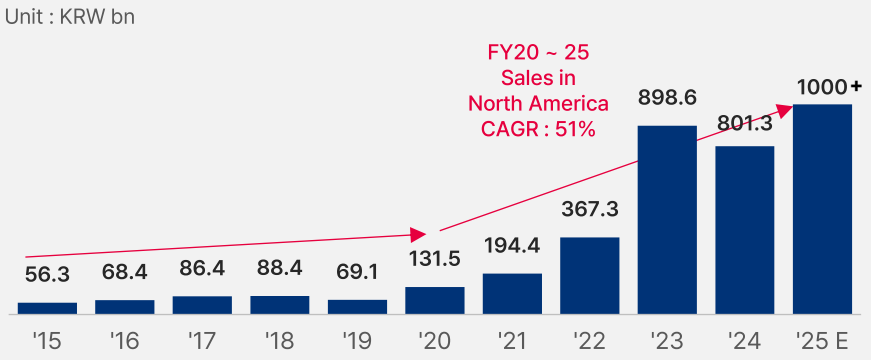
(Unit : KRW bn)

Sales	4,552
Operating Profit	390
Total Assets	4,493
Total Liabilities	2,593
Equity	1,899

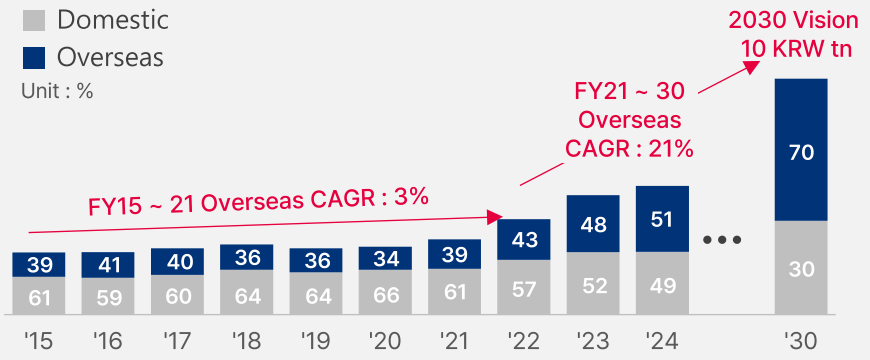
4. Global Business

Global business growth in earnest after FY 2020

Entry into Global Market centered on North America



Expansion of overseas sales in earnest



5. Sites in US

of Production center: 2
# of Sales Office: 3
# of A/S, R&D Center: 1

MCM Engineering

Function	Production
Item	SWGR
Annul Capa	50 Bil KRW
Location	Utah, USA

Bastrop Campus

Function	A/S, R&D, Etc
Item	Distribution
Annul Capa	TBA
Location	Texas, USA

SMART ENERGY GLOBAL LEADER

1Q 2025 Earning Release

1. Total Results
2. Breakdown by business
   - Electric
   - Automation / Subsidiaries
3. Financial Position

1. Total Results (Quarterly)

Electric business maintained solid performance driven by overseas market while Automation is successfully shown turnaround from Q4.24. Newly acquired subsidiaries added sales leading to slight decrease in OPM in consolidated basis.

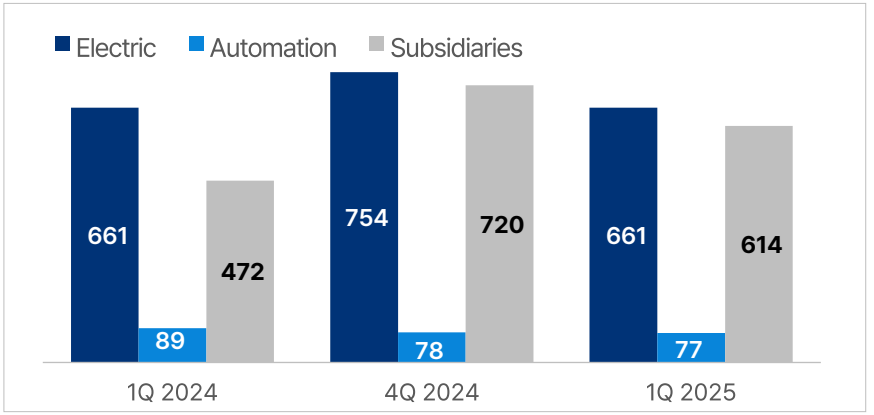
Consolidated Performance

Units : KRW bn, %

Segments	1Q 2024	4Q 2024	1Q 2025	YoY	QoQ
Sales	1,039	1,360	1,032	△0.6%	△24.1%
Operating Profit	94	120	87	△6.9%	△27.2%
(%)	(9.0%)	(8.8%)	(8.5%)	△0.5%p	△0.3%p
EBITDA	103	131	99	△4.1%	△24.3%
Profit before tax	98	80	84	△15.2%	3.8%
Net Income	80	63	68	△15.5%	7.3%

