LX International

1Q 2023 Earnings Release

Disclaimer

This company has adopted its financial statements under

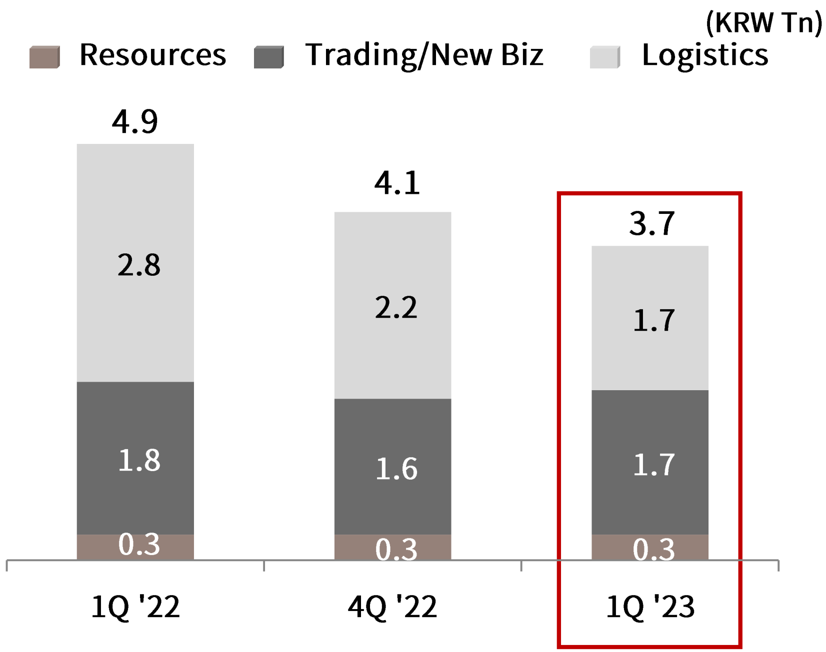
Korean International Financial Reporting Standards(K-IFRS).

This IR presentation has been prepared based on internally audited figures and

final figures may change due to the results of independent auditors' review.

1Q ’23 Results

Sales



❑ **YoY △1.2** (4.9 → 3.7)

- Decrease in ocean freight rates and volume
- Decrease in LCD panel price

❑ **QoQ △0.4** (4.1 → 3.7)

- Decrease in ocean freight rates
- Appreciation of South Korean Won (KRW)

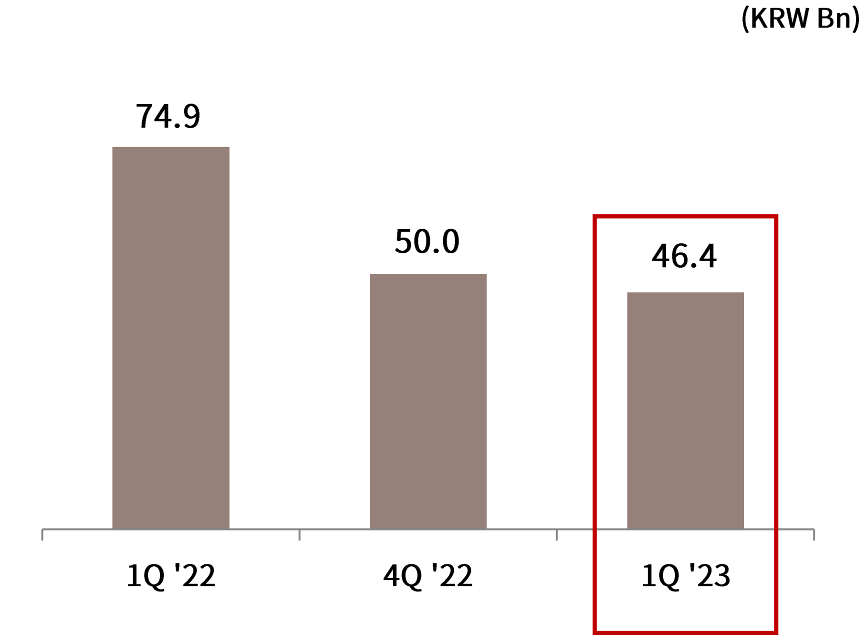
Profit/Loss

(KRW Bn)

Items	1Q ’22	4Q ’22	1Q ’23	YoY	QoQ
Operating Profit	245.7 5.0%	157.9 3.8%	161.7 4.4%	△34%	+2%
EBITDA	298.1 6.1%	216.2 5.3%	234.0 6.3%	△22%	+8%
Profit Before Tax	301.6	232.5	212.4	△30%	△9%
Net Profit	223.1	77.7	156.4	△30%	+101%

