LS ELECTRIC

Futuring Smart Energy

2Q 2026

Earnings Release

July 2026

LS ELECTRIC

2Q 2026 Earnings Release

2Q '26

Global business strategy

Company Overview

Disclaimer

1. Highlights

Unit : KRW Bn	2Q '26	YoY	QoQ
Sales	**1,577**	+32.2%	+14.6%
Operating Profit	**179**	+64.4%	+41.0%
%	**11.3%**	+2.2%p	+2.1%p
New orders	**2,084**	+243.0%	+91.8%
Backlog	**7,000**	+81.5%	+24.1%

Strong Momentum from Record Orders

- **Broader customer base:** US/KR Data Center and On-Site Generation
- **Enriched product lineup:** LV Switchgear etc.

Structural Profitability Improvement

- **Higher mix of high-margin projects**
- **Productivity gains from higher utilization**

Scalable & Flexible Capacity Expansion

- **Equipment: up to 3x capacity ramp-up via highly automated lines**
- **SWGR : demand-driven capacity expansion via partnership & Utah plant**

Strategic Readiness for Future Growth

- **800v DC product portfolio:** SST, SSCB, Sidecar, Rectifier
- **Power source compatibility:** Gas turbines, SMR etc

2. Quarterly Results

- Margin expansion and revenue uplift across segments driven by U.S. market strength, data center demand, and increased Korean CapEx
- In particular, electric business entering a phase of structural growth

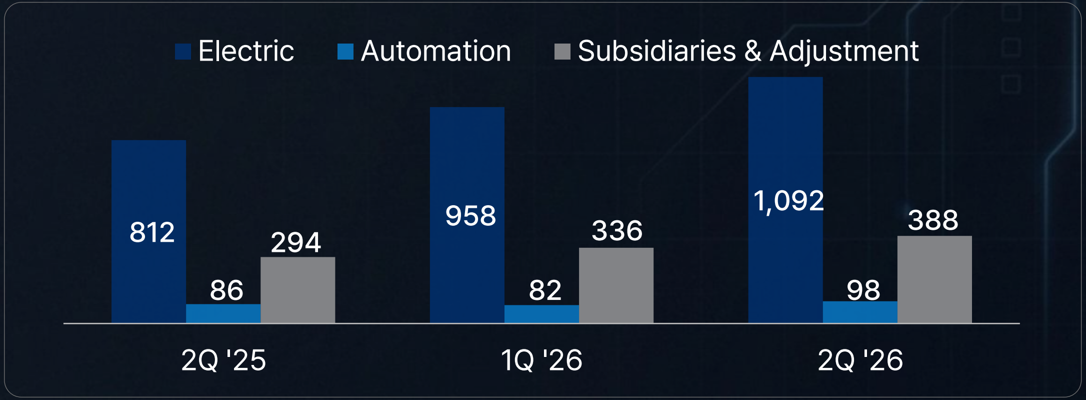
Consolidated Performance

Unit : KRW bn, %

Segments	2Q '25	1Q '26	2Q '26	YoY	QoQ
Sales	1,193	1,377	1,577	32.2%	14.6%
Operating Profit (%)	109	127	179	64.4%	41.0%
	9.1%	9.2%	11.3%	2.2%p	2.1%p
EBITDA	120	139	191	59.3%	37.4%
Profit Before tax	104	154	157	50.9%	2.2%
Net Income	67	119	116	72.2%	△2.6%

