LS ELECTRIC

Futuring Smart Energy

1Q 2026
Earning Release

April 2026

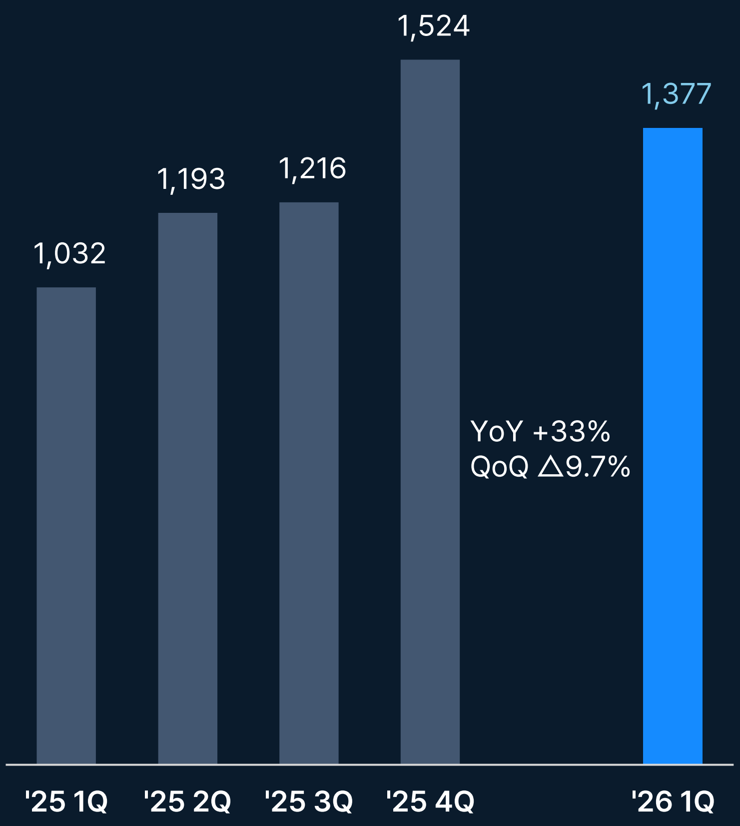
1Q 2026 Earning Release

Disclaimer

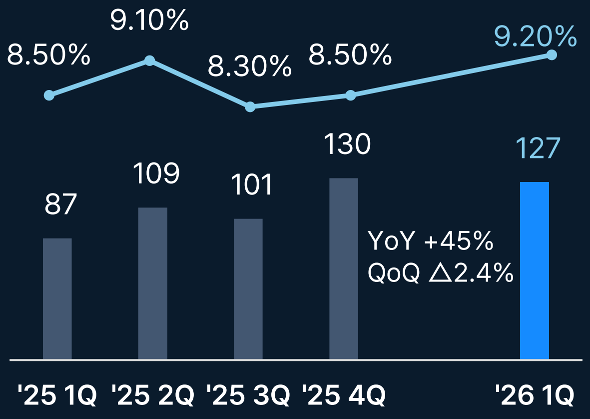
Key Highlights

Financial Results
Unit : KRW bn

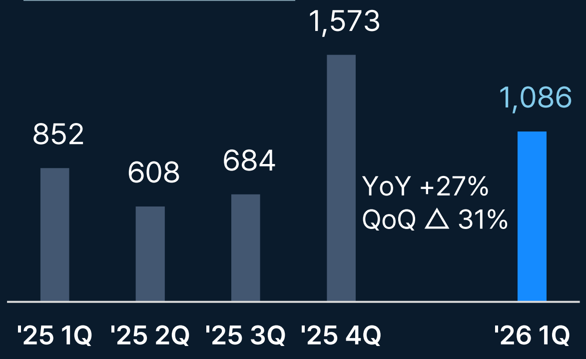
Sales



Operating Profit(OP Margin)



New Orders

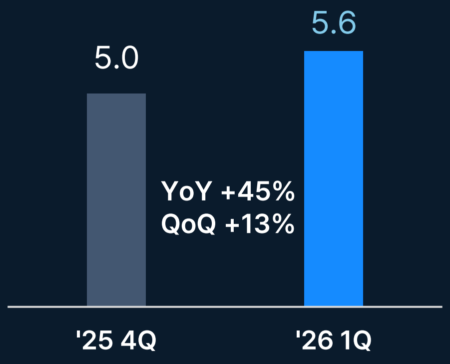


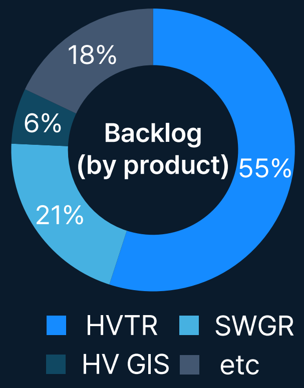
1Q Key Points

- Delivering strong performance driven by uprising cycle in AIDC, semiconductor, and renewable energy
- Secured order reference for DC(Direct current) products from US On-Site power generation bound
- Shifting strategic focus toward securing order intake and stabilize utilization rates through enhanced quality and operational management
- Maintain upward margin trend despite of surging raw material costs

