



LG Electronics India Limited

(16th to 20th Floor) C- 001, Tower D, KK Project, Sector-16 B.
Noida - 201301 Dist. Gautam Buddha Nagar, UP (India)
T: 91-120-651-6700 Website: www.lg.com/in
Email id: cgc.india@lge.com

LGEIL/CGC/2026-27/19

Date: May 28, 2026

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

NSE Symbol: LGEINDIA

Scrip Code: 544576

Sub: Transcript of Earnings Call in respect of Financial Results for the quarter and financial year ended March 31, 2026

Dear Sir/Madam,

This is in reference to the Company's intimation dated May 13, 2026 filed with the Stock Exchanges pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the Earnings call held to discuss the financial results of the Company for the quarter and financial year ended March 31, 2026, which was scheduled on May 22, 2026.

Further to the audio recording already submitted to the Stock Exchanges, we hereby enclose the Transcript of the said Earnings Call.

The same is also available on the Company's website at:
<https://www.lg.com/in/investorrelations/quarterly-reports/>

You are requested to take the same on record.

Thanking You,

Yours truly,
For **LG Electronics India Limited**

(Anuj Goyal)
Company Secretary and Compliance Officer

Encl: As above



“LG Electronics India Limited
Q4 & Full Year FY '26 Earnings Conference Call”

May 22, 2026

MANAGEMENT: **MR. DONGMYUNG SEO – WHOLE TIME DIRECTOR & CFO**
MR. SANJAY CHITKARA – CO-CHIEF SALES & MARKETING OFFICER
MR. ATUL KHANNA – CHIEF ACCOUNTING OFFICER
MR. GURPINDERJEET SINGH – HEAD, FINANCIAL PLANNING
MR. GAGANJEET SINGH – CHIEF MANUFACTURING OFFICER
MR. SOONJOO SEO – INVESTOR RELATIONS OFFICER
MR. ADITYA BHASIN – HEAD, INVESTOR RELATIONS

MODERATOR: **MR. ANIRUDDHA JOSHI – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to the LG Electronics India Limited's Q4 and Full Year FY 2026 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star followed by zero on your phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aniruddha Joshi from ICICI Securities. Thank you and over to you, Mr. Joshi.

Aniruddha Joshi: Thank you, Michelle. On behalf of ICICI Securities, we would like to welcome you all to Q4 FY26 earnings conference call of LG Electronics India Limited. I would like to inform you that this call is being recorded and the audio call and its transcript will be available on the company website. First of all, I would like to thank LG Electronics management for giving us the opportunity to host the conference call. I would now like to hand over the call to Mr. Aditya Bhasin, Head of Investor Relations of LG Electronics India. Thanks and over to you, sir.

Aditya Bhasin: Thank you, Aniruddha. A very good evening to everyone. I would like to welcome you to the Q4 and full year FY26 earnings conference call of LG Electronics India Limited. Hope you have gone through our earnings presentation uploaded on our website and the stock exchange. I also want to remind you of 'safe harbour'. We may be making some forward-looking statements that have to be understood in conjunction with the uncertainties and the risks that the company faces.

We have our senior management here today, being represented by Mr. Dongmyung Seo, Chief Financial Officer, Mr. Sanjay Chitkara, Co-CSMO, Mr. Atul Khanna, Chief Accounting Officer, Mr. Gaganjeet Singh, Chief Manufacturing Officer, Mr. Gurpinderjeet Singh, Head Financial Planning, and Mr. Soonjoo Seo, Investor Relations Officer.

Without further delay, I would like to invite our IRO, Mr. Soonjoo Seo, to share his opening remarks and take us through LG Electronics India's performance and strategic highlights for the quarter and the full year. Thank you and over to you, sir.

Soonjoo Seo: Namaste. Hello everyone. Thank you for joining us today for the FY26 fourth quarter and full year earnings conference call. Despite the challenging external environment, LG Electronics India has continued to deliver steady performance. In FY26, we achieved meaningful growth together with our customers in India, driven by our strong market leadership in the domestic market. Let me first walk you through the FY26 fourth quarter.

During the quarter, we faced temporary headwinds including a delayed summer season, the US-Iran conflict, continued depreciation of the Indian Rupee and rising raw material costs. Despite these challenges, our business fundamentals remain strong. We are also firmly advancing our previously mentioned future growth strategic direction, Make in India, Make for India, and Make India Global. In the fourth quarter of FY26, we have achieved record high quarterly sales, which

is a significant achievement for LG Electronics India and a clear reflection of the strength of our business model.

In particular, our export expansion direction, aligned with the Indian government's export policy, is gradually showing positive results. At the same time, our localized products, such as the new Essential series, have been successfully established in the market and we are seeing growth across all product categories. This reflects both the depth of our product portfolio and the broad reach of our brand. In addition, our non-hardware business, especially AMC business, continues to grow. It is becoming an important recurring revenue stream and is contributing positively to overall profitability for LG across multiple areas for LG Electronics India.