Resources

Operating Profit



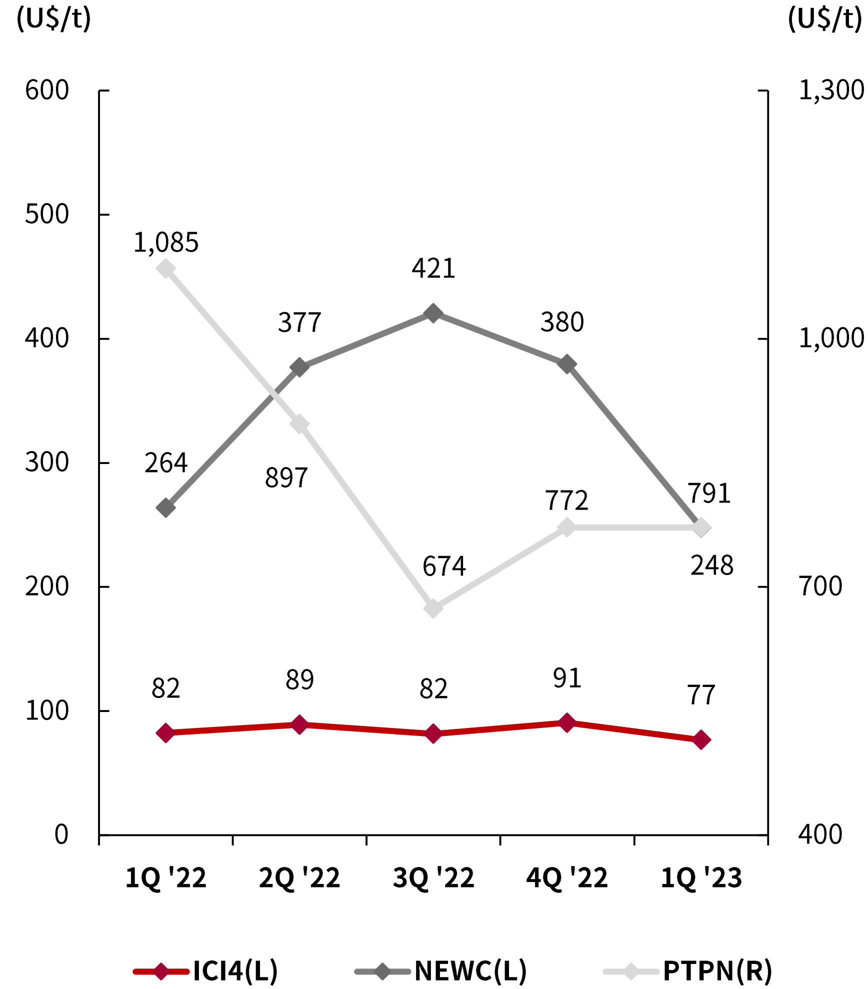
❑ **YoY △28.5** (74.9 → 46.4)

- Decrease in commodity prices
- Increase in production costs

❑ **QoQ △3.6** (50.0 → 46.4)

- Decrease in coal prices

Commodity Prices

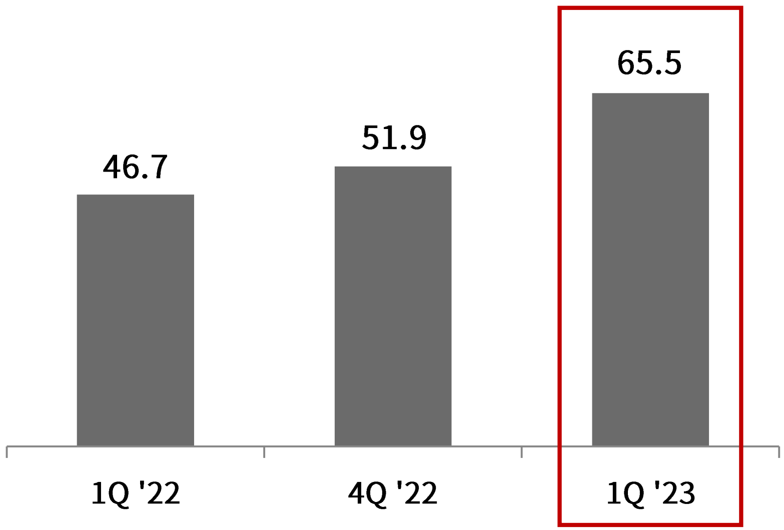


*ICI4(Indonesian Coal): Argus, GAR 4,200kcal
*NEWC(Australian Coal): Globalcoal, GAR 6,322kcal
*PTPN(Indonesian CPO): PT Perkebunan Nusantara CPO Tender Price