Backlog
Unit : KRW tn

Continued growth in order backlog for key products such as HV/MV TR, SWGR





1. Total Results (Quarterly)

- Securing continued solid performance driven by major projects related to AIDC, semiconductor and renewable energy
- Improved PJT mix and favorable FX trends limit various inflationary cost pressure

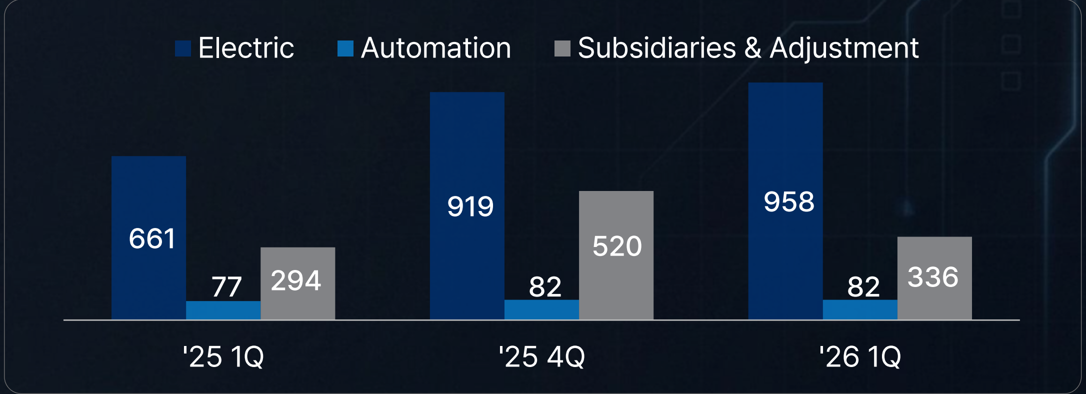
Consolidated Performance

Unit : KRW bn, %

Segments	'25 1Q	'25 4Q	'26 1Q	YoY	QoQ
Sales	1,032	1,524	1,377	33.4%	△9.7%
Operating Profit	87	130	127	45.0%	△2.4%
(%)	8.5%	8.5%	9.2%	0.7%p	0.7%p
EBITDA	99	143	139	40.4%	△3.2%
Profit Before tax	84	131	154	84.8%	17.8%
Net Income	67	84	120	77.6%	42.8%