Looking ahead to FY27, we have established a clear roadmap for our future growth strategy. We call this strategy EXCEL. This stands for EX: Export expansion, C: Capability of new factory production, E: Expansion of market leadership, brand and new business, and L: Localization. Each of these pillars is already underway and we will now walk you through the progress and future plans in more detail.

First, let me begin with the most important pillar, export. As mentioned in our previous earnings call, we have already started exports of large capacity refrigerators to advanced markets in the first quarter of FY27. At the same time, we have also begun exporting our Essential Series to neighbouring countries.

Going forward, we aim to expand our export destinations and distributors, diversify our export product portfolio, and strengthen our dedicated export organization and infrastructure. These efforts represent an important step in our journey to transform LG Electronics India into a true global export hub. In addition, export growth provides a natural hedge against Rupee depreciation and is expected to significantly contribute to improving our profitability by enhancing cost competitiveness.

Secondly, the expansion of production capability at our third factory plant in Sri City is progressing smoothly and in line with our internal goals. Production of compressors in FY27 third quarter and room air conditioners is scheduled to start in the fourth quarter of FY27, covering the January to March period. With a total planned investment of INR50 billion, Sri City will be established as a key manufacturing and export hub for the future.

Third, our product strategy is based on a two-track approach, covering both the premium segment and Essential Series, which represents the mass premium segment. We are proud to maintain market leadership across all major product categories in India. Looking ahead, we will further strengthen our market leadership while continuing to launch differentiated products and expand investments in new business areas.

Fourth, we continue to advance our localization strategy. This year, our localization rate reached 55.2%, an improvement of about 1.4% points year-on-year. We are targeting an annual increase of more than 1% to 2% points going forward. We expect this to contribute to stronger cost competitiveness and more stable management of foreign exchange volatility.

Looking at the first quarter of FY27, sales performance in April and May has already been encouraging. For FY27, we are targeting mid-teen digit revenue growth and early double-digit EBITDA margins. Given the relatively low penetration rate in the Indian market and strong demand for home appliances, we believe there is a significant structural growth opportunity ahead.

We will capture these opportunities by listening closely to the voice of the market and responding quickly and precisely, thereby strengthening our market position. Our goal is not to simply grow the business. We aim to deliver the best technology to homes in India, build world-class manufacturing capabilities in India, and establish a platform that delivers the best products in India to global markets through export. Make-in-India, Make-for-India, and Make-India-Global.

Now I would like to invite our CAO, Mr. Atul Khanna, to walk you through our financial performance.

Atul Khanna:

Thank you, Mr. Soonjoo Seo, and good evening everyone. It is my pleasure to take you through our financial performance for the fourth quarter and the full year of fiscal year '26. The fourth quarter, as guided, proved to be our strongest of the year, delivering the highest ever quarterly revenue from operations. Revenue stood at INR80.54 billion, reflecting year-on-year growth of 8.1% compared to INR74.48 billion in Q4 FY25.

Growth was broad-based, led by Home Appliances and Air Solution segment, supported by a strong summer season and a successful BEE transition. We continue to maintain market leadership across key categories, driven by our two-track strategy that balances growth across both, premium and mass-premium segments.

Large panel TVs, French door refrigerators and LG Essential appliances all contributed meaningfully to this performance, reinforcing both our brand strength and consumer trust. EBITDA for the quarter came in at INR9.45 billion, with a margin of 11.7%.

Net profit stood at INR6.93 billion, translating to a PAT margin of 8.5%. Importantly, EBITDA margin improved by 7% sequentially. However, year-on-year margins were impacted by Rupee depreciation and elevated commodity prices. Looking ahead, we remain confident in our ability to improve margins further, with a sharp focus on managing inflationary pressures and input costs.

Now I'm coming to the full year performance. For the full year, LG India reported revenue from operations of INR246.05 billion, reflecting 1.0% growth year-on-year. While the first half was impacted by GST transition timing, a cooler than expected summer and geopolitical headwinds, our second half recovery demonstrated the underlying strength of our business model.

Full year EBITDA stood at INR24.08 billion with an EBITDA margin of 9.8%. Full year net profit stood at INR16.85 billion with a PAT margin of 6.8%. Our B2B business has emerged as a growing contributor to our revenue mix in FY26. We saw strong order inflows from

government infrastructure projects, recovery in corporate and hospitality sector orders, and continued traction in our commercial air conditioning business driven by IT parks, commercial real estate, and institutional buyers.

Our Annual Maintenance Contract business is building into a high margin recurring revenue stream that deepens our relationship with B2C customers beyond the point-of-sale. Together, these streams are gradually shifting our revenue mix towards higher quality and more predictable income.

As of 31st March 2026, our working capital stood at INR22.73 billion. Inventory levels have normalized following the new BEE ratings transition, with healthy channel inventory now heading into financial year '27. Our cash and bank balance remains robust at INR44.76 billion, providing us the financial flexibility to fund our Sri City manufacturing facility investment entirely through our internal accruals.

Free cash flow for FY26 was strong, further reinforcing our ability to support growth initiatives while maintaining balance sheet strength. Capital expenditure for FY26 across our existing facilities amounted to approximately INR5.51 billion, consistent with our usual annual investment range of 2% to 2.5% of total revenue.

