

# 1Q 2024 Earning Release



SMART ENERGY  
GLOBAL LEADER





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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.



## Company Overview

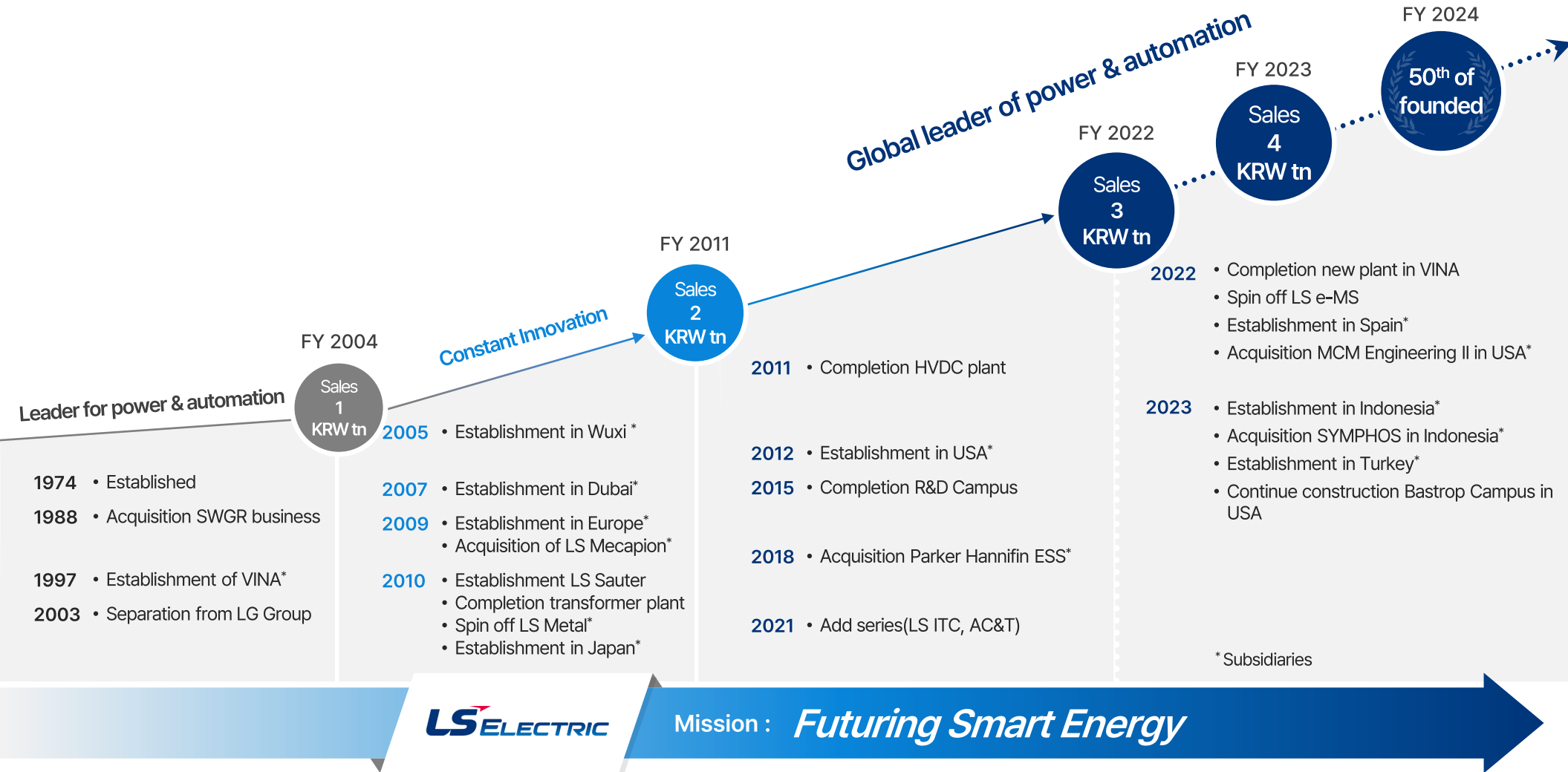
1. History & Growth
2. Business Introduction
3. Business Performance
4. Global Business