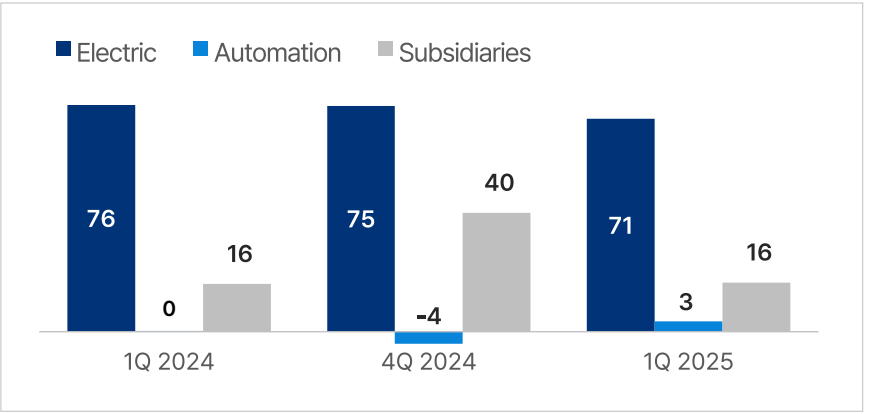
Sales by business

Unit : KRW bn



OP by business

Unit : KRW bn

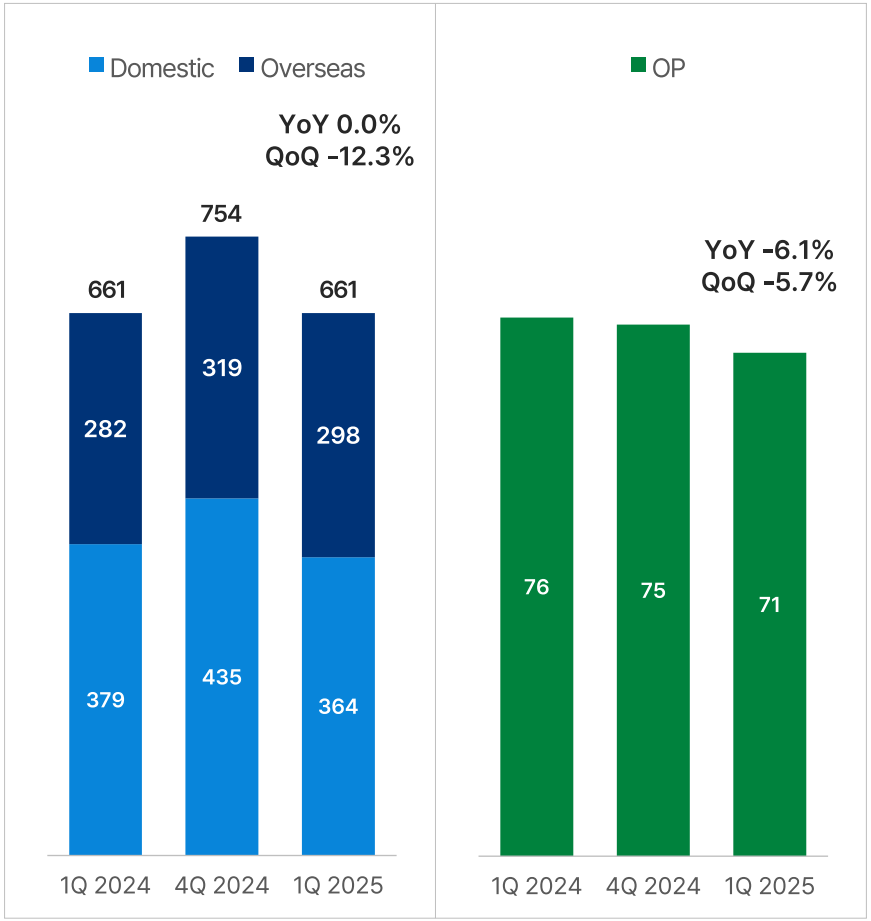


2. Breakdown by business ① Electric

OP margin decreased due to distribution equipment sales carry-over in domestic market but expect to rebound from Q2. Maintain strong growth momentum in HVTR/ SWGR. New orders from US and expansion of sales channels are also noticeable.