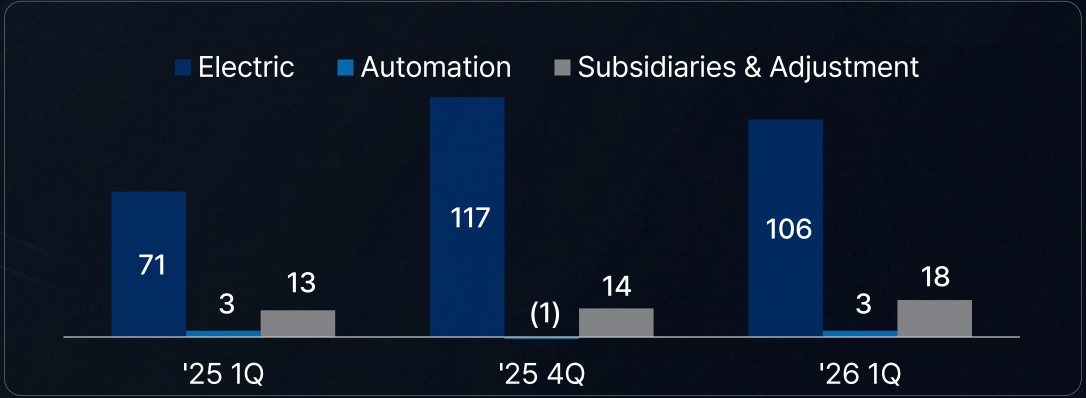
Sales by business

Unit : KRW bn



OP by business

Unit : KRW bn



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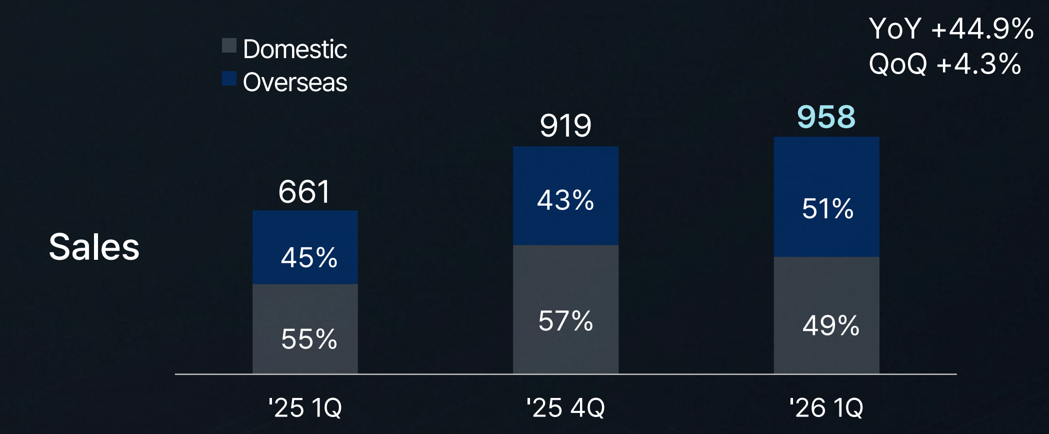
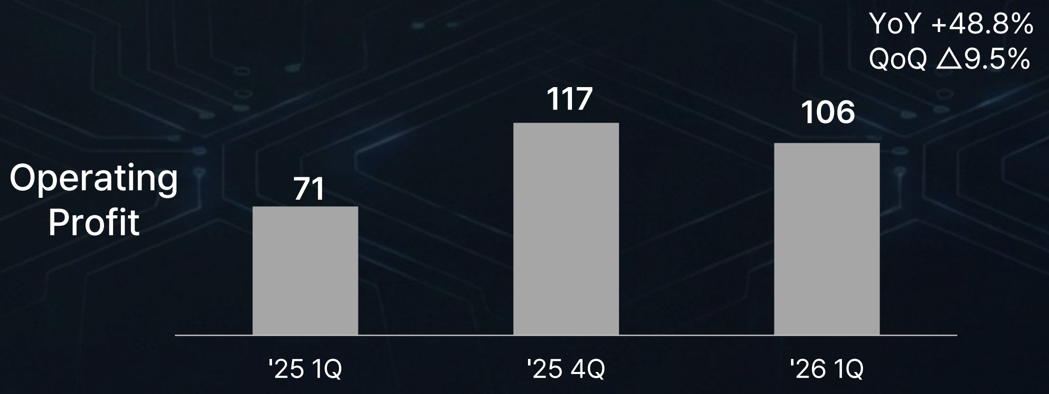
2. Breakdown by business ①Electric

- Data centers are the primary driver of earnings growth, further bolstered by Semiconductor and renewable energy PJT
- Order backlogs continue to rise, driven by the expansion of global orders for HV/LV TR and SWGR

Performance of Electric Business

Unit : KRW bn





Major Products

Unit : KRW bn

Sales Overview

Products	'25.1Q	'25.4Q	'26.1Q	YoY	QoQ
Electric Equipment	231	242	**268**	16%	10%
SWGR	199	301	**356**	79%	18%
MV/LV TR	44	76	**73**	68%	△4%
HV TR	90	120	**164**	83%	36%
HV GIS	29	54	**38**	33%	△29%
Renewables	57	104	**48**	△17%	△54%