# 1. History & Growth

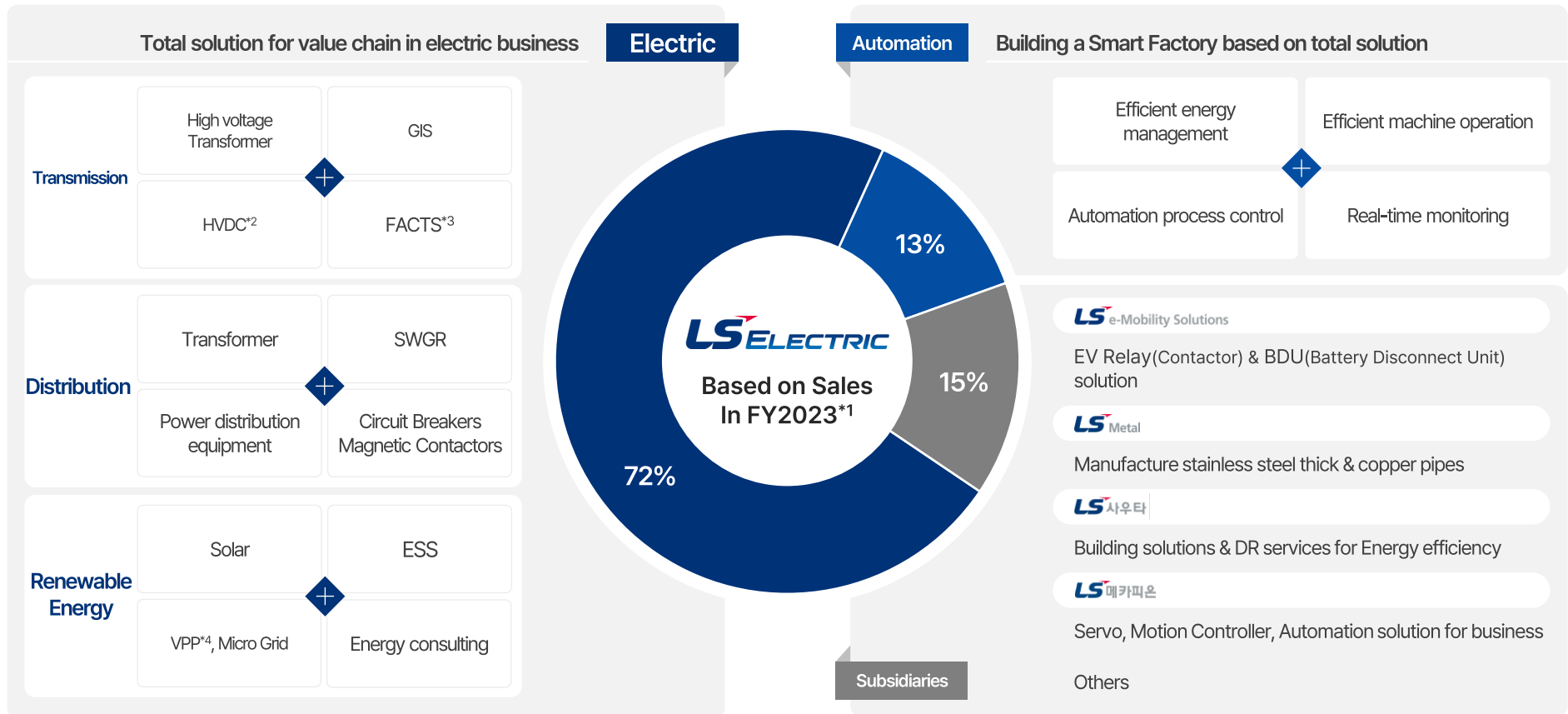


Founded in 1974, Grows to Korea's No.1 company in power and automation business.  
Leading the future energy business



## 2. Business Introduction

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



\*1: Excluding consolidated adjustment

\*2: HVDC(High Voltage Direct Current transmission system)

\*3: FACTS(Flexible AC Transmission System)