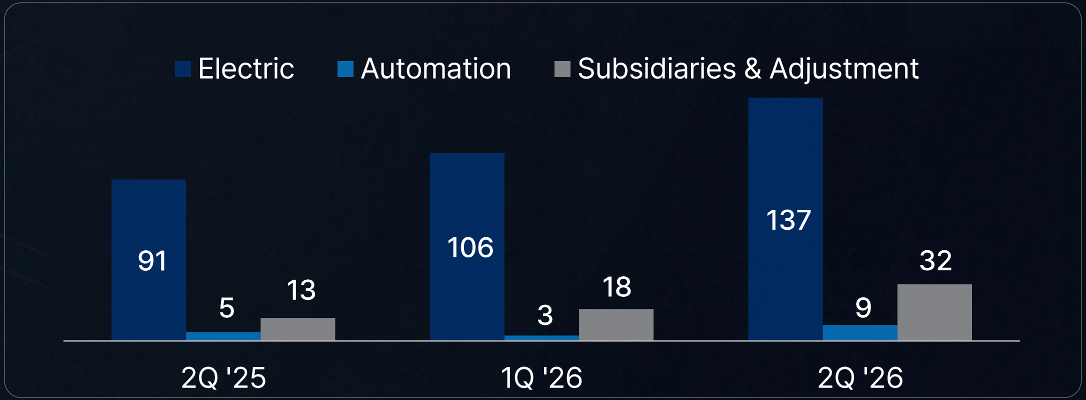
Sales by business

Unit : KRW bn



OP by business

Unit : KRW bn



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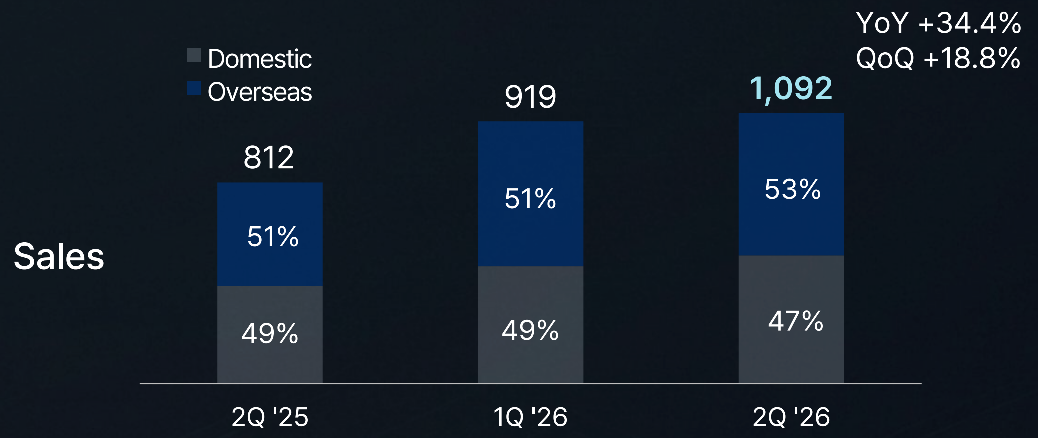
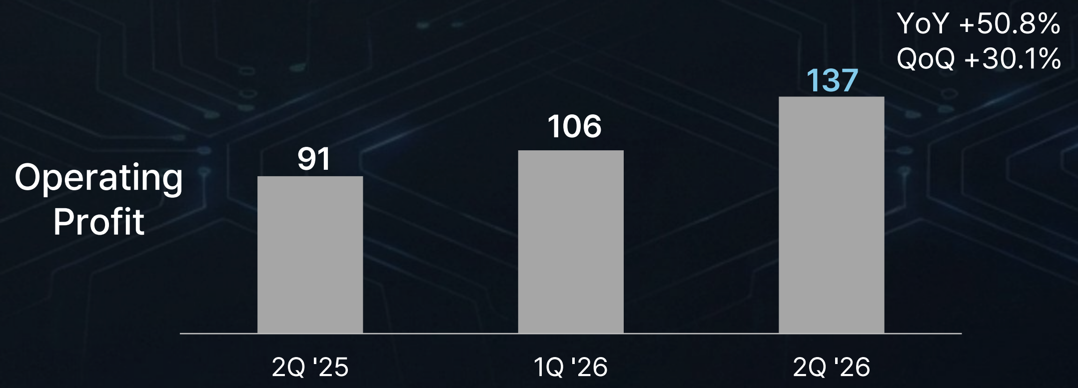
3. Breakdown by business ①Electric

- Enhanced U.S. market presence and earnings visibility driven by record quarterly order intakes
- Strategic CapEx expansion to broaden U.S. customer base, roll-out new U.S. facility and diversify product portfolio Including DC Solutions

Electric Business

Unit : KRW bn





Major Products

Unit : KRW bn

Sales Overview

Products	2Q '25	1Q '26	2Q '26	YoY	QoQ
Electric Equipment	241	268	**292**	20.8%	8.9%
SWGR	288	356	**419**	45.4%	17.7%
MV/LV TR	91	73	**81**	△10.9%	10.2%
HV TR	83	164	**158**	91.2%	△3.7%
HV GIS	33	38	**46**	41.2%	21.2%
Renewables	65	48	**75**	15.1%	57.3%