Performance of Electric business*

Unit : KRW bn



* Include Electric equipment, Electric Infra and Renewable

Key factors

Increase of HVTR demand

Units : KRW bn, %

Segments	'24.1Q	'24.4Q	'25.1Q	YoY	QoQ
Distribution Equipment*)	241	210	**230**	△4.0%	10.0%
SWGR*)	200	219	**199**	△0.5%	△9.1%
Transformer	117	159	**133**	13.6%	△16.3%
High voltage	68	125	**90**	31.0%	△28.4%
Renewable	78	117	**57**	△26.8%	△51.2%

*) Adjustment of certain product line

Increase order backlog(Unit : KRW tn)

- '24.1Q 2.6 → '24 4Q 3.4→ '25 1Q 3.9

Units : KRW bn, %

Products	'24.1Q	'24	'25.1Q	YoY
SWGR	950	800	**1,020**	+27.5%
HV Transformer	658	1,519	**1,620**	+6.8%
HV GIS	140	213	**262**	+23.1%

Expanding Global business opportunity focusing North America

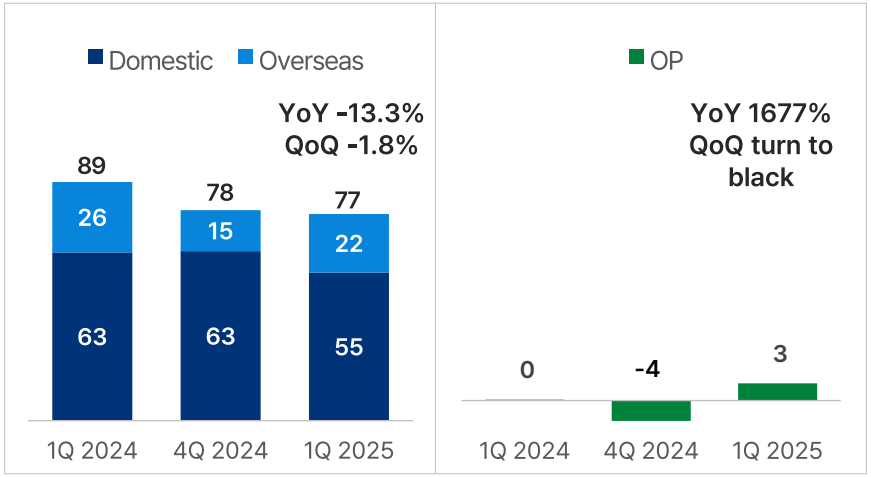
- Changes of North America sales portion
  - '23 1Q 13% → '24 1Q 17% → '25 1Q 24%
- Portion of New orders from US exceed 50% in Q1 25

2. Breakdown by business ② Automation / Subsidiaries

Turnaround in OPM and expect to gradual recovery

Performance & Key factors

Unit : KRW bn



Key factors

Sales decreased due to "profitability-pursuing" strategy

- Domestic YoY △12%, Overseas YoY △16%

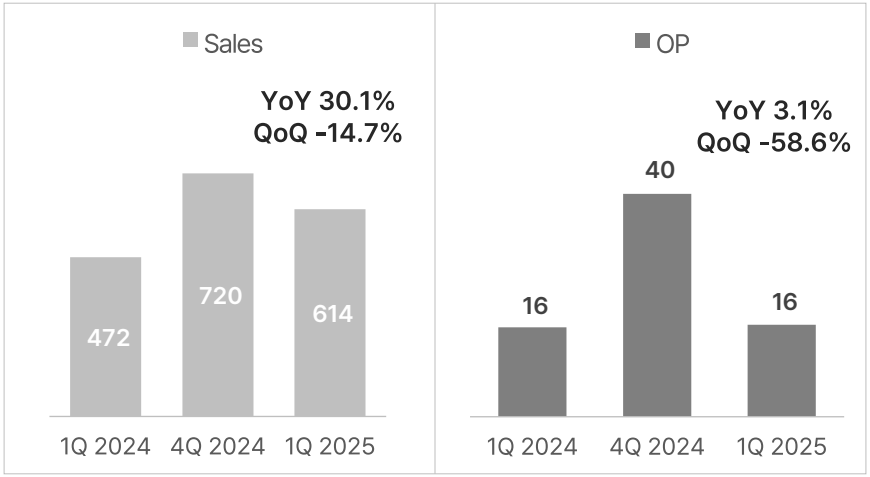
Profit-focused → OP margin in recovery phase