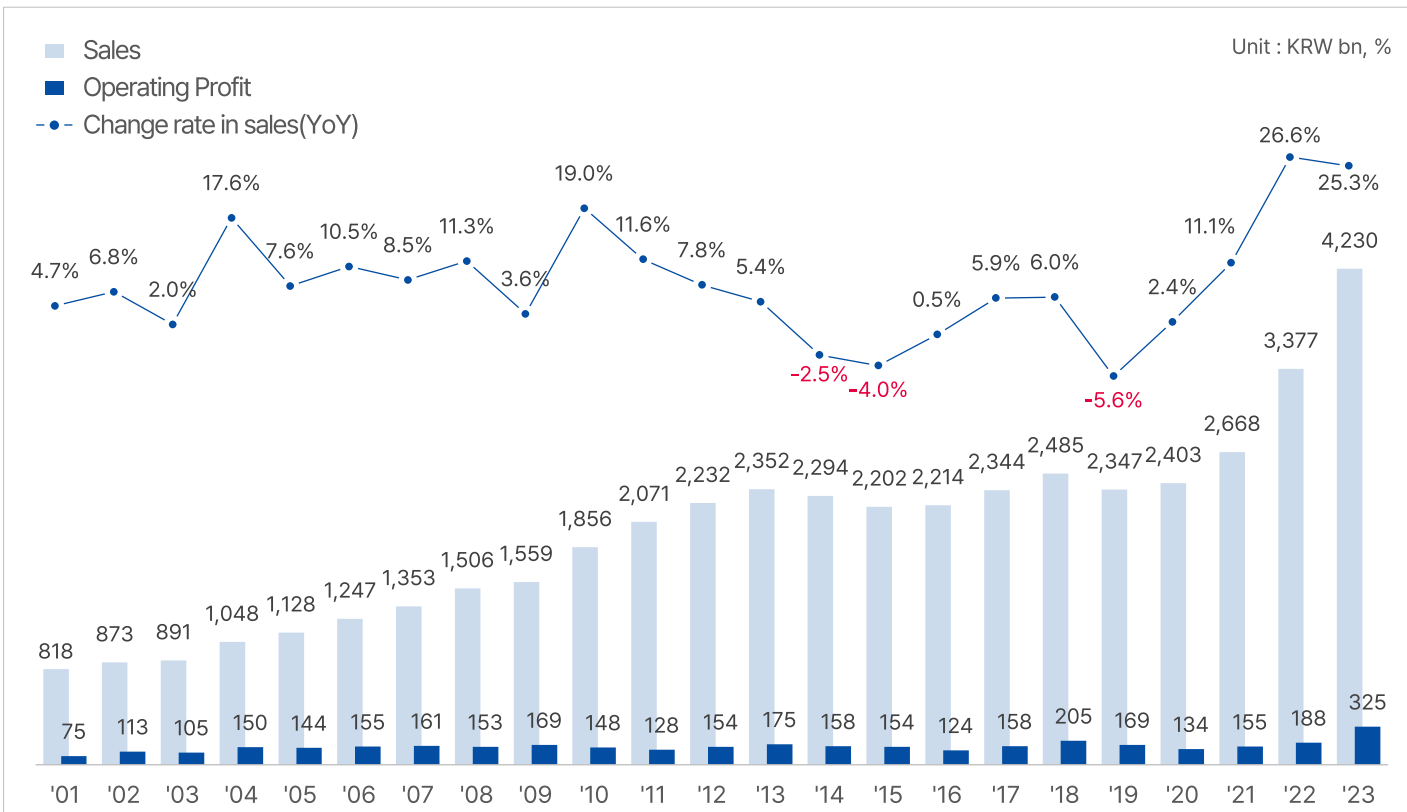
\*4: VPP (Virtual Power Plant)

### 3. Business Performance



Continuing stable sales & profit growth, Active implementation of shareholder return policies  
 (A dividend policy : Over 40% of separate Net income)

CAGR 8%
Surplus for 23 consecutive years



Condensed Statement FY 2023  
(Unit : KRW bn)

Sales	4,230
Operating Profit	325
Total Assets	3,733
Total Liabilities	2,009
Equity	1,724