Order Backlog

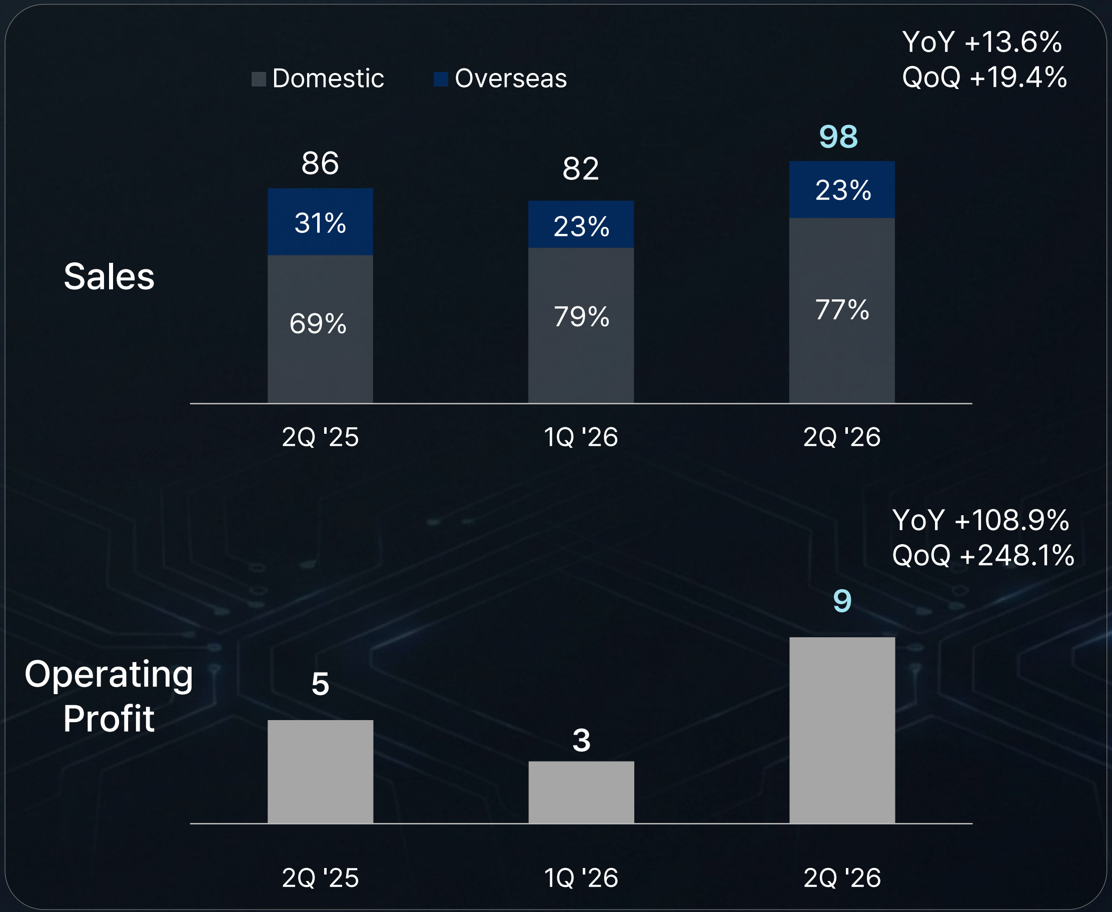
Products	2Q '25	1Q '26	2Q '26	YoY	QoQ
SWGR	956	1,170	**2,001**	109.4%	71.1%
MV/LV TR	134	232	**328**	144.5%	41.3%
HV TR	1,778	3,102	**3,345**	88.1%	7.8%
HV GIS	301	359	**373**	23.9%	4.0%
Total	3,856	5,643	**7,000**	81.5%	24.1%

3. Breakdown by business ②Automation / Subsidiaries & Adjustment

- Positioned to benefit from increased domestic CapEx in semiconductor and automotive sector
- Broad-based earnings recovery across subsidiaries
- [LSPS] Improved performance via strong orders and deliveries

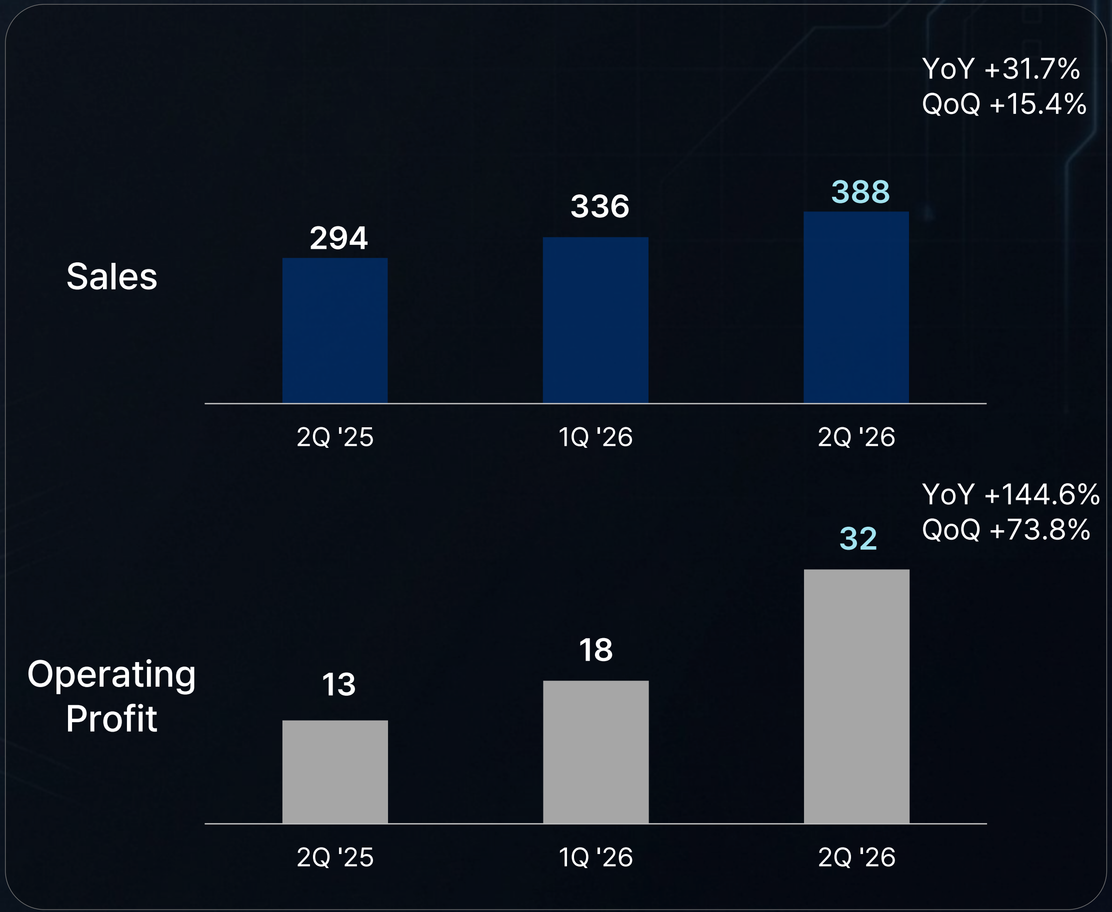
Automation

Unit : KRW bn



Subsidiaries & Adjustment

Unit : KRW bn



4. Financial Position

- Debt-to-Equity ratio trending higher driven by order backlog expansion
- Maintaining financial stability via disciplined working capital management and strong cash generation