Trading/New Biz

Operating Profit

(KRW Bn)



❑ **YoY +18.8** (46.7 → 65.5)

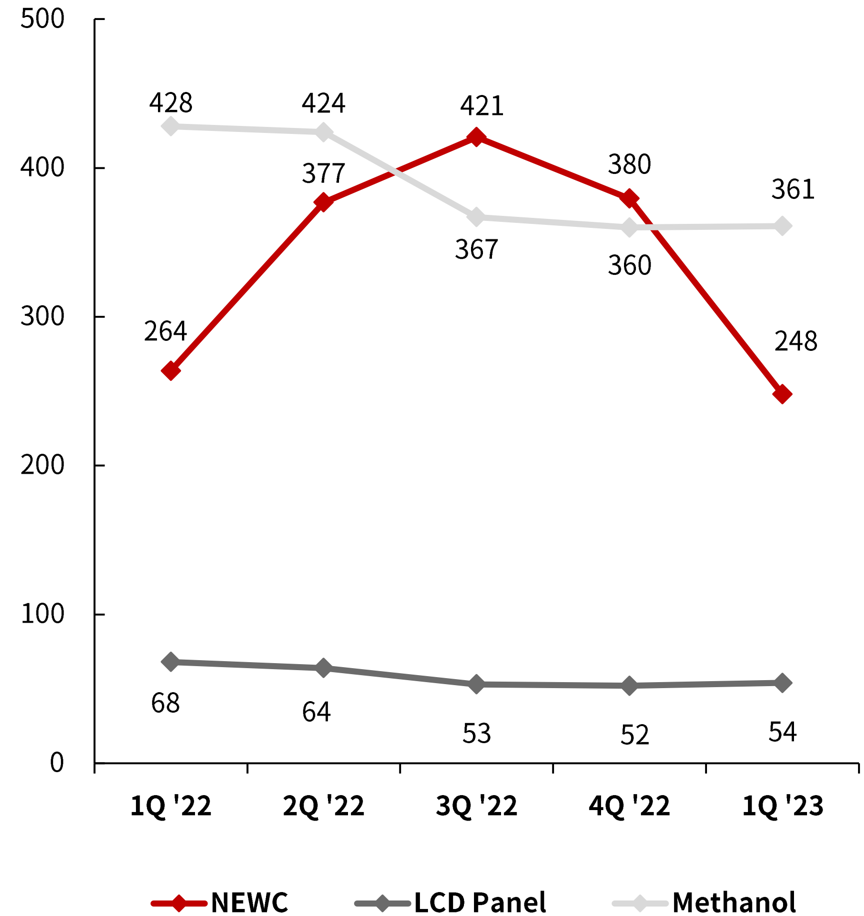
- Increased profit in resources trading
- Increase in LCD panel sales volume
- Consolidation of Hankuk Glass Industries Inc.

❑ **QoQ +13.6** (51.9 → 65.5)

- Increased profit in resources trading
- Consolidation of Hankuk Glass Industries Inc.

Prices of major products

(U$/t, U$, U$/MT)