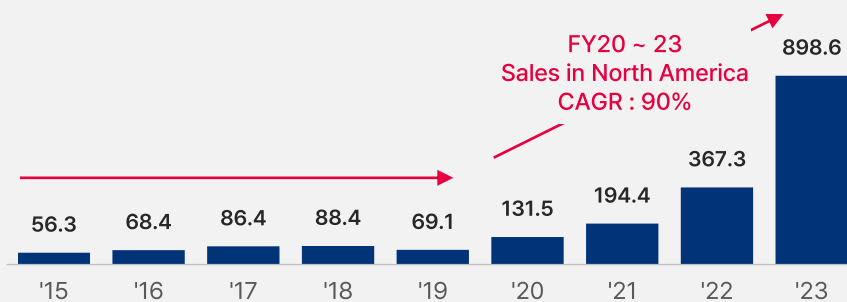
# 4. Global Business

Global business growth in earnest after FY 2020



Entry into Global Market centered on North America

Unit : KRW bn

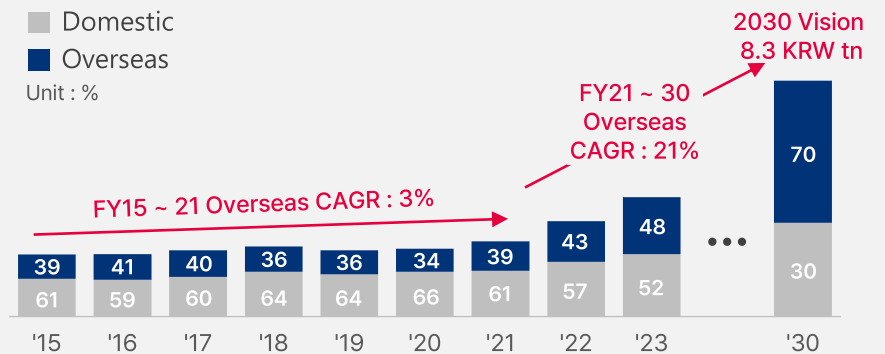


Expansion of overseas sales in earnest

■ Domestic

■ Overseas

Unit : %





## 1Q 2024 Earning Release

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





# 1. Total Results



Improving performance of the electric business drives sales/profit growth.

(YoY Sales +6%, OP +15%, QoQ Sales +1%, OP +38%)

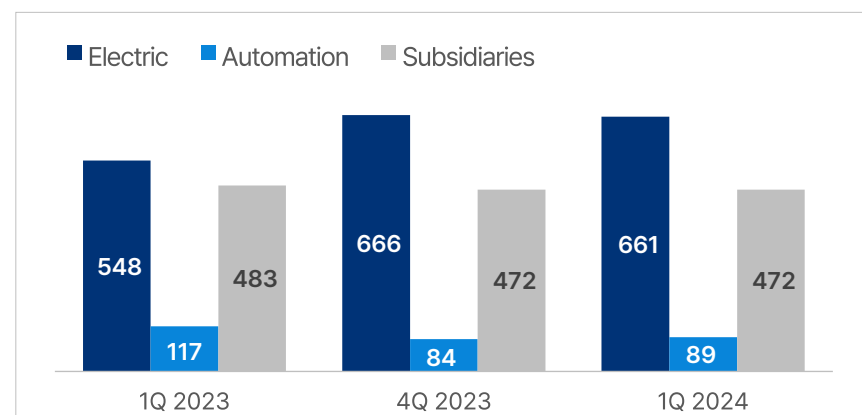
## Consolidated Performance

Unit : KRW bn

Segments	1Q 2023	4Q 2023	1Q 2024	YoY	QoQ
Sales	976	1,030	1,039	63	9
				6%	1%
Operating Profit (%)	82	68	94	12	26
	(8.4%)	(6.6%)	(9.0%)	15%	38%
EBITDA	101	88	115	14	27
				14%	30%
Profit before tax	62	47	99	37	52
				58%	110%
Net Income	51	44	70	19	26
				39%	61%