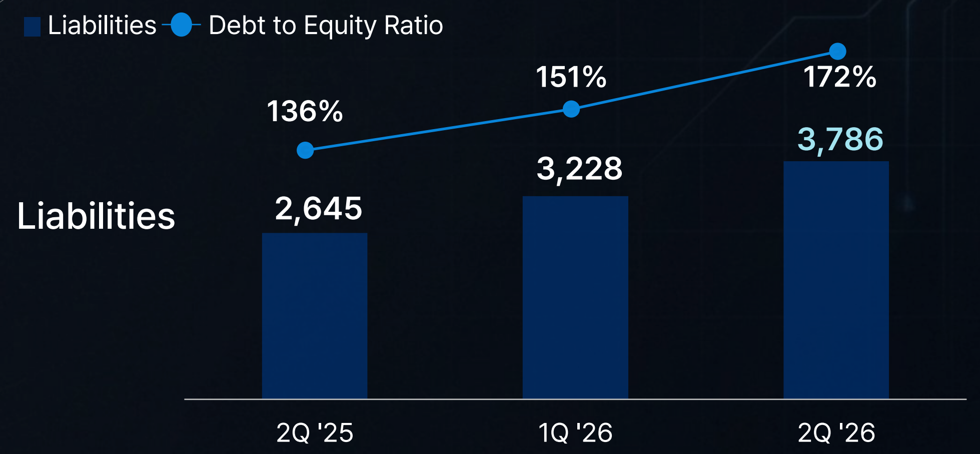
Financial Status

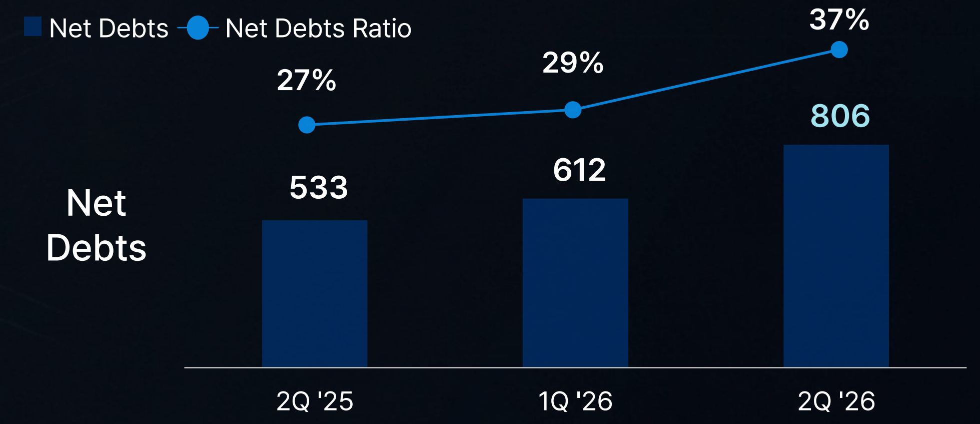
Unit : KRW bn

Segments	2Q '25	1Q '26	2Q '26	YoY	QoQ
Total Assets	4,590	5,362	5,985	1,396	624
Current Asset	3,135	3,735	4,354	1,219	620
Cash & cash equivalents	724	796	672	△51	△124
Total Liabilities	2,645	3,228	3,786	1,141	558
Debts	1,257	1,408	1,478	221	70
Net Debts	533	612	806	272	194
Equity	1,945	2,134	2,200	254	65

Financial Ratio

Unit : KRW bn





Futuring Smart Energy

Global Business Strategy

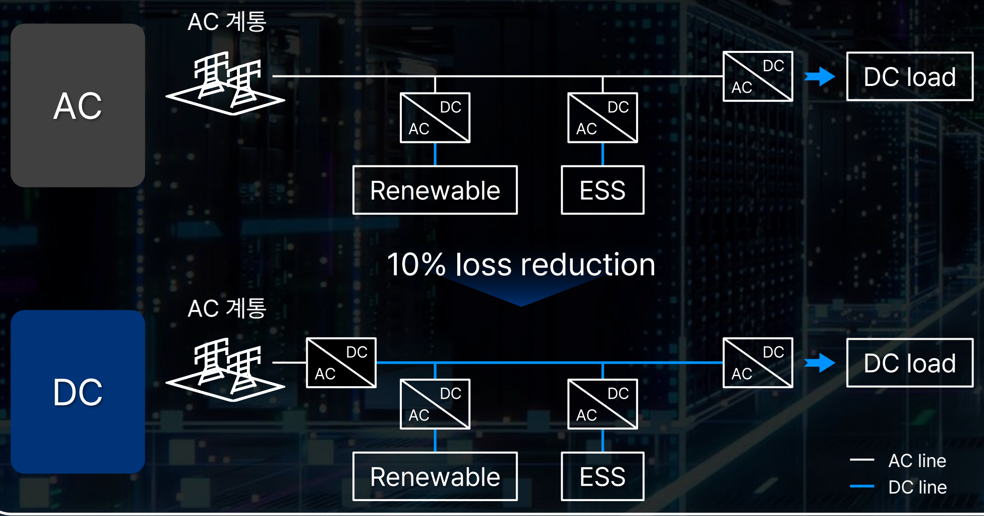
1. Transition to DC
2. Responding to Data Center market
3. US capacity expansion
4. Strenthening the ESS Business
5. HVTR capacity expansion