Order Backlog

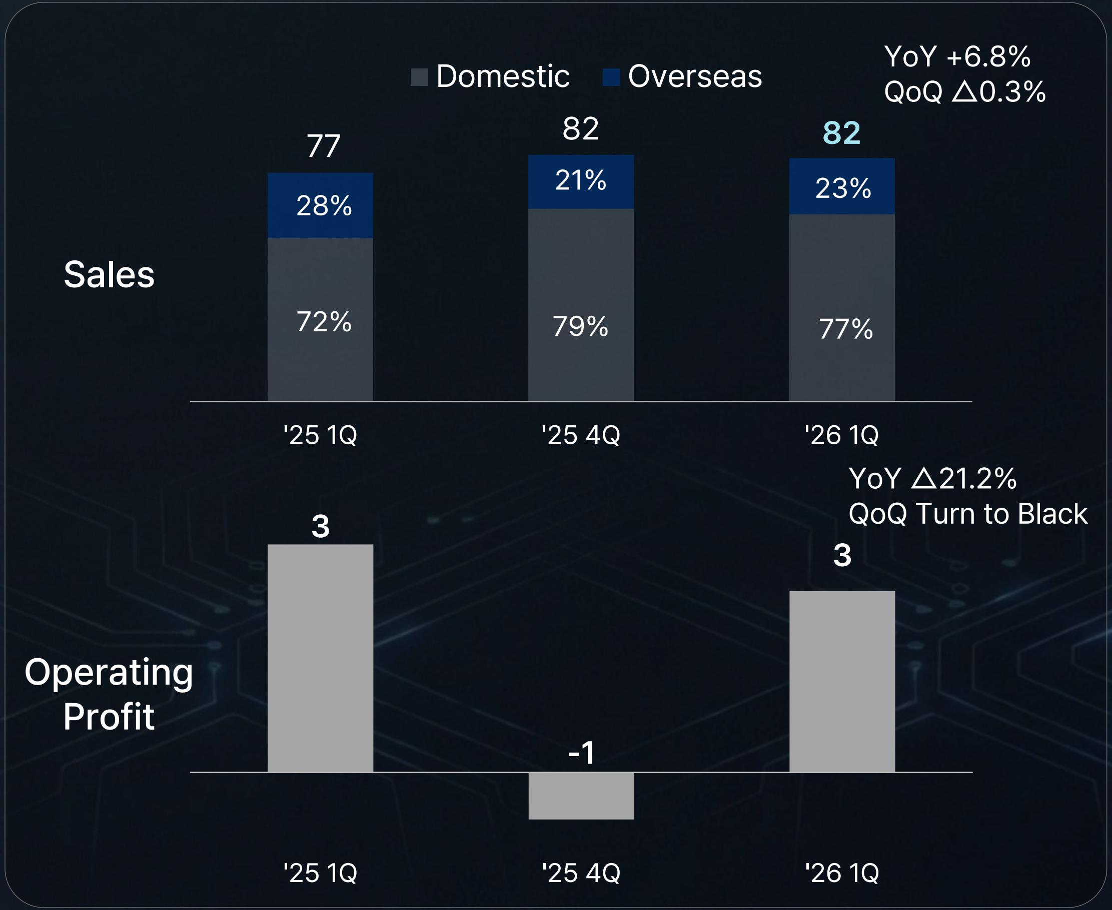
Products	'25.1Q	'25.4Q	'26.1Q	YoY	QoQ
SWGR	1,070	1,078	**1,170**	9%	8%
MV/LV TR	187	203	**232**	24%	15%
HV TR	1,622	2,698	**3,102**	91%	15%
HV GIS	262	379	**359**	37%	△5%
Total	3,889	5,015	**5,643**	45%	13%

2. Breakdown by business ②Automation / Subsidiaries & Adjustment

- Maintaining commitment to profitability recovery
- Expanding end-user base in the automotive & semiconductor
- Solid upward trajectory from US/SE Asia subsidiary
- China & eMS(EV parts) remain in underperforming