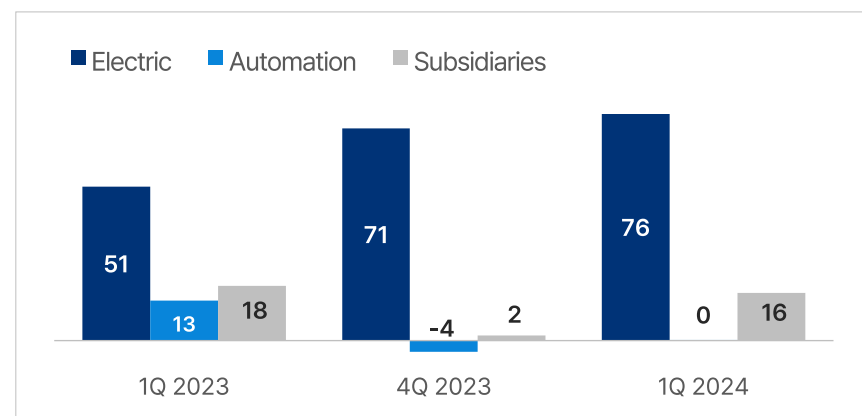
## Sales by business

Unit : KRW bn



## OP by business

Unit : KRW bn

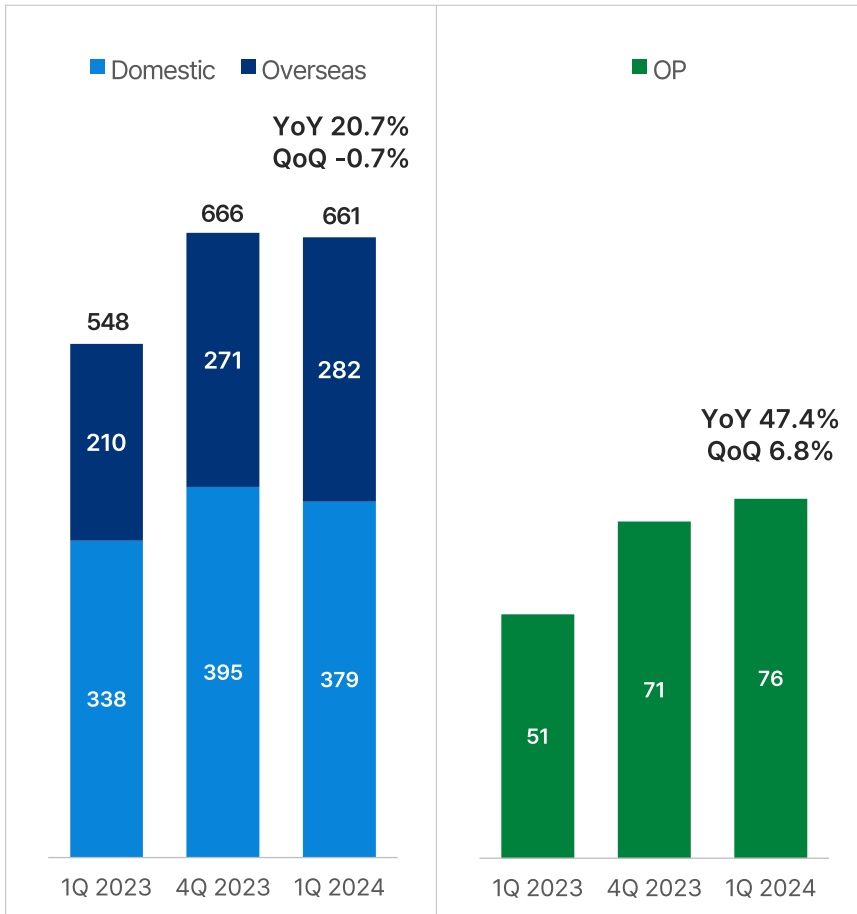


## 2. Breakdown by business ① Electric

Continuing to grow the power distribution business(low/high voltage distribution equipment, transformer/SWGR) and High voltage transformer. Expanding the North American Electric business.

### Performance of Electric business\*

Unit : KRW bn



\* Include Electric equipment, Electric Infra and Renewable

### Key factors

#### Replacement of equipment & demand for new power facilities

Units : KRW bn, %

Segments	'23.1Q	'23.4Q	'24.1Q	YoY	QoQ
Distribution Equipment	229	233	<b>286</b>	24%	22%
SWGR	141	194	<b>157</b>	11%	△19%
Transformer	86	101	<b>118</b>	37%	17%
High voltage	36	58	<b>69</b>	88%	18%
Renewable	63	110	<b>78</b>	24%	△29%

#### Increase order backlog(Unit : KRW tn)

- End of FY23 : 2.3 → 1Q 24 : 2.6 (+13%)