1. Transition to DC

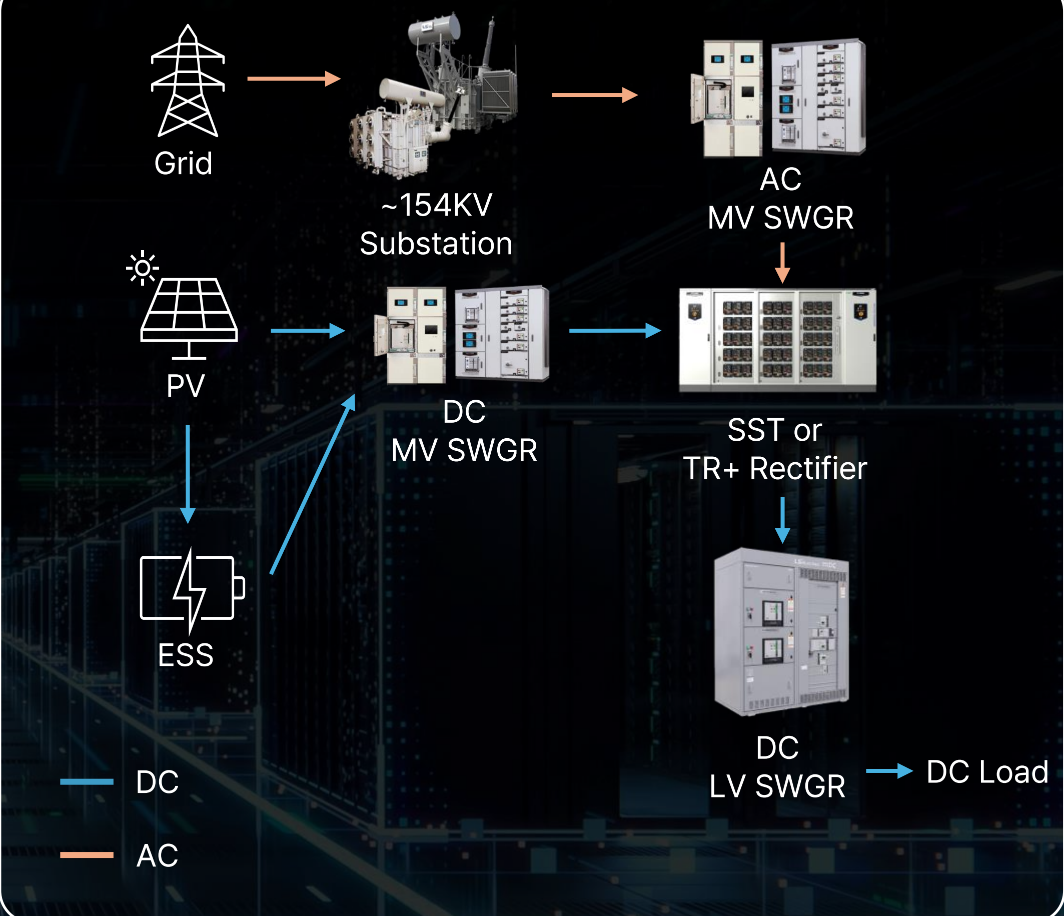
Rising renewables, distributed energy, and data center demand are driving the shift from AC to DC for more stable and efficient power suppy.

AC vs. DC

	AC	DC
Benefits	• Easy voltage conversion • Lower transmission infrastructure costs • Easier fault current interruption	• Low losses (high efficiency) • Compact design • Easy integration with renewables and ESS
Drawbacks	• Complex integration with renewable systems • High power losses over long-distance transmission	• High grid build-out costs • Difficult fault isolation



DC Load System Concept Diagram



1. Transition to DC

Equipped with key DC solutions for efficient and reliable DC grid operation

Offers globally competitive DC solutions

LVDC (Low Voltage DC)

1st Mover

Next-Gen LVDC Solution


DC ACB


DC RELAY


DC MCCB


DC MS


DC MCB


SST (Solid-State Transformer)


SSCB (Solid-State Circuit Breaker)


DC/DC Converter

HVDC (High Voltage DC)


Converter Transformer


Valve

MVDC (Medium Voltage DC)