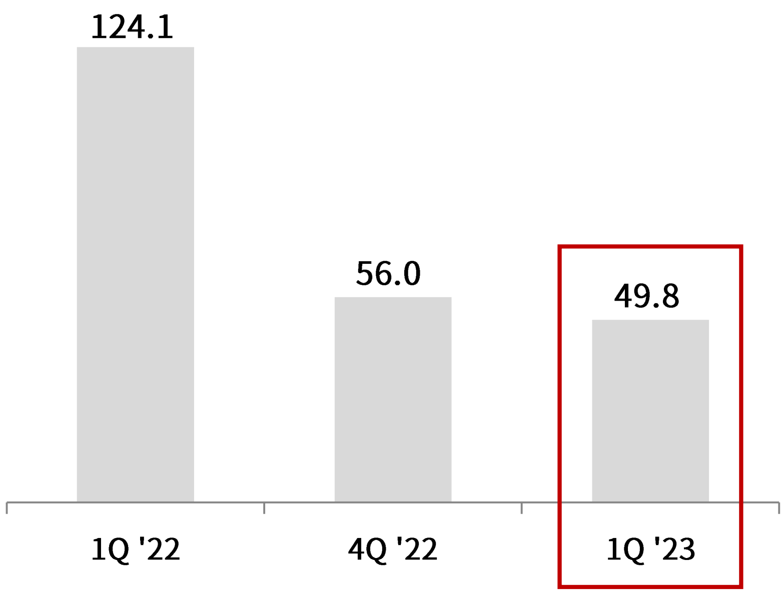


*NEWC(Australian Coal): Globalcoal, GAR 6,322kcal
*LCD Panel: DSCC, 43'' FHD Price
*Methanol: Platts, CFR Korea

Logistics

Operating Profit

(KRW Bn)



❑ **YoY △74.3** (124.1 → 49.8)

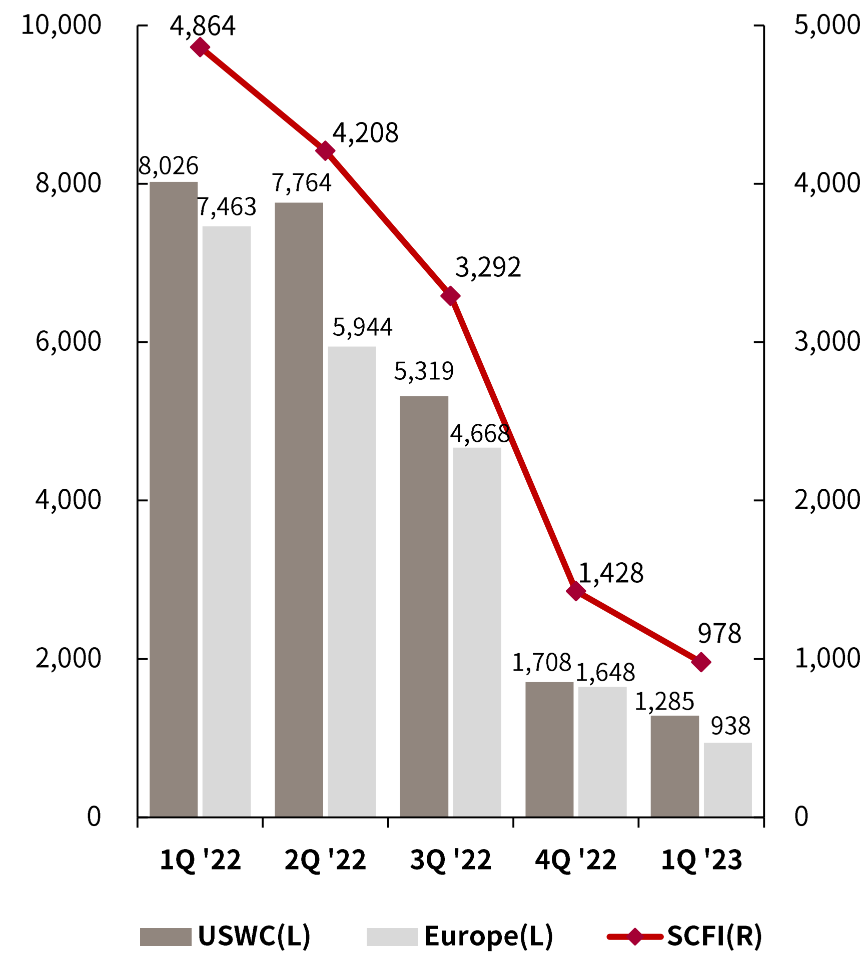
- Decrease in ocean freight rates and volume

❑ **QoQ △6.2** (56.0 → 49.8)

- Decrease in ocean freight rates
- Appreciation of South Korean Won (KRW)

Freight Rates

(U$/FEU, TEU) (P)



*Shanghai Shipping Exchange

Financial Highlights

Financial Positions

(KRW Bn)	'22	1Q '23
Assets	7,719.0	8,361.6
Cash & Cash Equivalents	1,550.7	1,324.0
Trade Receivables	1,374.9	1,406.4
Inventories	698.3	742.9
Investments/Intangible Assets	1,763.6	2,215.2
Others[1]	2,331.5	2,673.1
Liabilities	4,682.5	5,256.1
Trade Payables	1,149.0	1,225.4
Borrowings[2]	1,926.9	2,273.4
Others[1]	1,606.6	1,757.3
Shareholders' Equity	3,036.5	3,105.5
Capital Stock	193.8	193.8
Surplus, etc.	2,842.7	2,911.7
Net Borrowings[3]	326.7	879.9