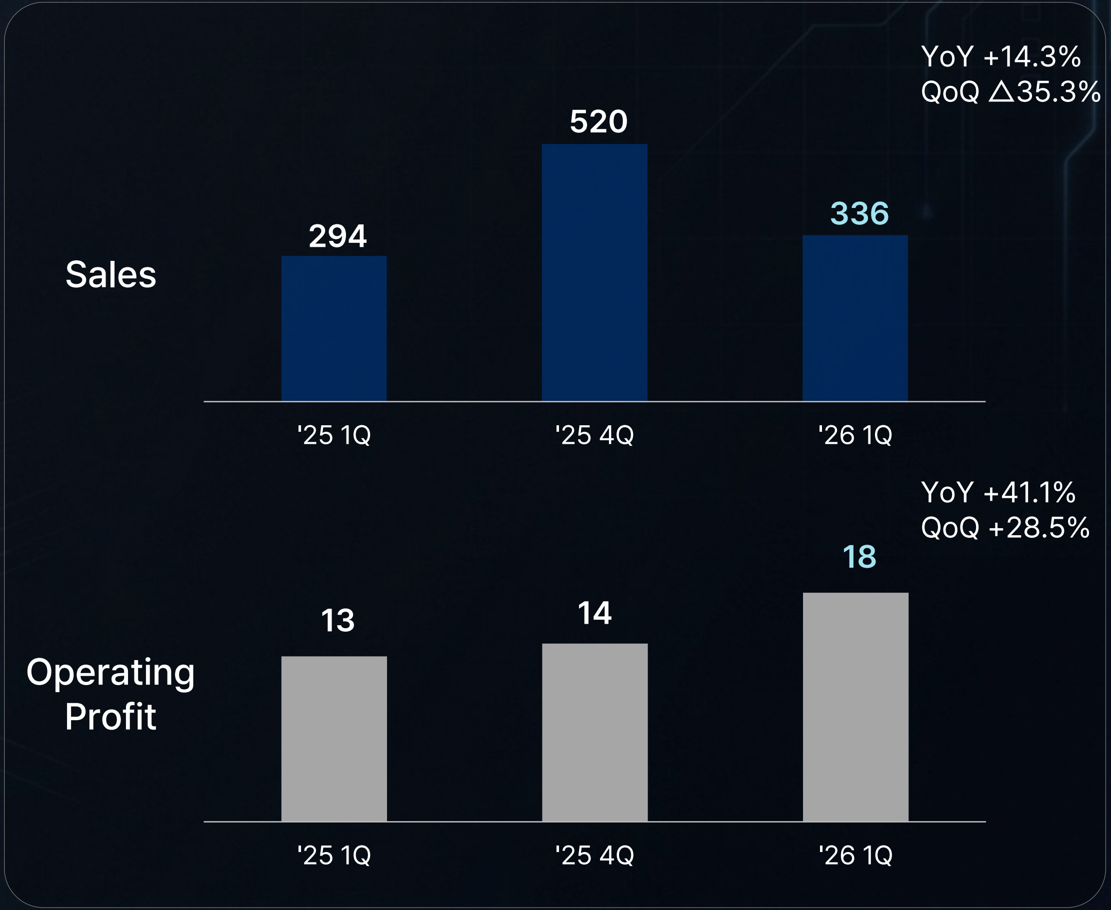
Performance

Unit : KRW bn



Performance

Unit : KRW bn



3. Financial Position

- Prioritizing working capital management to mitigate increased capital requirements in a view of expanded capacity followed by strong demands from global market

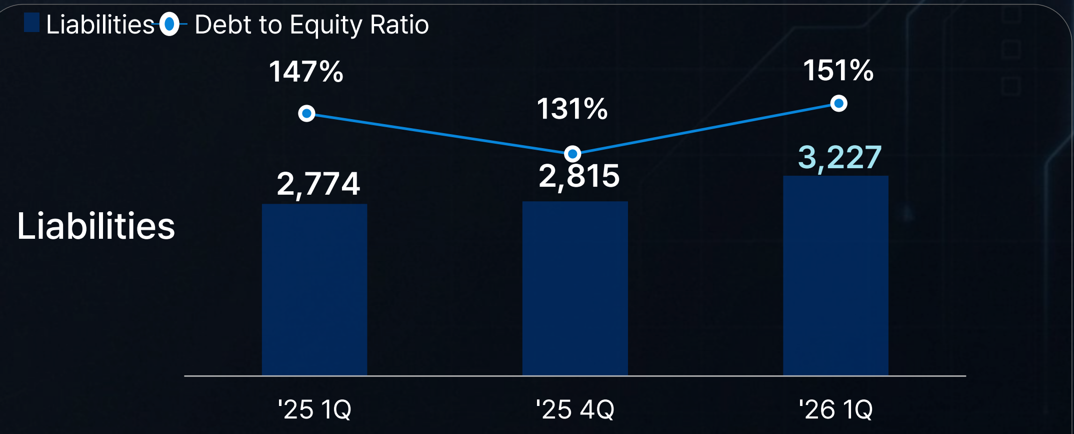
Financial Status

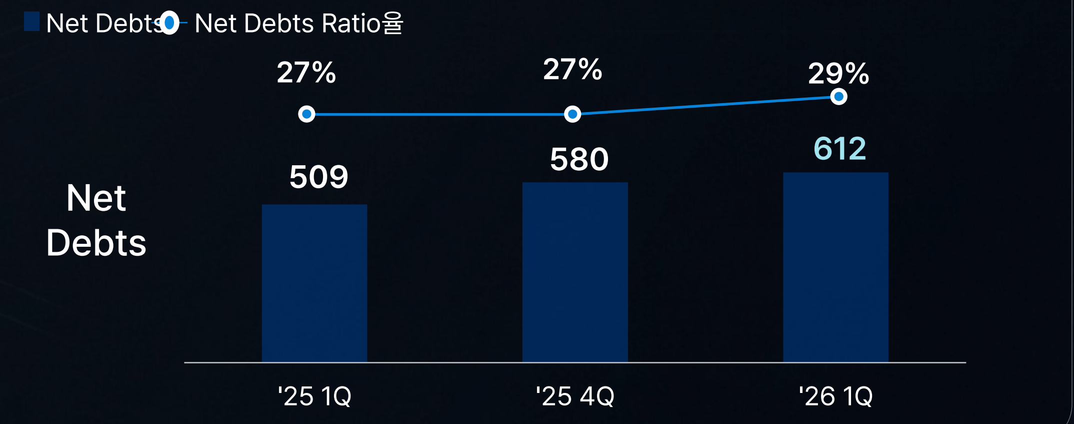
Unit : KRW bn

Segments	'25 1Q	'25 4Q	'26 1Q	YoY	QoQ
Total Assets	4,657	4,957	5,362	705	405
Current Asset	3,198	3,357	3,735	537	378
Cash & cash equivalents	804	763	796	△8	33
Total Liabilities	2,774	2,815	3,227	453	412
Debts	1,313	1,342	1,408	95	66
Net Debts	509	580	612	103	32
Equity	1,883	2,141	2,135	252	△6