#### Expansion of overseas business

**FY20 : 24%** → **FY23 : 36%** → **1Q 24 : 43%**

- North America FY23 : 14% → 1Q 24 : 17%
- High voltage Transformer in North America : YoY +11 KRW bn(+197%, KRW bn 6 → 17)

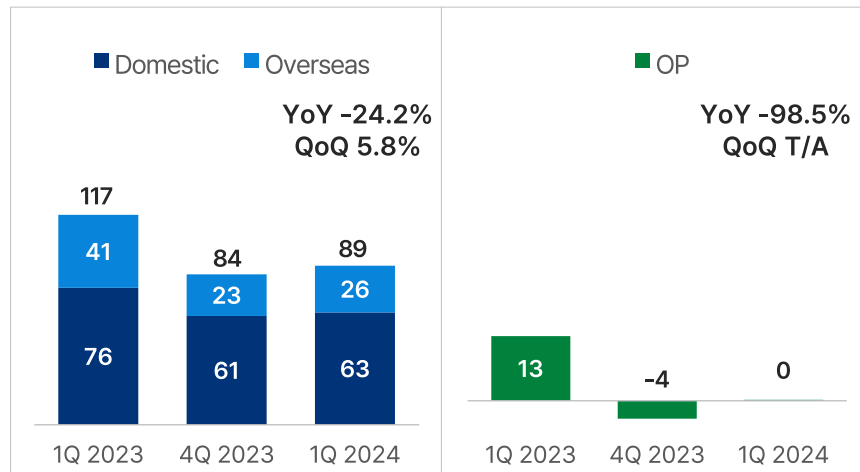
## 2. Breakdown by business ② Automation / Subsidiaries

Focus on recovery of automation business

Profit growth by outperform of subsidiary in U.S.

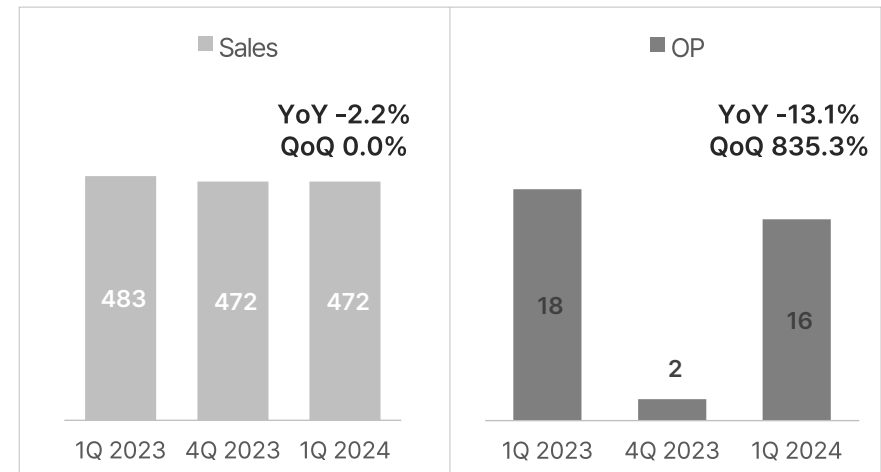
### Performance & Key factors

Unit : KRW bn



### Performance & Key factors

Unit : KRW bn



#### Key factors

Strain of facilities investment of Corp

Focus on recovery by targeting strategic customer

#### Key factors

Focus of major business in overseas markets

- U.S. subsidiary's profit rise as it targets power market (OP : YoY +14 KRW bn, 1 → 15)
- Strengthen targeting Indonesia's electricity market

### 3. Financial Position

Maintaining stable financial structure with 132% debt-to-equity ratio and 15% net deposit-to-deposit ratio