Financial Ratio

	'22		1Q '23
Total Liabilities/ Shareholder's Equity	154%	+15%p	169%
Interest Bearing Liabilities/ Shareholder's Equity	63%	+10%p	73%
Net Interest Bearing Liabilities/ Shareholder's Equity	11%	+17%p	28%

1) Others(Assets): Tangible Assets, Non-Trade Receivables / Others(Liabilities): Lease Liabilities, Non-Trade Payables
2) Short-term Borrowings + Long-term Borrowings + Current Portion of Bonds and Long-Term Borrowings + Bonds Payables
3) Net Borrowings = Borrowings - (Cash & Cash Equivalents + Short term financial instrument)

Balance Sheet (K-IFRS Consolidated)

(KRW Bn)

Items	2022				2023
	1Q	2Q	3Q	4Q	1Q
Assets	7,560.2	7,716.3	7,962.3	7,719.0	8,361.6
Current Assets	5,066.7	4,999.1	4,926.0	4,482.2	4,384.3
Cash & Cash Equivalents	947.8	1,017.3	1,190.3	1,550.7	1,324.0
Trade Receivables	1,884.3	1,869.8	1,796.3	1,374.9	1,406.4
Inventories	1,072.9	1,075.7	880.7	698.3	742.9
Other Current Assets	1,161.7	1,036.3	1,058.7	858.3	911.0
Non-Current Assets	2,493.5	2,717.2	3,036.3	3,236.8	3,977.3
Tangible Assets	874.0	927.1	986.4	1,163.3	1,439.1
Investments	548.1	642.8	760.0	693.7	796.5
Intangible Assets	777.3	834.5	908.2	1,069.9	1,418.7
Other Non-Current Assets	294.1	312.8	381.7	309.9	323.0
Liabilities	5,032.8	4,919.7	4,808.6	4,682.5	5,256.1
Current Liabilities	3,795.6	3,590.2	3,247.6	2,935.0	2,995.7
Trade Payables	1,595.4	1,466.8	1,424.5	1,149.0	1,225.4
Short-term Borrowings	402.5	451.4	333.2	281.8	210.2
Current Portion of Bonds and Long-Term Borrowings	308.5	314.9	174.4	301.2	293.2
Other Current Liabilities	1,489.2	1,357.1	1,315.5	1,203.0	1,266.9
Non-Current Liabilities	1,237.2	1,329.5	1,561.0	1,747.5	2,260.4
Bonds Payables	538.7	518.7	518.8	469.0	469.1
Long-term Borrowings	336.7	447.9	647.4	874.9	1,300.9
Other Non-Current Liabilities	361.8	362.9	394.8	403.6	490.4
Equity	2,527.4	2,796.6	3,153.7	3,036.5	3,105.5

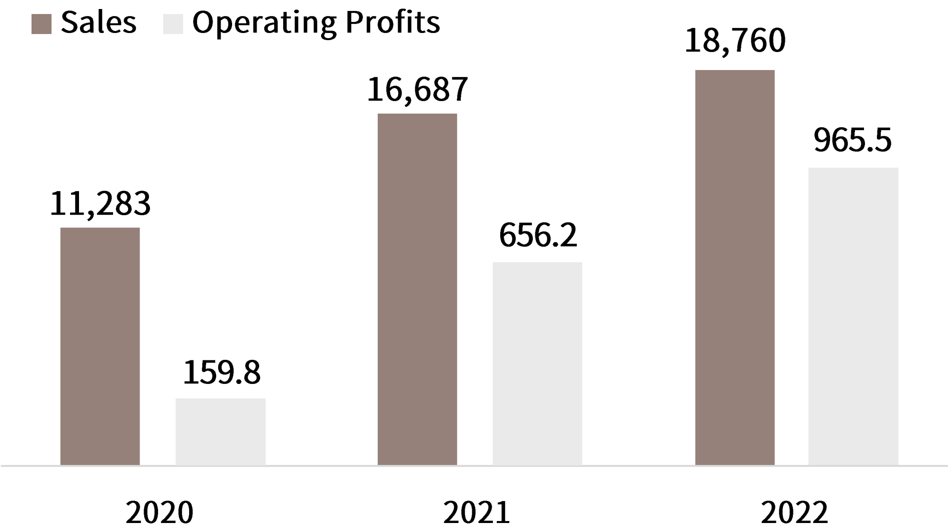
Income Statement (K-IFRS Consolidated)