Financial Ratio

Unit : KRW bn





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Global Business Strategy

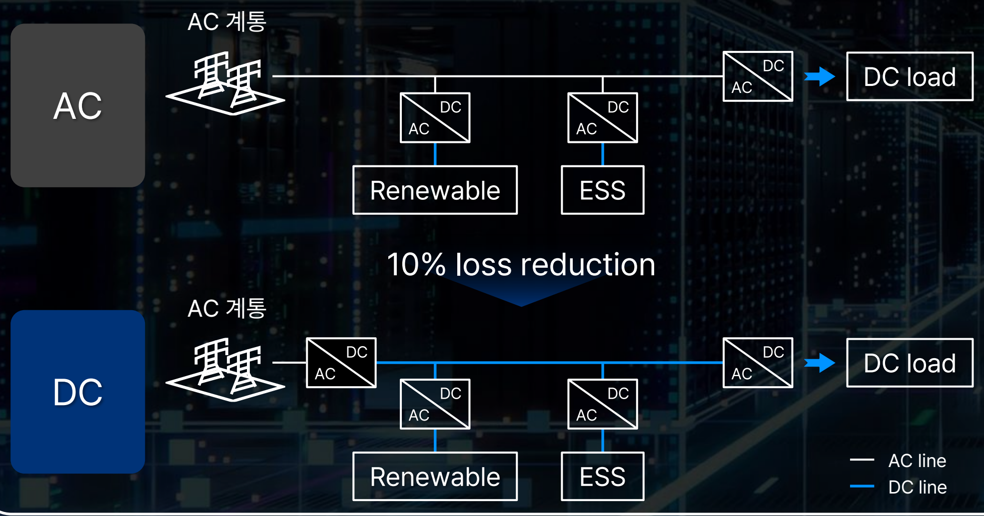
1. Transition to DC
2. Responding to Data Center market
3. US capacity expansion
4. Strenthening the ESS Business
5. HVTR capacity expansion

1. Transition to DC

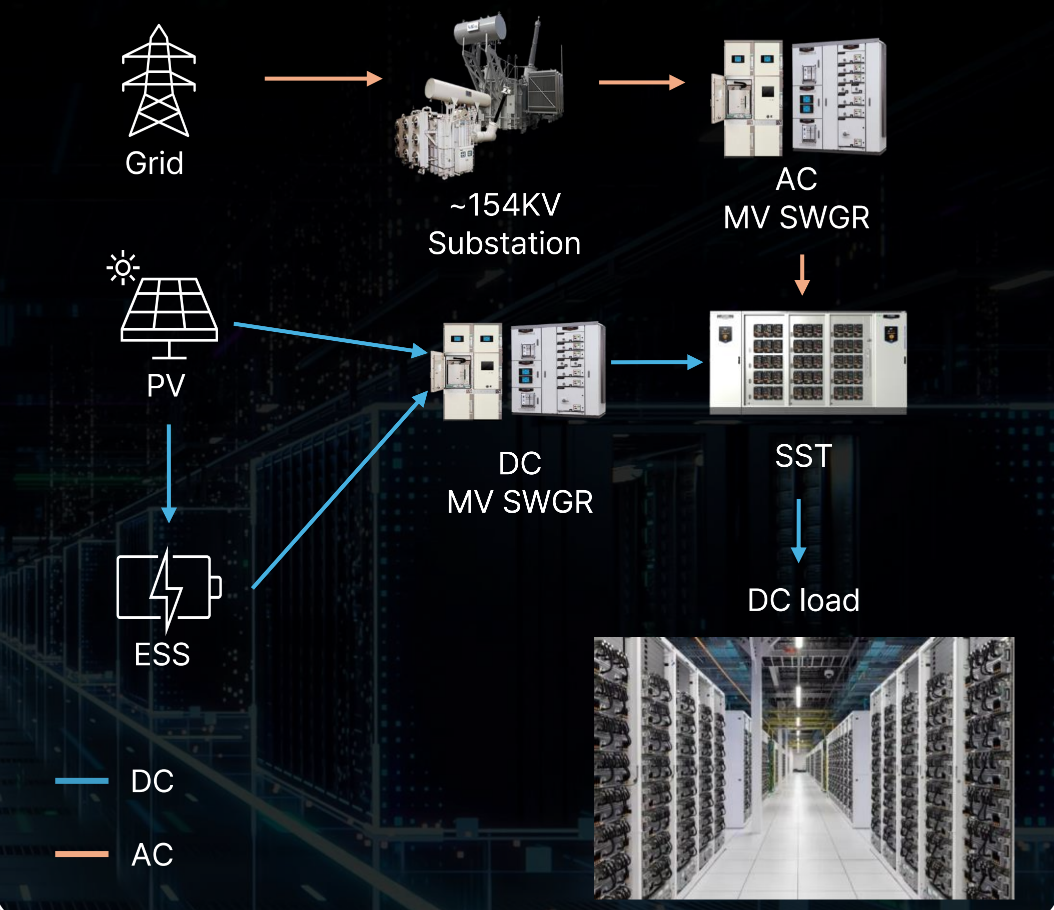
Rising renewables, distributed energy, and data center demand are driving the shift from AC to DC for more stable and efficient power suppy.

