2Q 2025
Earning Release

LS ELECTRIC

Beyond X

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Disclaimer

Beyond X

Company Overview

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

1. History & Growth

LS ELECTRIC

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

Leader for power & automation

Constant Innovation

Global leader of power & automation

FY 2004 — Sales 1 KRW tn

FY 2011 — Sales 2 KRW tn

FY 2022 — Sales 3 KRW tn

FY 2023 — Sales 4 KRW tn

FY 2024 — 50th of founded

* Subsidiaries

1974 • Established

1988 • Acquisition SWGR business

1997 • Establishment of VINA*

2003 • Separation from LG Group

2005 • Establishment in Wuxi *

2007 • Establishment in Dubai*

2009 • Establishment in Europe*
• Acquisition of LS Mecapion*

2010 • Establishment LS Sauter
• Completion transformer plant
• Spin off LS Metal*
• Establishment in Japan*

2011 • Completion HVDC plant

2012 • Establishment in USA*

2015 • Completion R&D Campus

2018 • Acquisition Parker Hannifin ESS*

2021 • Add series(LS ITC, AC&T)

2022 • Completion new plant in VINA
• Spin off LS e-MS
• Establishment in Spain*
• Acquisition MCM Engineering II in USA*

2023 • Establishment in Indonesia*
• Acquisition SYMPHOS in Indonesia*
• Establishment in Turkey*
• Continue construction Bastrop Campus in USA

2024 • Acquisition SWGR manufacturing company in Indonesia
• Acquisition KOC ELECTRIC

LS ELECTRIC Mission : *Futuring Smart Energy*

2. Business Introduction

LS ELECTRIC

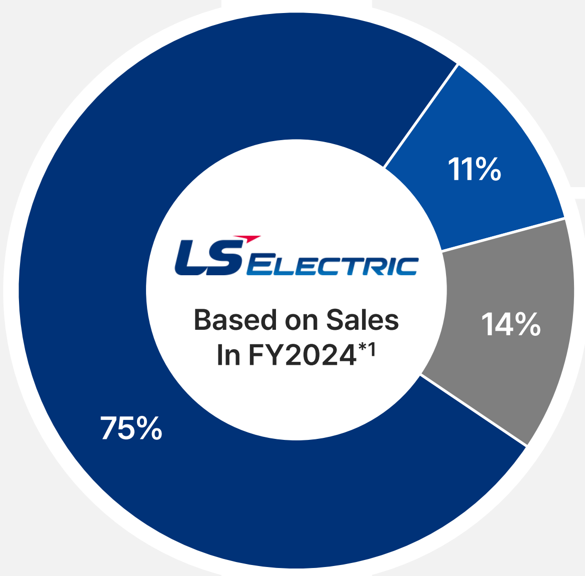
Provides an efficient and secure smart manufacturing environment with total solutions of power energy and automation

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)