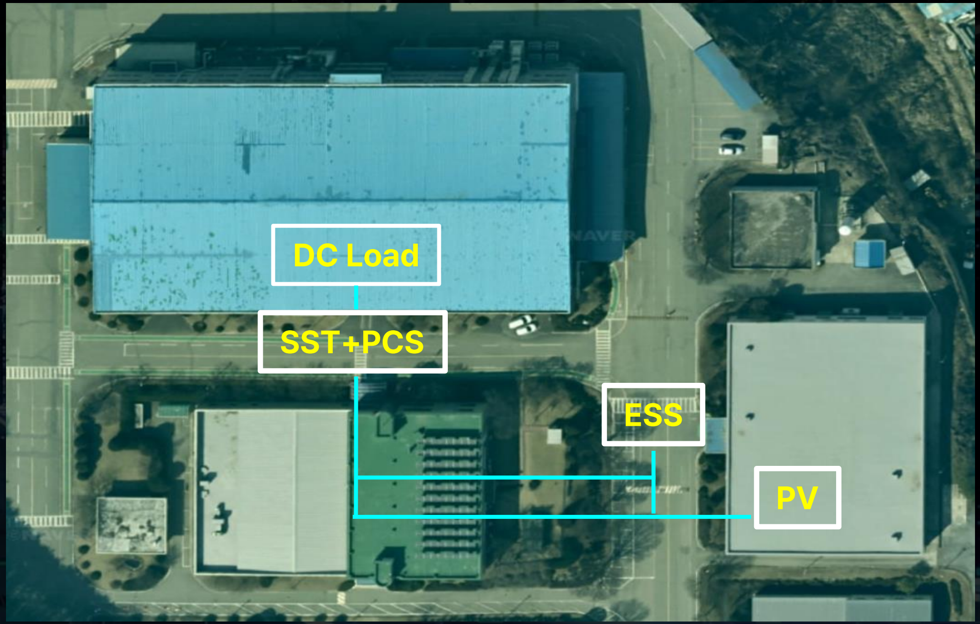

MMC Valve


C&P

Establishment of an LS ELECTRIC DC Factory

Established a DC Factory in Cheonan to address power market DC transformation

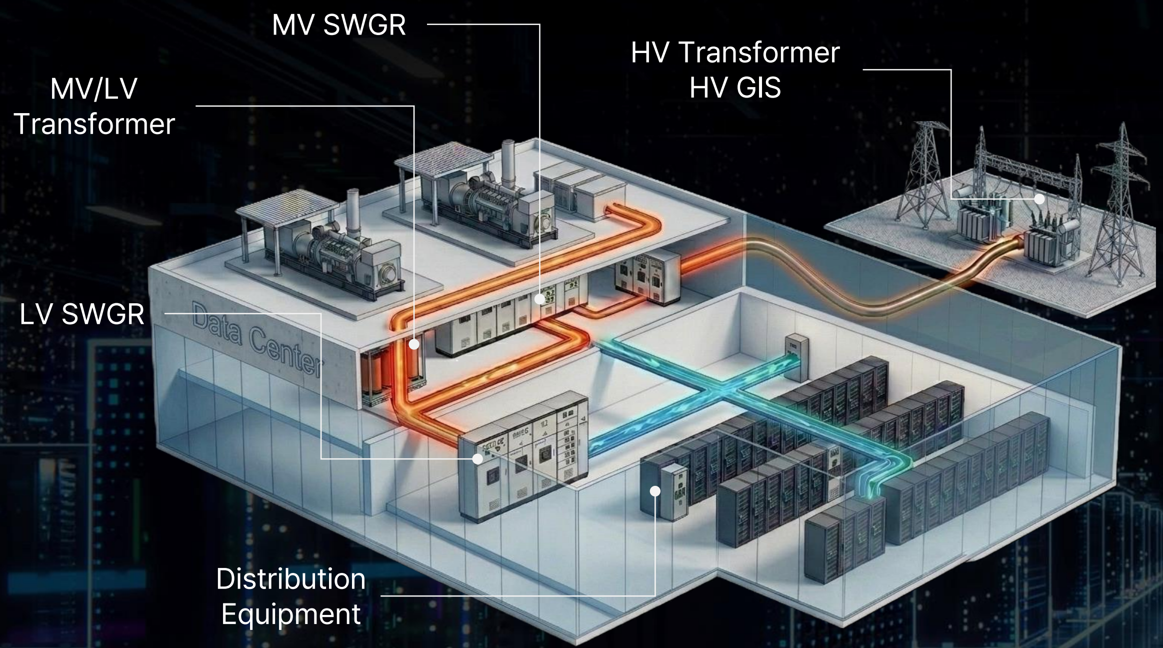
- Establishing an in-house microgrid using ESS and solar power
- Ensuring stable power conversion through parallel operation of SST and PCS



2. Responding to Data Center market

Securing more global big tech projects with superior data center coverage and strong competitive edge

Main Product Coverage for Data center



Targeting U.S. big tech companies and developers/distributors

Grok, amazon, Microsoft, OpenAI, EQUINIX, DIGITAL REALTY, DIGITALBRIDGE, VERTIV, SoftBank Group, POWERHOUSE DATA CENTERS, NVIDIA, Rexel

Expanding on-site generation customers

Bloomenergy, LG Energy Solution, DOOSAN ENERBILITY, SAMSUNG SDI

Expanding the data center supply capabilities

In-house supply →			Partnership →		
Distribution Equipment		Control System	HVAC	UPS	Generator
Switchgear	HV/MV TR				

3. U.S. Capacity expansion

Expanding capacity at the Utah plant through 2027, Texas Bastrop Campus production planning underway.