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)

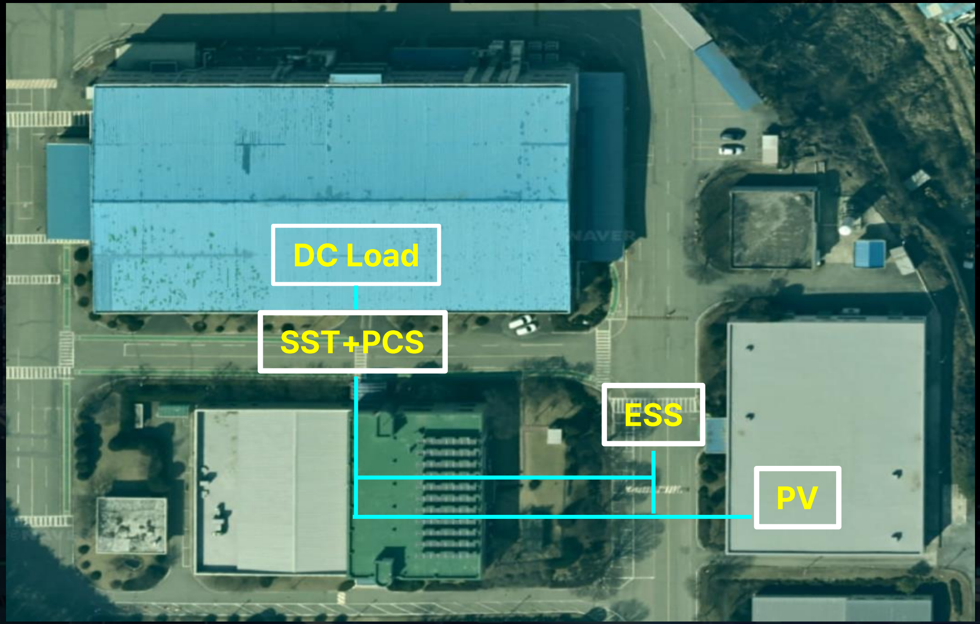
MMC Valve

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. U.S. Capacity expansion

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

MCM Engineering II

MCM Engineering II
Location: Utah
Fungtion: Production
Main Item: SWGR, CB

* Expansion **In process**

Bastrop Campus

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

* Planning in process

3. 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

LSE supply range

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

4. 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

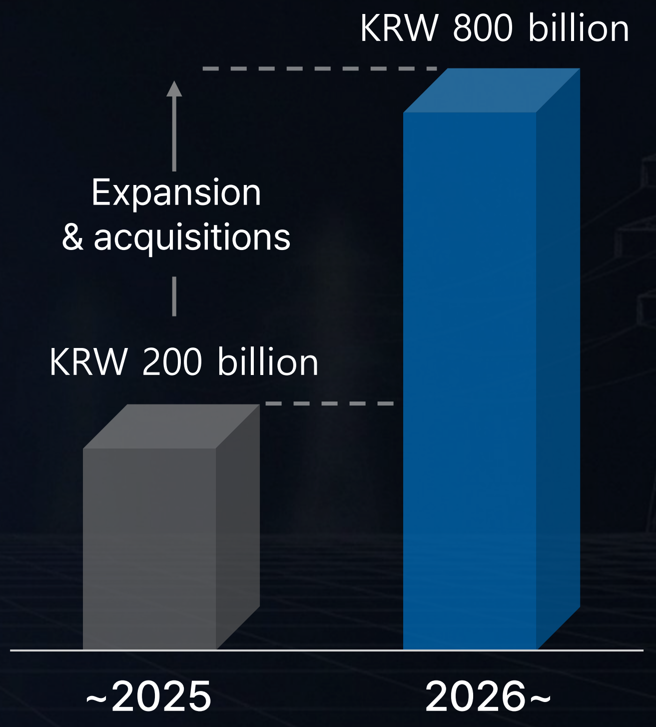
* incl. existing plant

+

Acquired LS Power Solution

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

Capacity of KRW 800 billion in 2026



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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