- OPM : '24: 0.2% → '25.1Q: 4.4%

Sales growth are mainly due to from US market & newly acquired domestic subsidies

Performance & Key factors

Unit : KRW bn



Key factors

US, Vietnam: Continuing strong performance momentum
Others: Delay for recovery mainly due to EV-related subsidiaries(prolonged EV Chasm)

- US: Growth rate is noticeable in line with power market boom in US
- China: Negatively impacted by sluggish Macro.
- Vietnam: Continuing solid performance favored by M/S increase
- Newly joined subsidies(LS THiRA-UTECH, LS Power Solution)

3. Financial Position

Debt to Equity ratio: 147%, Net Debt ratio: 27%, Maintain solid financial stability

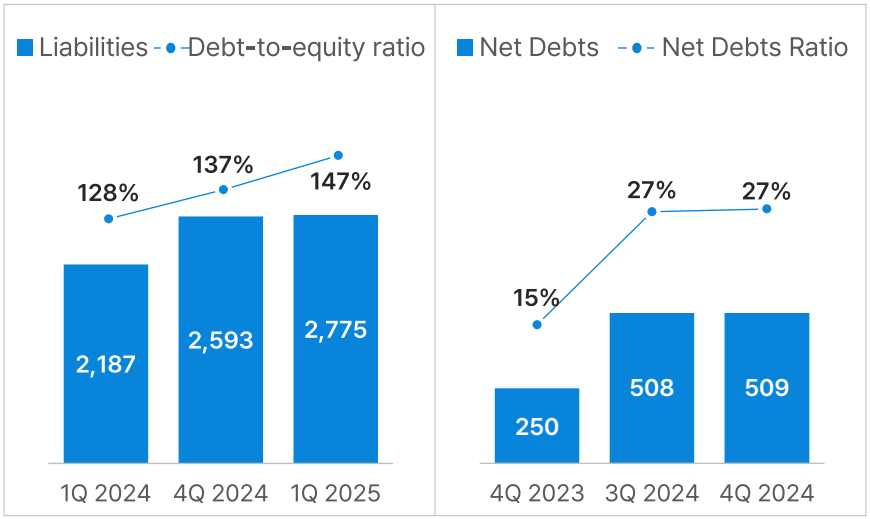
Financial Status

Unit : KRW bn

Segments	1Q 2024	4Q 2024	1Q 2025	YoY	QoQ
Total Assets	3,895	4,493	**4,658**	763	165
Current asset	2,764	3,054	**3,198**	434	144
Cash & cash equivalents	662	666	**804**	143	138
Total Liabilities	2,187	2,593	**2,775**	588	181
Debts	912	1,174	**1,313**	402	139
Net Debts	250	508	**509**	259	1
Equity	1,708	1,899	**1,883**	175	△16

Financial Ratio

Units : KRW bn, %



Key factors

Debt-to-equity ratio temporarily increased due to dividend payable accrued in Q1

- Dividend and Corp.tax payable increased in line with strong performance in 2024

Expansion of order-base business

- New orders may impact negatively on debt ratio

Global Business Strategy

1. HVTR capacity expansion
2. Global M/S expansion

1. HVTR capacity expansion

Responding to the rapidly increasing global demand for transformer through large-scale capacity expansion and M&A

History of transformer capacity expansion

2010.05	2024.05	2024.05	2024.08
Completion of High voltage transformer Production center(Busan)	Announcement for production ramp-up	Acquisition of KOC Electric.,Co	Announcement of additional capacity of Busan plant

Capacity expansion(Busan Plant)