LS ELECTRIC Utah

LS ELECTRIC Utah
Location: Utah
Fungtion: Production
Main Item: SWGR, CB

* Completion in the second half of 2027

Bastrop Campus

Bastrop Campus
Location: Texas
Fungtion: Production, A/S
Main Item: SWGR, CB

* Planning in process

4. Strengthening the ESS business

Expanding power equipment supply and SI capabilities in the rapidly growing global ESS market

PCS : Power Conditioning System
BCP : Battery Control Panel

Securing references for main ESS market

[Devices]
[System]
[O&M]

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[Devices] + [System] + [O&M] = Total Solution

Integrating hardware across the entire power value chain with ESS operational capabilities

5. HVTR capacity expansion

Achieved KRW 800 billion CAPA in 2025; reaching full capacity starting in 2026

Capacity increase through expansion and acquisitions

Busan Factory CAPA expansion

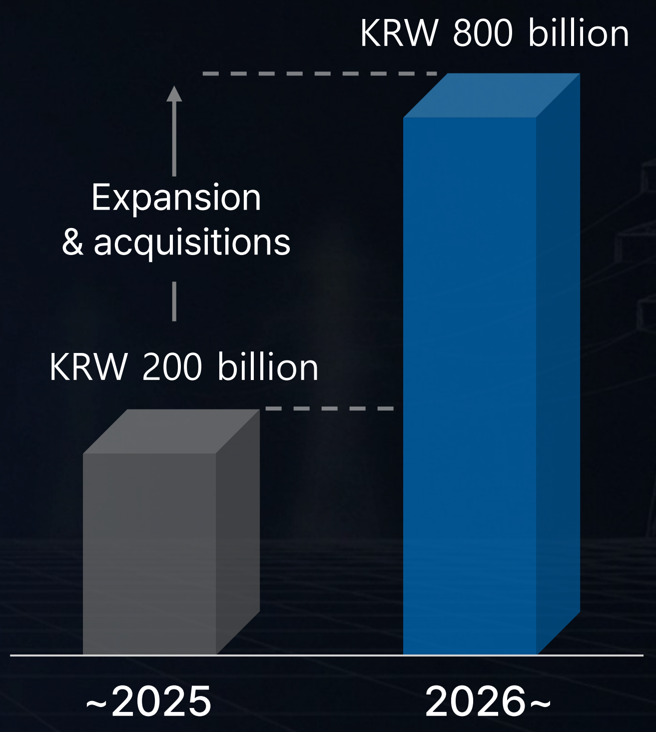
Investments	**KRW 100.8 billion**
Completion date	Nov. 2025
CAPA*	KRW 700 billion

* incl. existing plant

Acquired LS Power Solution

Investments	**KRW 59.2 billion**
Shares	51%
CAPA	KRW 100 billion

Capacity of KRW 800 billion in 2026



Futuring Smart Energy

Company Introduction

1. Business Introduction
2. Business Performance
3. PT&T(POWER TESTING & TECHNOLOGY INSTITUTE)
4. Electric Solution
5. LS ELECTRIC Coverage

1. Business Introduction

Total Solution for Electric and Automation

* Based on Sales in FY 2025

Electric 78%*

Total solution for value chain in electric business

(Transmission)

- HV Transformer
- HV GIS
- HVDC
- FACTS

(Distribution)

- Distribution equipment (HV/LV)
- Switchgear
- Transformer
- Circuit Breakrs
  Magnetic Contactors

(Renewables)

- Solar
- ESS
- VPP, Micro Grid
- Energy Consulting

Automation 7%*

Building a Smart Factory based on total solution

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

Subsidiaries 15%*

LS e-Mobility Solutions : EV Relay & BDU solution

LS Metal : Manufacture stainless steel thick & copper pipes

LS Sauter : Building solutions & DR services for Energy efficiency

LS Mecapion : Servo, Motion Controller, Automation solution

Others

2. Business Performance

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

CAGR 8% | **Surplus for 25 consecutive years**

Condensed Statement FY 2025
(Unit : KRW bn)

Sales	4,962
Operating Profit	427
Total Assets	4,956
Total Liabilities	2,819
Equiuty	2,137

3. PT&T (POWER TESTING & TECHNOLOGY INSTITUTE)

Source of differentiation and technological edge in the distribution business

Korea's first private KOLAS-accredited testing lab

PT&T

POWER TESTING & TECHNOLOGY INSTITUTE

Test / Service

Power Test	Standard Calibration	Reliability
Renewable Energy Test	Activities and Agency Accreditation	

Sixth-largest testing capacity worldwide

Short-circuit testing capacity:4,000MVA

Acknowledged for world-class capabilities in short-circuit testing

First Korean lab
to gain STL membership under KERI

STL

STL

Strict performance tests for reliability assurance

- MV/LV (~36 kV) short-circuit testing (MV/Direct)
- lltra-high-voltage (~170 kV) composite testing
- Reliability testing under real-world conditions, including EMC and environmental tests

Accredited as an international testing institution

Mutual recognition agreement for 10 test reports

Ilac-MRA	KOLAS Testing	UL	Intertek (ASTA)	DEKRA (KEMA)	CESI	ANCE	KERI	VDE	KTC

Overseas accredited test reports are required for exporting power equipment abroad
>>> With PT&T certification, no additional foreign certification is needed.