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

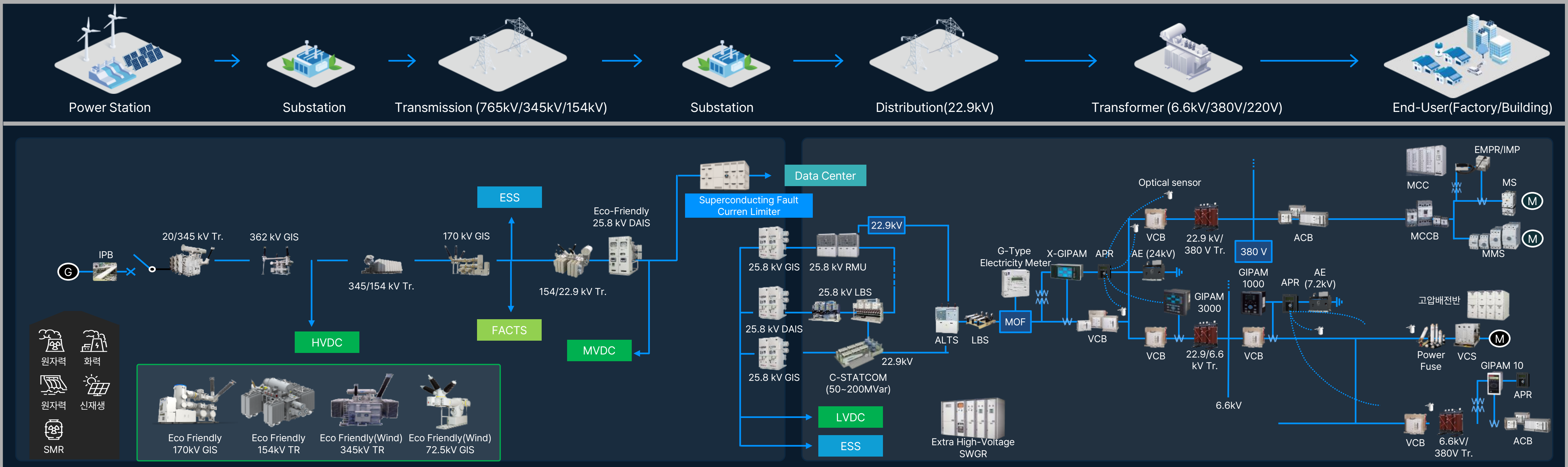

M-TR

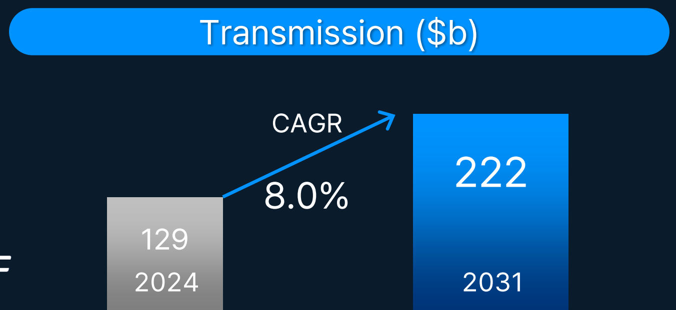
Key points	Mass production Based Standardized solutions, Various products line-up *) Switchgear and distribution transformers are predominantly order-driven
Industry Cycle	Continuous demands of equipment, Periodic replacement demands (5~10y term)
Key Customers	Construction companies / End-users (Buildings,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

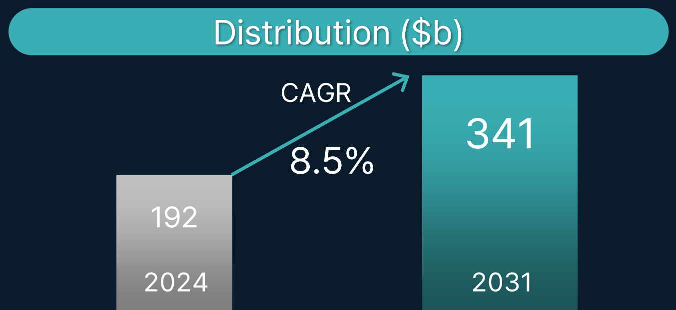
5. LS ELECTRIC Coverage

Coverage across transmission and distribution power systems

Power System







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