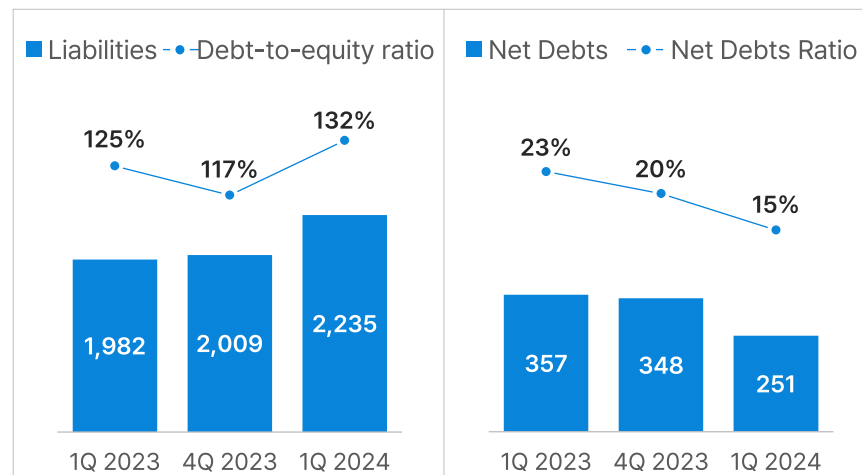
#### Financial Status

Unit : KRW bn

Segments	1Q 2023	4Q 2023	1Q 2024	YoY	QoQ
<b>Total Assets</b>	3,562	3,733	<b>3,933</b>	371	200
Current asset	2,562	2,605	<b>2,797</b>	235	192
Cash & cash equivalents	608	584	<b>661</b>	53	77
<b>Total Liabilities</b>	1,982	2,001	<b>2,235</b>	253	234
Debts	965	932	<b>912</b>	△53	△20
Net Debts	357	348	<b>251</b>	△106	△97
<b>Equity</b>	1,580	1,724	<b>1,697</b>	117	△27

#### Financial Ratio

Units : KRW bn, %



#### Key factors

##### Borrowing decreased but debt ratio increased

- Dividend and tax increase due to profit growth FY 2023

##### Net Debts decreased

- Increase in foreign currency cash equivalents
- Decrease in short-term borrowings



## Appendix

1. Condensed Statement
2. Breakdown Non-OP
3. At a Glance



# 1. Condensed Statement



## Income Statement

Units : KRW bn, %

Segments	1Q 2023	4Q 2023	1Q 2024	YoY	QoQ
Sales	976	1,030	1,039	6.4%	0.8%
Cost of Sales	△786	△839	△825	4.9%	△1.7%
Gross Profit(%)	189 (19.4%)	191 (18.6%)	214 (20.6%)	12.8% -	11.7% -
SG&A	△108	△123	△120	11.5%	△2.6%
OP(%)	82 (8.4%)	68 (6.6%)	94 (9.0%)	14.6% -	37.7% -
Non-OP & Loss	△20	△21	5	△124.3%	△122.4%
Profit before tax	62	47	98	58.2%	109.9%
Net Income(%)	50 (5.2%)	44 (4.2%)	70 (6.8%)	39.3% -	61.5% -
EBITDA Margin	8.8%	7.0%	11.8%	-	-

## Statements of Cash Flows

Unit : KRW bn

Segments	1Q 2023	1Q 2024	YoY
Cash & cash equivalents(1.1)	556	584	28
Cash Flows from Operating	20	154	135
Cash Flows from Investing	△50	△22	28
Capex	△21	△30	△8
R&D	△2	△1	1
Others	△27	9	36
Cash Flows from Financing	73	△62	△134
Effects of exchange rate changes	9	6	△3
Cash & cash equivalents	608	661	53

## Statement of financial position

Units : KRW bn, %

Segments	1Q 2023	4Q 2023	1Q 2024	YoY	QoQ
<b>Total Assets</b>	<b>3,562</b>	<b>3,733</b>	<b>3,933</b>	<b>10%</b>	<b>5%</b>
Current Assets	2,562	2,605	2,797	9%	7%
Cash & Cash equivalents	608	584	662	9%	13%
Inventories	493	528	521	6%	△1%
Other Current Assets	1,461	1,493	1,616	11%	8%
Non-Current Assets	1,000	1,128	1,135	14%	1%
Tangible Assets	626	682	688	10%	1%
Intangible Assets	86	94	94	9%	△0%
Other Non-Current Assets	288	352	354	23%	1%
<b>Total Liabilities</b>	<b>1,982</b>	<b>2,009</b>	<b>2,235</b>	<b>13%</b>	<b>11%</b>
Current Liabilities	1,595	1,449	1,735	9%	20%
Short-term borrowings	610	417	455	△25%	9%
Non-Current Liabilities	386	560	501	30%	△11%
Long-term borrowings	355	514	457	29%	△11%
<b>Equity</b>	<b>1,580</b>	<b>1,724</b>	<b>1,697</b>	<b>7%</b>	<b>△2%</b>
<b>Current Ratio</b>	161%	180%	161%	0%	△10%
<b>Equity/Total Assets</b>	44%	46%	43%	△3%	△7%
<b>Total Liabilities/Equity</b>	125%	117%	132%	5%	13%
<b>Net debts Ratio</b>	23%	20%	15%	△35%	△27%