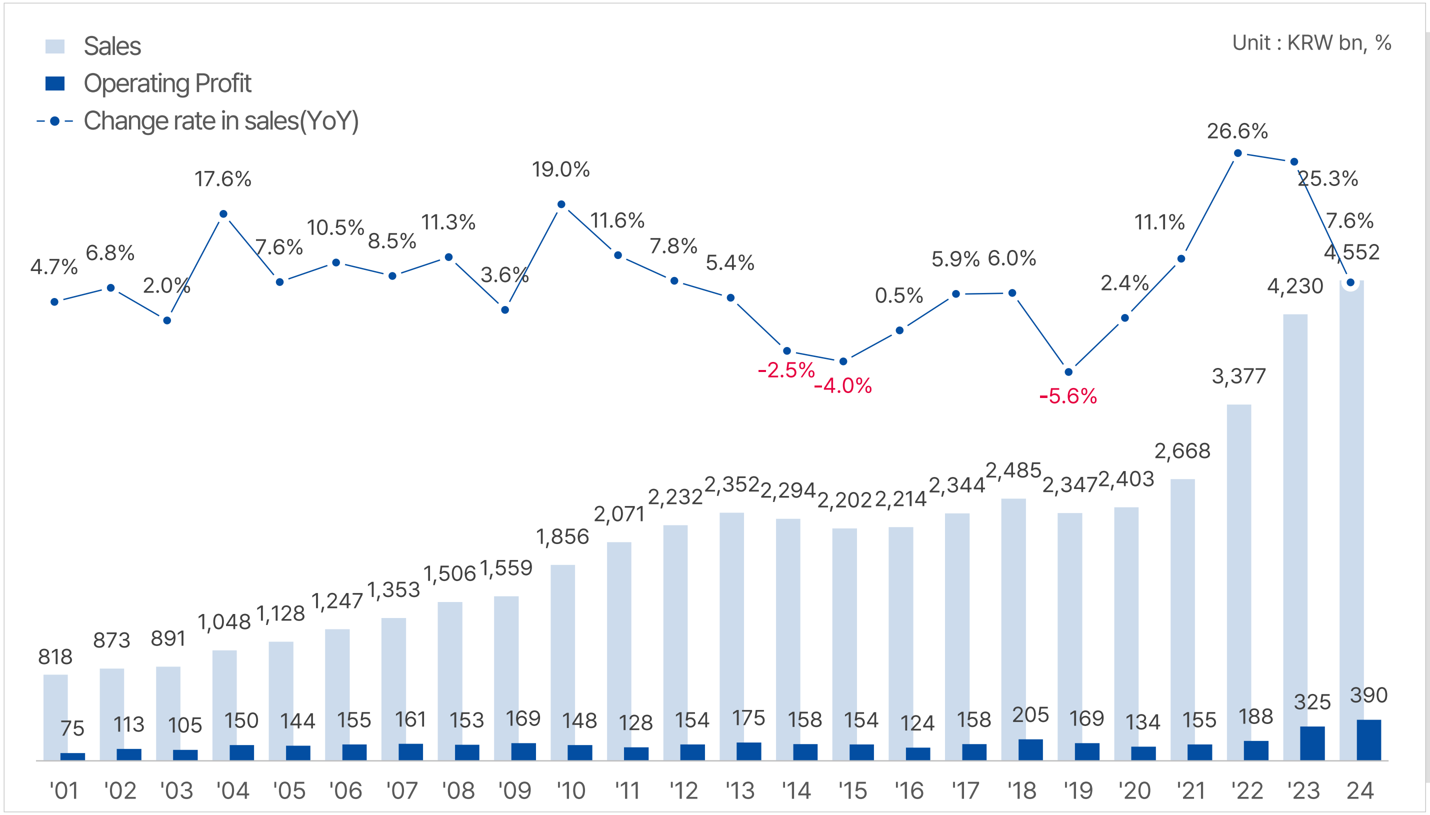
3. Business Performance

LS ELECTRIC

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

CAGR 8%

Surplus for 24 consecutive years



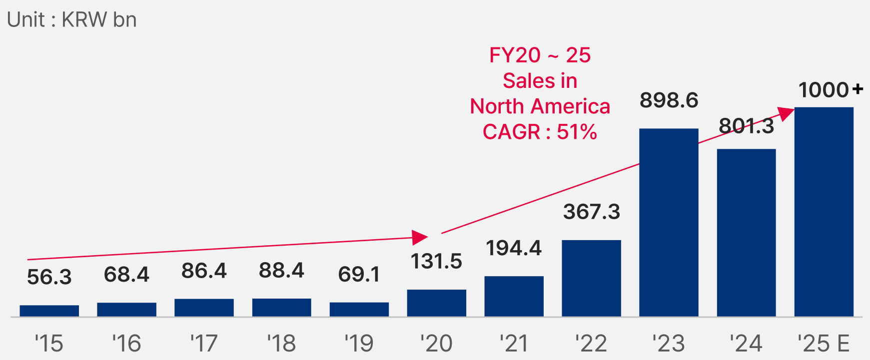
Condensed Statement FY 2024
(Unit : KRW bn)

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

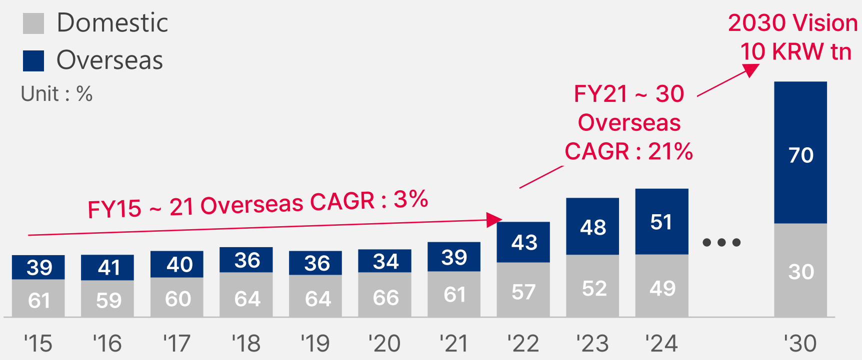
4. Global Business

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

U.S. manufacturing subsidiary acquisition and Bastrop Campus development

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

2Q 2025 Earning Release

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

1. Total Results (Quarterly)

Continued growth in overall operating performance driven by strong overseas exports in the Electric Business and stabilized profitability in the Automation Business