Investments	Completion date	CAPA
KRW bn 101	'25 3Q	KRW bn 700

Acquisition of KOC Electric Co.,Ltd

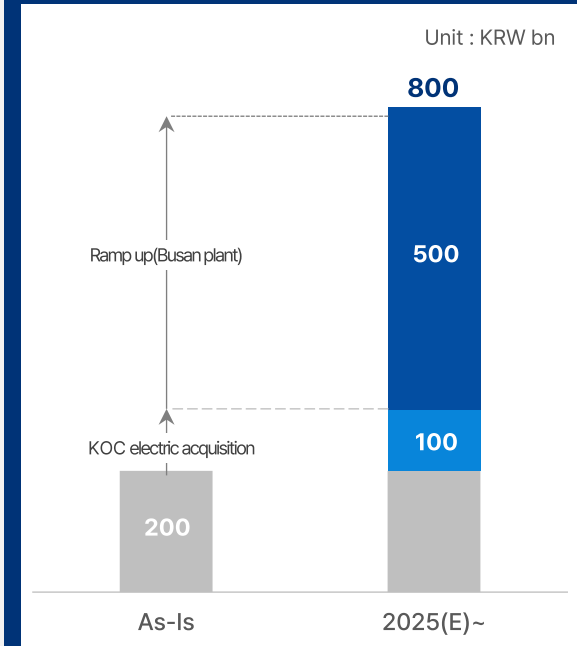
Press release of acquisition ('24.05.23)

KOC ELECTRIC

Investments	Shares	CAPA
KRW bn 60	51.00%	KRW bn 100

Secured order backlog for 5years(~2029) → **Capacity expansion for further growth**

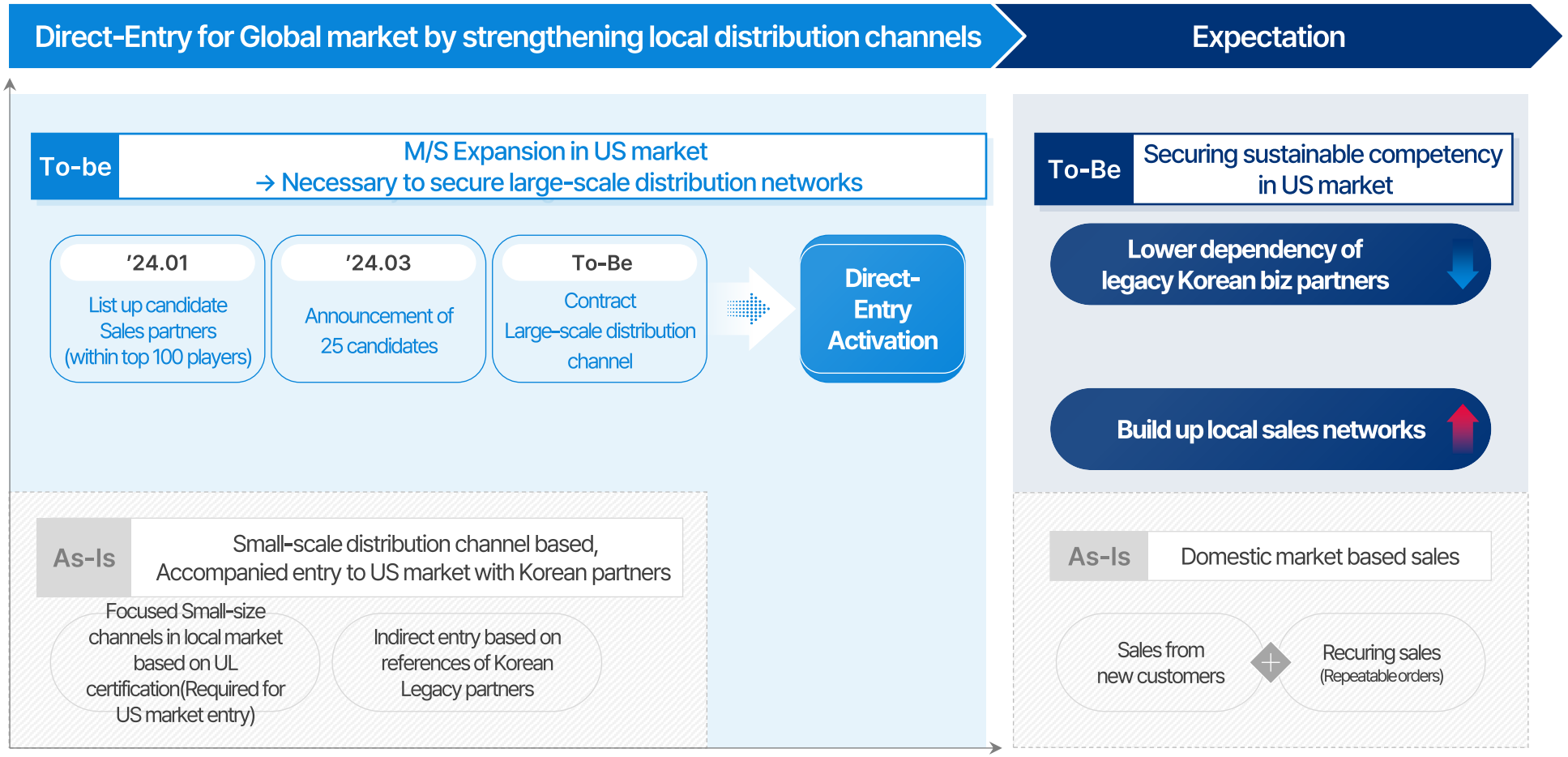
Annual capacity outlook



2. Global M/S Expansion

As-Is : Along with secure UL certification, focusing on reliable sub provider leaning on entry plans of other business partners (LG, Hyundai, SK, Samsung, etc.)