(KRW Bn)

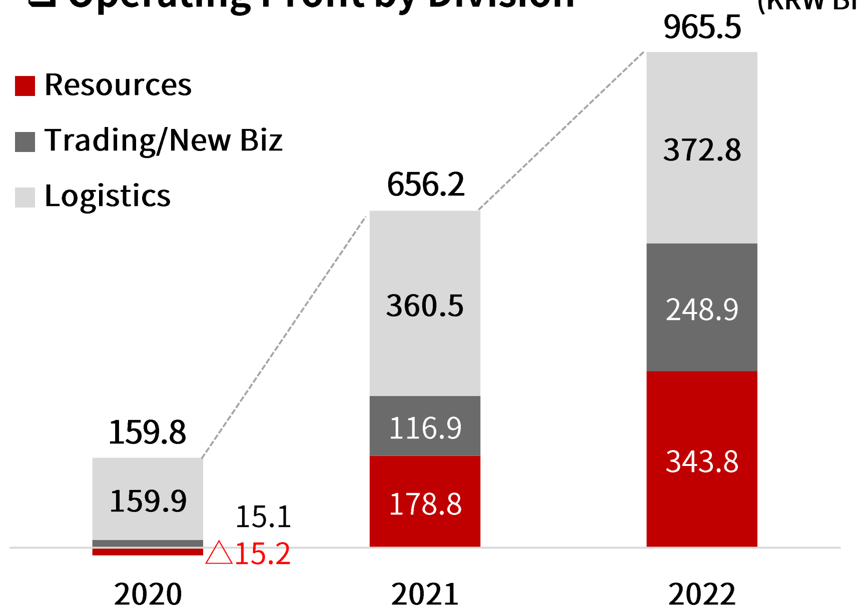
Items	2022					2023	
	1Q	2Q	3Q	4Q	Total	1Q	Total
Sales	4,918.1	5,020.0	4,709.4	4,112.1	18,759.5	3,699.9	3,699.9
Cost of Sales	4,494.3	4,515.4	4,221.6	3,692.8	16,924.0	3,301.7	3,301.7
Gross Profit	423.8	504.6	487.8	419.3	1,835.5	398.2	398.2
SG&A Expenses	178.1	215.2	215.2	261.4	870.0	236.5	236.5
Operating Profit	245.7	289.4	272.6	157.9	965.5	161.7	161.7
Non-Operating Profit	55.9	42.6	(5.6)	74.6	167.7	50.7	50.7
Finance Income/Costs	(0)	4.2	6.9	(34.2)	(23.0)	(10.2)	(10.2)
Gain(loss) of Equity Method	52.4	44.2	8.3	(7.3)	97.5	64.4	64.4
Other Income and Expenses	3.5	(5.8)	(20.8)	116.1	93.2	(3.5)	(3.5)
Profit Before Tax	301.6	332.0	267.0	232.5	1,133.2	212.4	212.4
Income Tax	78.5	101.1	19.5	154.8	353.9	56.0	56.0
Net Profit	223.1	230.9	247.5	77.7	779.3	156.4	156.4
Owners of the Parent	154.4	157.0	188.5	15.4	515.2	125.3	125.3
Non-Controlling Interests	68.7	73.9	59.0	62.3	264.1	31.1	31.1

Business Overview

❑ Sales/Operating Profits (FY2020-FY2022) (KRW Bn)



❑ Operating Profit by Division



Resources

- **Develop & Operate Mines**
  - Invest/develop/operate coal mines
  - Proceeding to develop/operate nickel mine
- **Produce Crude Palm Oil(CPO)**
  - Invest, develop, operate palm plantations (22,000ha)
  - Produce Crude Palm Oil from company-owned mill

Trading/New Biz

- **Transaction service between buyer-seller**
  - Resources Trading (Coal, CPO, Nickel)
  - IT Components, Petrochemicals trading
- **Expand Eco&Green Project**
  - Hasang hydropower (Indonesia)
  - Poseung Green Power (Korea)
- **Eco-friendly materials business**
  - Took over Hankuk Glass Industries Inc.
  - Proceeding to develop EV battery materials/glass raw materials trading

Logistics

- **Forwarding**
  - Sea: Container cargo, Bulk cargo
  - Air: Sea/Air-Air linked service
  - Rail: Provide service for Europe/Central Asia
- **W&D**
  - Operate 278 global logistics center
  - Provide Installations, Inland transportation services