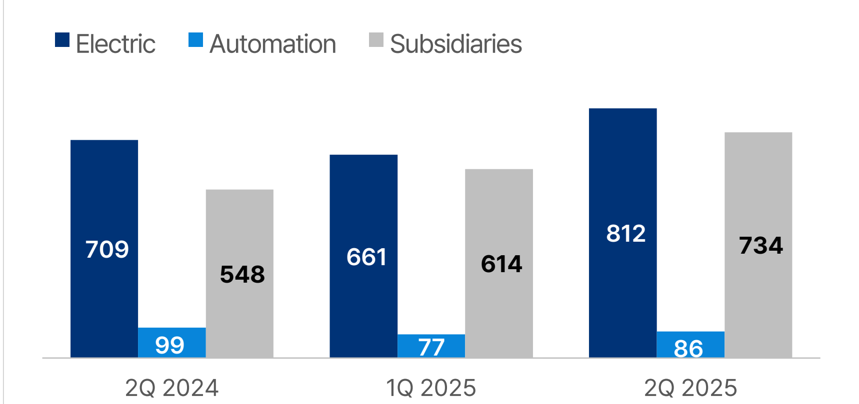
Consolidated Performance

Units : KRW bn, %

Segments	2Q 2024	1Q 2025	2Q 2025	YoY	QoQ
Sales	1,132	1,032	1,193	5.4%	15.6%
Operating Profit	110	87	109	△0.9%	24.4%
(%)	(9.0%)	(8.5%)	(9.1%)	△0.5p	0.6p
EBITDA	120	99	120	0.1%	21.1%
Profit before tax	101	84	104	3.2%	24.7%
Net Income	65	67	67	4.0%	△0.1%