+ Seeking global M/S expansion opportunity by shifting "Direct-Entry" strategy



Appendix

1. Condensed Statement
2. Breakdown Non-OP

1. Condensed Statement

Income Statement

Units : KRW bn, %

Segments	1Q 2024	4Q 2024	1Q 2025	YoY	QoQ
Sales	1,039	1,360	1,032	△0.6%	△24.1%
Cost of Sales	△825	△1,093	△806	△2.2%	△26.2%
Gross Profit(%)	214 (20.6%)	267 (19.6%)	226 (21.9%)	5.6%	△15.4%
SG&A	△120	△147	△138	15.3%	△5.9%
OP(%)	94 (9.0%)	120 (8.8%)	87 (8.5%)	△6.9%	△27.2%
Non-OP & Loss	5	△39	△4	△179.8%	△90.4%
Profit before tax	98	80	83	△15.2%	3.8%
Net Income(%)	80 (7.7%)	63 (4.6%)	67 (6.5%)	△15.5%	7.3%
EBITDA Margin	11.8%	7.6%	9.0%	-	-

Statements of Cash Flows

Unit : KRW bn

Segments	1Q 2024	1Q 2025	YoY
Cash & cash equivalents(1.1)	**584**	**660**	**76**
Cash Flows from Operating	**154**	**81**	△74
Cash Flows from Investing	△21	△75	△54
Capex	△30	△48	△18
R&D	△1	△3	△2
Others	10	△25	△34
Cash Flows from Financing	△62	139	**200**
Effects of exchange rate changes	6	△0	△6
Cash & cash equivalents(12.31)	**662**	**804**	**143**

Statement of financial position

Units : KRW bn, %

Segments	1Q 2024	4Q 2024	1Q 2025	YoY	QoQ
Total Assets	**3,895**	**4,485**	**4,658**	**20%**	**4%**
Current Assets	2,760	3,052	3,198	16%	5%
Cash & Cash equivalents	660	660	804	22%	22%
Inventories	521	510	507	△3%	△1%
Other Current Assets	1,580	1,882	1,887	19%	0%
Non-Current Assets	1,135	1,433	1,460	29%	2%
Tangible Assets	688	861	88	28%	2%
Intangible Assets	94	188	187	99%	△1%
Other Non-Current Assets	353	384	392	11%	2%
Total Liabilities	**2,187**	**2,595**	**2,775**	**27%**	**7%**
Current Liabilities	1,686	1,846	1,808	7%	△2%
Short-term borrowings	455	605	527	16%	△13%
Non-Current Liabilities	500	749	967	93%	29%
Long-term borrowings	457	569	786	72%	38%
Equity	**1,708**	**1,890**	**1,883**	**10%**	△0%
Current Ratio	164%	165%	177%	8%	7%
Equity/Total Assets	44%	42%	40%	△8%	△4%
Total Liabilities/Equity	128%	137%	147%	15%	7%
Net debts Ratio	15%	27%	27%	83%	△1%

2. Breakdown Non-OP

Units : KRW bn, %

Segments	1Q 2024	4Q 2024	1Q 2025	YoY	QoQ
Sales	1,039	1,360	**1,032**	-0.6%	-24.1%
Operating Profit	94	120	**87**	-6.9%	-27.2%
(%)	9.0%	8.8%	**8.5%**	-6.3%	-4.1%
Non-OP and Loss	5	-40	**-4**	-179.8%	90.4%
Financial gains & losses	-3	1	**-9**	-201.1%	-1040.1%
Other gains & losses	7	-33	**6**	-18.2%	117.8%
Other Non-OP & Loss	1	-7	**-1**	-210.6%	91.3%
Profit before tax	99	80	**84**	-15.2%	3.8%
Corporation Tax	-19	-18	**-16**	14.0%	8.7%
Net Income	80	63	**67**	-15.5%	7.3%
(%)	7.7%	4.6%	**6.5%**	-15.0%	41.0%