4. Electric Solution ①Transmission

Total solution provider of Value chain in electric industry

Value Chain	Power station	1st ,2nd Substations	3rd Transmission / Distribution	End-users (Factories, Buildings, Homes, etc)

Transmission

Transmission systems that relays electricity from power generation to next stage

Key Products

Gas Insulated Switchgear
(GIS)

High voltage Transformer

Remote monitoring & control/ systems

High Voltage Direct Current
(HVDC)

Key points	Order-based sales and production, Customized by customer's needs	**Industry Cycle**	Demand for infrastructure replacement(Avg 25y ↑), Massive infrastructure invests.	**Key Customers**	Global Power Providers	Data Center	Massive Industry Cluster

4. Electric Solution ②Distribution

Total solution provider of Value chain in electric industry

Value Chain	Power station	1st ,2nd Substations	3rd Transmission / Distribution	End-users (Factories, Buildings, Homes, etc)

Distribution

Variety of systems and devices that receive electricity from former stage and distribute it to each factory and home(End-users)

Key Products

SWGR

VCB

ACB

MCCB

MC

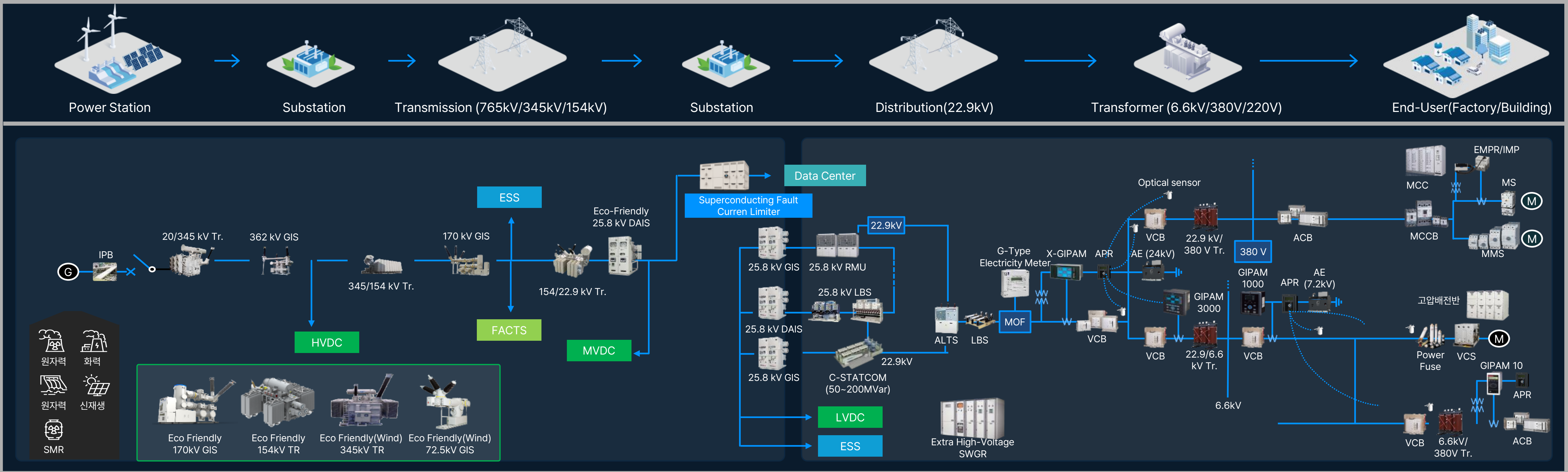
M-TR

Key points	Mass production Based Standardized solutions, Various products line-up *) Switchgear and distribution transformers are predominantly order-driven	**Industry Cycle**	Continuous demands of equipment, Periodic replacement demands (5~10y term)	**Key Customers**	Construction companies	End-users (Buildings, homes)	Large scale factories

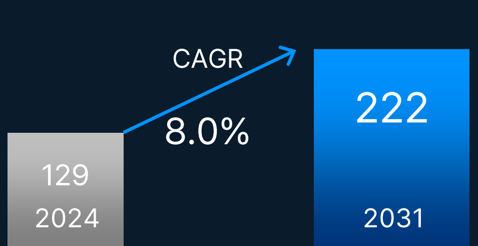
5. LS ELECTRIC Coverage

Coverage across transmission and distribution power systems

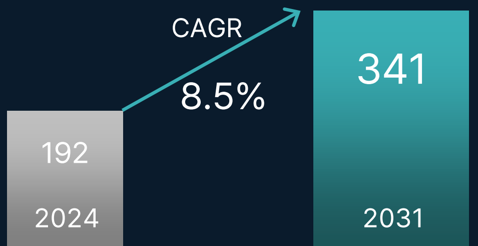
Power System



Transmission ($b)



Distribution ($b)



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