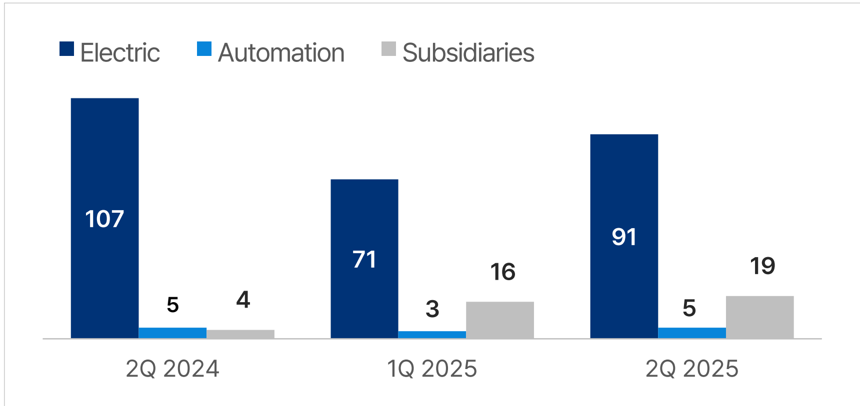
Sales by business

Unit : KRW bn



OP by business

Unit : KRW bn

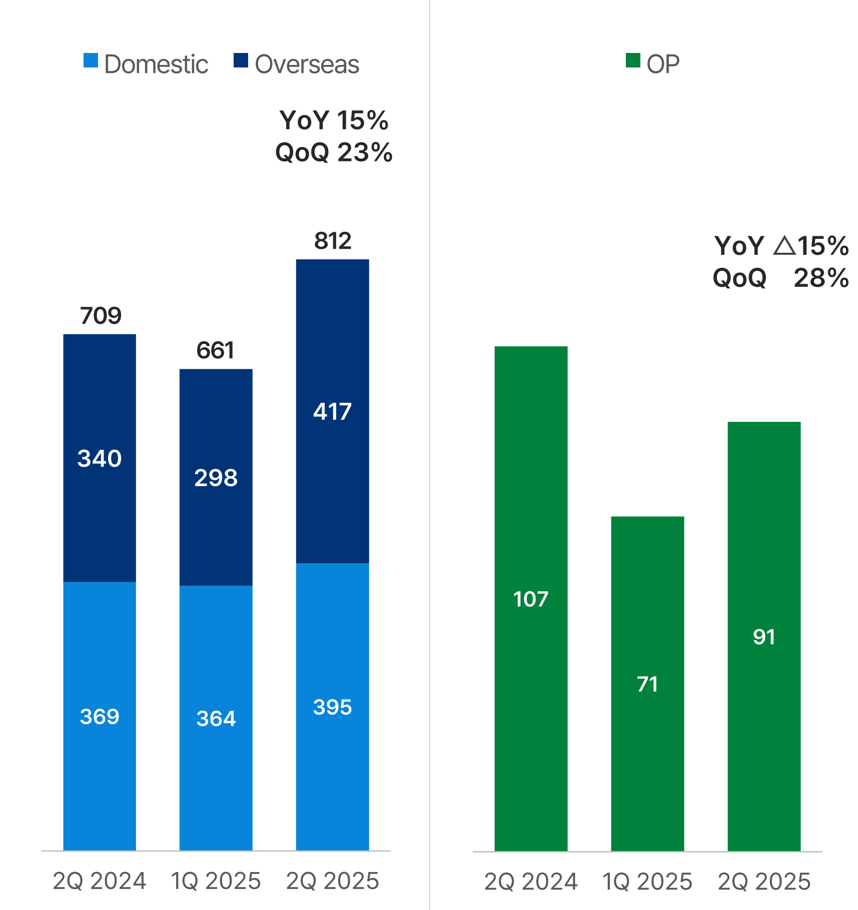


2. Breakdown by business ① Electric

· Solid sales growth through continued strong exports of ultra-high voltage transformers to North America and the commencement of product deliveries for big tech data center.

Performance of Electric business*

Unit : KRW bn



* Include Electric equipment, Electric Infra and Renewable

Key factors

Sales Overview by Major products

Units : KRW bn, %

- Achieved solid growth driven by Data center products(SWGR, TR)

Segments	'24.2Q	'25.1Q	'25.2Q	YoY	QoQ
Distribution Equipment*)	233	230	**241**	3.7%	4.4%
SWGR*)	233	199	**288**	23.7%	45.1%
Transformer	120	133	**173**	44.4%	30.2%
High voltage	84	90	**83**	△1.0%	△7.7%
Renewable	93	57	**65**	△30.3%	13.6%

Order backlog by Major products

Units : KRW bn, %

- Total backlog: '24 4Q 3.4T → '25 1Q 3.9T → '25 2Q 3.9T

Products	'24 4Q	'25.1Q	'25.2Q	YTD
SWGR	800	1,020	**895**	+11.9%
HV Transformer	1,519	1,622	**1,778**	+17.1%
HV GIS	213	262	**301**	+41.3%

Supplier-favorable market continues in the North America

- Change of sales portion to North America(within Elec. Division)
  - '24 FY 20% → '25 1Q 24% → '25 2Q 33%
- Expanded customer base for HVTR in the U.S.

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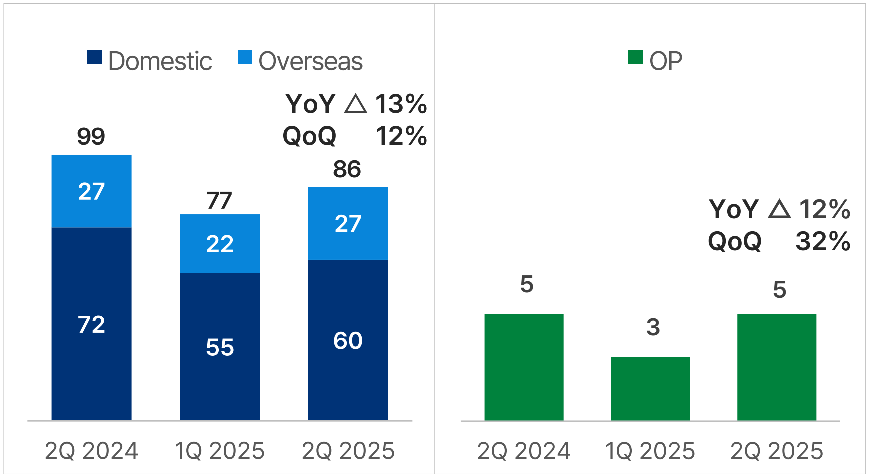
Continued 'Profit-centered' operational direction	Accelerate market entry across North America. Securing enhanced market presence in SE Asia market