## 2. Breakdown Non-OP

Improvement in Non-OP & Loss due to the disposal of exchange-traded and related derivatives transactions/  
Evaluation gains and losses and Non-profitable assets

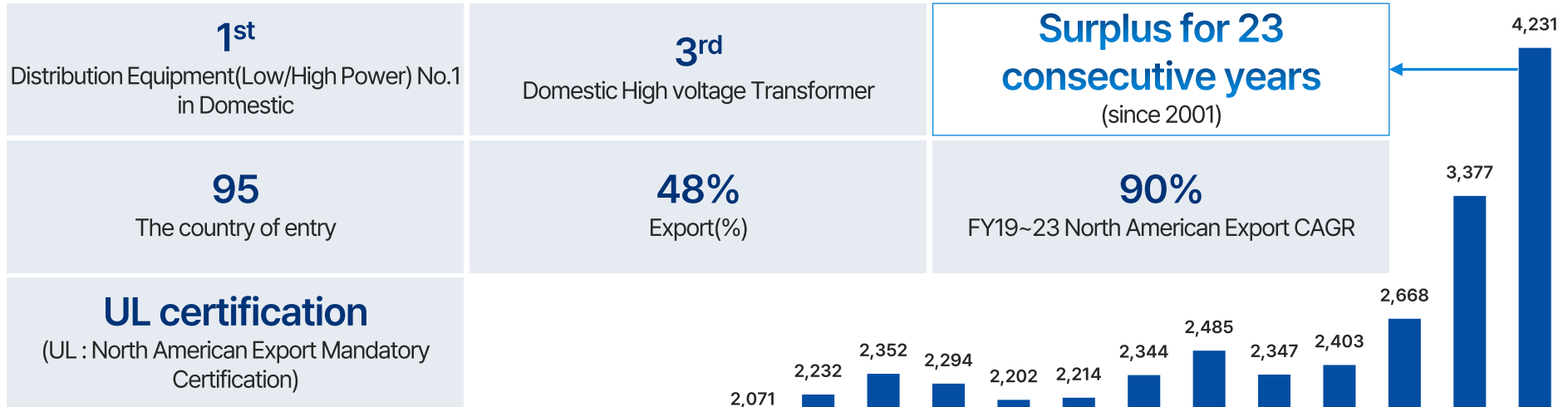
(Units : KRW bn, %)

Segments	1Q 2023	4Q 2023	1Q 2024	YoY	QoQ
Sales	976	1,030	<b>1,039</b>	638 / 6.4%	9 / 0.8%
Operating Profit	82	68	<b>94</b>	12 / 14.6%	26 / 37.7%
(%)	8.4%	6.6%	<b>9.0%</b>	-	-
Non-OP and Loss	-20	-21	<b>5</b>	25 / 124.3%	26 / 122.4%
Financial gains & losses	-5	-5	<b>-3</b>	2 / 40.9%	2 / 34.7%
Other gains & losses	-15	-16	<b>7</b>	22 / 149.0%	23 / 144.9%
Other Non-OP & Loss	0	-0	<b>1</b>	1 / 146.2%	1 / 194.4%
Profit before tax	62	47	<b>99</b>	37 / 58.2%	52 / 109.9%
Corporation Tax	-12	-3	<b>-28</b>	△17 / △143.5%	△25 / △738.0%
Net Income	51	44	<b>70</b>	19 / 39.3%	26 / 61.5%
(%)	5.2%	4.2%	<b>6.8%</b>	-	-

### 3. At a Glance



Electric business Total Solution Provider, Strengthen stable business development and incremental targeting of overseas markets by becoming the strongest leader in distribution solution market.



\*1 : Underwriters Laboratories  
\*2: As of 2023

#### Trend of Sales

Unit : KRW bn