Performance & Key factors (Automation)

Unit : KRW bn



Key factors

Profit-centered operations

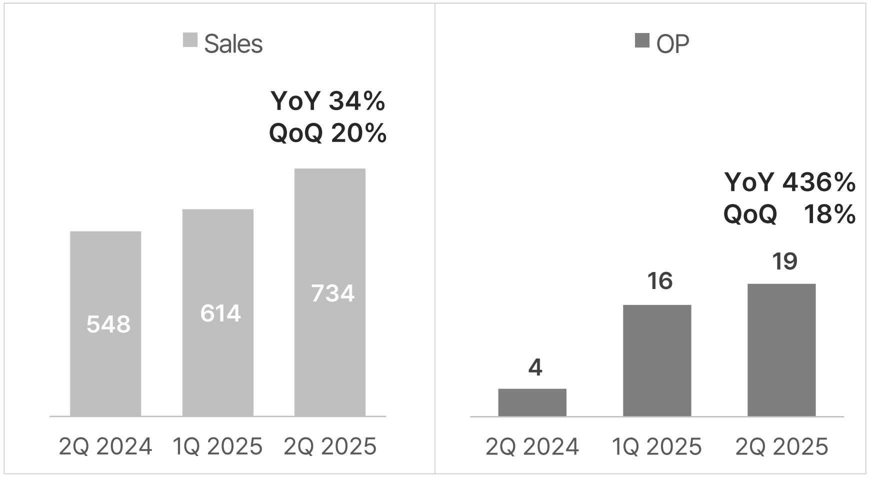
- Margin improvement reaching at 5% driven by favorable sales mix

Focusing on customers and recovering

- Securing enhanced margin level at 4.8% in 1H '25(recovered from '24FY)

Performance & Key factors (Subsidiaries)

Unit : KRW bn



Key factors

US, Vietnam: Continuing strong performance momentum
Others: Improved profitability through operational stabilization

- US: Growth rate is noticeable in line with power market boom in US
- Vietnam: Strong results from expanded market share in Southeast Asia
- China: Slower-than-expected business recovery due to sluggish macro
- Domestic/Others: Improved results from stabilized operations of newly acquired subsidiaries

3. Financial Position

Debt to Equity ratio: 137%, Net Debt ratio: 27%, Maintain solid financial stability

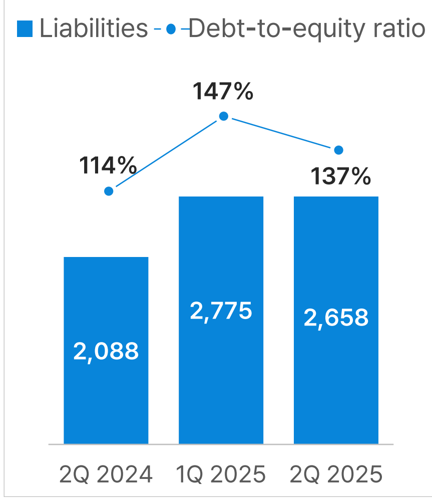
Financial Status

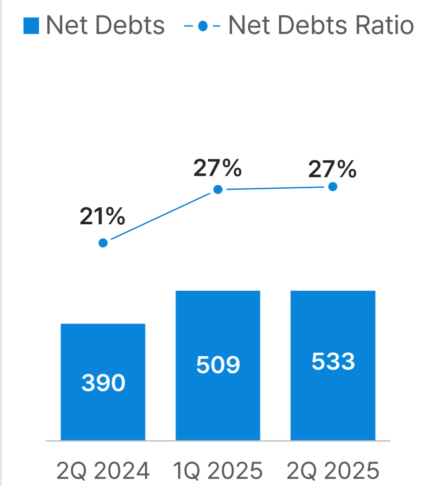
Unit : KRW bn

Segments	2Q 2024	1Q 2025	2Q 2025	YoY	QoQ
Total Assets	3,913	4,658	**4,603**	691	△55
Current asset	2,724	3,198	**3,148**	424	△50
Cash & cash equivalents	547	804	**724**	177	△80
Total Liabilities	2,088	2,775	**2,658**	570	△117
Debts	937	1,313	**1,257**	320	△56
Net Debts	390	509	**533**	143	24
Equity	1,825	1,883	**1,945**	121	62

Financial Ratio

Units : KRW bn, %





Key factors

Debt-to-Equity ratio

- Dividend and corporate tax pay-out completion
- Repayment of corporate bonds(without roll-over)

Net debt ratio remains stable despite increased pressure for diverse pay-out demands(Capex, etc)

Global Business Strategy

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

1. HVTR capacity expansion

LS ELECTRIC

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 LS Power Solution	Announcement of additional capacity of Busan plant

Capacity expansion(Busan Plant)

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

+

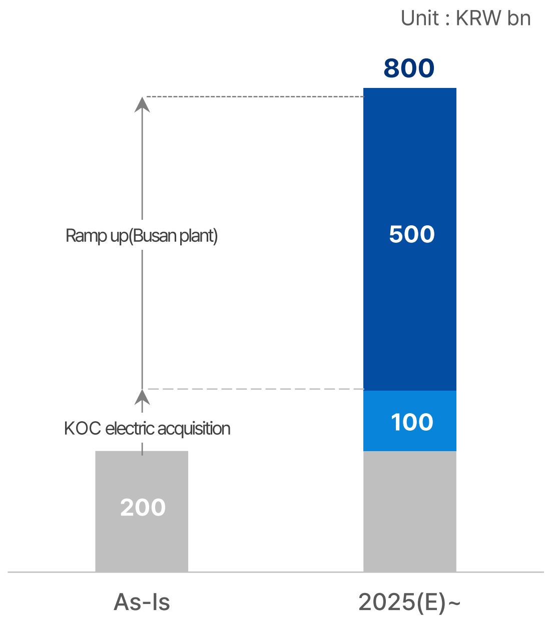
Acquisition of LS Power Solution

Press release of acquisition ('24.05.23)

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

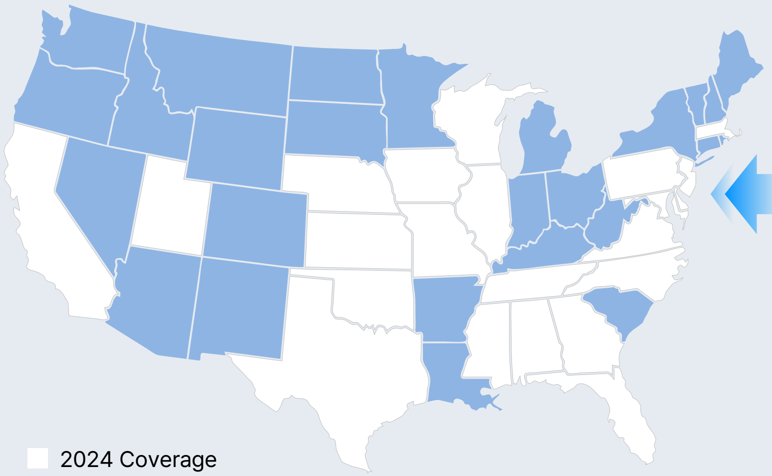


2. Global M/S Expansion

U.S. nationwide distribution network and production base expansion

U.S. nationwide distribution network expansion	Expansion of U.S. local production bases

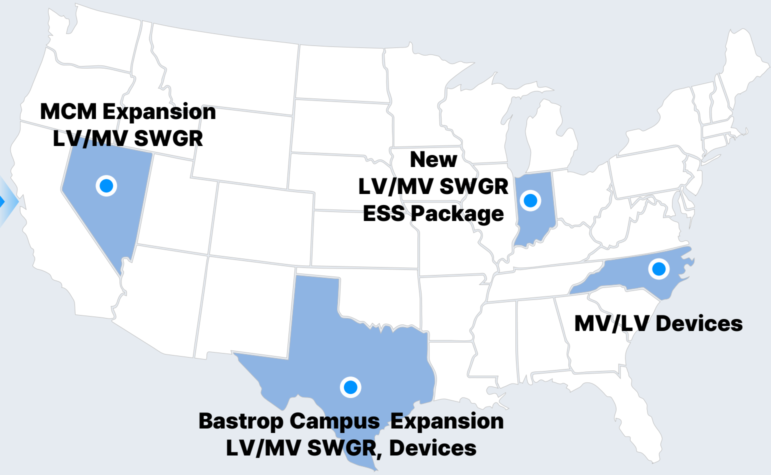
Expanding market share in U.S. by securing major distributors



- 2024 Coverage
- New Coverage

Confidence based on Brand trust

$240M investment to expand U.S. production(~'30)



- New and Expanded Production Sites Plan

Strengthening U.S. local market + Reshoring demand + Enhancing manufacturing capabilities + Stable cash flow

Appendix

1. Condensed Statement
2. Breakdown Non-OP

1. Condensed Statement

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Income Statement

Units : KRW bn, %

Segments	2Q 2024	1Q 2025	2Q 2025	YoY	QoQ
Sales	1,132	1,032	1,193	5.4%	15.6%
Cost of Sales	△888	△806	△936	5.5%	16.1%
Gross Profit(%)	245 (21.6%)	226 (21.9%)	257 (21.5%)	4.9%	13.8%
SG&A	△135	△138	△148	9.7%	7.1%
OP(%)	110 (9.7%)	87 (8.5%)	109 (9.1%)	△0.9%	24.4%
Non-OP & Loss	△9	△4	△5	△44.9%	26.5%
Profit before tax	101	83	104	3.2%	24.7%
Net Income(%)	65 (5.7%)	67 (6.5%)	67 (5.6%)	4.0%	△0.1%
EBITDA Margin	10.6%	9.6%	10.0%	-	-

Statements of Cash Flows

Unit : KRW bn

Segments	2Q 2024	2Q 2025	YoY
Cash & cash equivalents(1.1)	584	660	76
Cash Flows from Operating	99	218	119
Cash Flows from Investing	△73	△135	△62
Capex	△60	△100	△40
R&D	△3	△3	△0
Others	△10	△32	△22
Cash Flows from Financing	△74	△7	67
Effects of exchange rate changes	11	△12	△23
Cash & cash equivalents(12.31)	547	724	177

Statement of financial position

Units : KRW bn, %

Segments	2Q 2024	1Q 2025	2Q 2025	YoY	QoQ
Total Assets	**3,913**	**4,658**	**4,611**	**18%**	**△1%**
Current Assets	2,724	3,198	3,156	16%	△1%
Cash & Cash equivalents	547	804	724	32%	△10%
Inventories	517	507	517	0%	2%
Other Current Assets	1,660	1,887	1,915	15%	1%
Non-Current Assets	1,189	1,460	1,455	22%	△0%
Tangible Assets	708	88	904	28%	3%
Intangible Assets	101	187	183	81%	△2%
Other Non-Current Assets	379	392	368	△3%	△6%
Total Liabilities	**2,088**	**2,775**	**2,665**	**28%**	**△4%**
Current Liabilities	1,659	1,808	1,830	10%	1%
Short-term borrowings	553	527	594	7%	13%
Non-Current Liabilities	429	967	835	95%	△14%
Long-term borrowings	384	786	663	73%	△16%
Equity	**1,825**	**1,883**	**1,945**	**7%**	**3%**
Current Ratio	164%	177%	172%	5%	△3%
Equity/Total Assets	47%	40%	42%	△10%	4%
Total Liabilities/Equity	114%	147%	137%	20%	△7%
Net debts Ratio	21%	27%	27%	28%	1%

2. Breakdown Non-OP

LS ELECTRIC

Units : KRW bn, %

Segments	2Q 2024	1Q 2025	2Q 2025	YoY	QoQ
Sales	1,132	1,032	1,193	5.4%	15.6%
Operating Profit	110	87	109	-0.9%	24.4%
(%)	9.7%	8.5%	9.1%	-0.6%	7.6%
Non-OP and Loss	-8.7	-3.8	-4.8	44.9%	-26.5%
Financial gains & losses	-3.9	-9	-11.8	-203.9%	-30.3%
Other gains & losses	-6.1	5.9	15.6	356.7%	166.7%
Other Non-OP & Loss	1.3	-0.6	-8.3	-763.0%	-1192.6%
Profit before tax	101	84	104	3.2%	24.7%
Corporation Tax	-36.3	-16.1	-36.9	-1.6%	-128.3%
Net Income	64.6	67.4	67.3	-4.0%	-0.1%
(%)	5.7%	6.5%	5.6%	-1.2%	13.6%