For the new plant at Sri City, we have committed a total investment of INR50 billion over the coming years. By FY26, around INR6.57 billion has already been deployed under capital work in progress and capital advances for construction and machinery. Looking ahead, we have substantial capex plans for the Sri City plant over the next two years, which will be fully funded through our internal accruals.

Return on equity and return on capital employed for FY26 have moderated, compared to financial year '25. This reflects two factors. Our cash balance has remained deliberately high as we build reserves to fund our Sri City plant through internal accruals, and first half profitability was impacted by the external headwinds as discussed earlier.

This moderation is transitory in nature, as Sri City capital gets deployed and starts generating returns, and as profitability normalizes in FY27, we expect our return ratios to improve meaningfully. Our business fundamentals remain strong, our balance sheet is healthy, and our long-term strategy is firmly on track.

With that, I would like to hand over to Mr. Aditya Bhasin, Head Investor Relations, who will walk you through our segmental performance and outlook for FY27. Over to you, Mr. Bhasin.

Aditya Bhasin:

Thank you, Atulji. Good evening once again. Let me now take you through our segmental business performance for Q4 and full year FY2026.

To start with Home Appliance and Air Solution, the H&A segment growth was driven by broad-based demand recovery and premium-led momentum following the BEE rating transition. Premium categories performed particularly well. Fully automatic washing machines, French

door refrigerators, and 5-star rated room air conditioners all delivered higher average selling prices, which contributed to a richer product mix. Our dishwashers business also emerged as an important growth driver this quarter, gaining meaningful traction as urban consumers increasingly embrace the convenience it offers.

Segment revenue for Q4 FY26 stood at INR65.16 billion, representing an year-on-year growth of 5.7% with a sequential growth of 133.7% over Q3, reflecting the strong seasonal demand uplift. For the full year, segment revenue stood at INR181.60 billion.

EBIT margin for the segment was 11.9% for the quarter. Margins were impacted by rising commodity costs, Rupee depreciation, and strategic channel investments made for new product introductions. These channel investments are being made deliberately to build long-term distribution depth.

Moving on to Home Entertainment segment, it delivered a strong Q4 with the revenue growing 19.6% year-on-year and 15.9% sequentially. Growth was driven by surging demand for large screen televisions, supported by the Cricket World Cup, which provided a meaningful near-term tailwind.

Our information display business recorded strong growth with healthy order inflows across commercial TV and signage from the government, corporate, and institutional buyers. In the premium television segment, LG maintained absolute leadership with an OLED market share of 60.0% as of YTD March 2026.

Segment revenue for Q4 FY26 stood at INR15.37 billion. For the full year, segment revenue stood at INR64.44 billion. EBIT margin for the segment was 13.4% for the quarter, impacted by Rupee depreciation and increased marketing investments to capitalize on Cricket World Cup demand, a deliberate and time-bound spend, partially offset by strong cost discipline and healthy contribution from our B2B business.

Coming onto the market shares, across all major product categories, washing machines, refrigerators, air conditioners, and television, LG India has continued and strengthened its market leadership.

Our premium segment registered higher growth, reflecting the continued success of our premiumization strategy across categories. We are proud of the consistent trust that Indian consumers and trade partners place in our brand and we remain firmly committed to protect and grow this leadership in every category we operate in.

Talking about the Q1 FY27 outlook by segment, starting with the Home Appliance and Air Solutions, we are now witnessing strong demand momentum in room air conditioners and washing machines, supported by premium refrigerators, including side-by-side and French door models.

The Essential Series is well-positioned to capture the summer surge with early sell-through data looking encouraging and channel inventory remaining lean. Exports of the Essential Series and premium products to key global markets are expected to add an incremental growth lever.

In System Air Conditioner category, we are launching a new 5-star model, a critical enabler for government project bidding and institutional business growth. In Home Entertainment segment, new product introductions in larger screen sizes and premium offerings will sustain our market leadership.

Our B2B business is supported by a healthy order pipeline. Under our Make in India initiative in the information display category, upcoming launches including the electronic blackboard and the second generation micro LED magnet with meaningful cost reductions are expected to drive the margin recovery.

Overall, we enter FY27 with strong momentum, encouraging early sell-through data with lean channel inventory heading into the summer season. And we are targeting mid-teen revenue growth in FY27. On the margin side in FY27, we are targeting improved early teen EBITDA margins, better than last year.

Key levers for margin improvement includes continued localization improvement, operating leverage from higher revenue volumes, a richer product and segment mix, and scaling of high margin AMC and B2B revenues. Industry-wide price increases already underway will also support gradual margin normalization across the sector.

Having said that, we remain watchful of cost pressures from currency depreciation and geopolitical risks. LG will constantly work on cost optimization, localization, and better operational efficiencies to navigate these headwinds. The market is recovering strongly with heatwave conditions driving compressor-based product uptake and GST cuts continuing to promote premiumization and large screen adoption in televisions.

To summarize, in FY2026 we faced external challenges with discipline and resilience. We delivered our highest ever quarterly revenue in Q4, crossed the historic milestone of 1 million plus room air conditioner sales, strengthened our market leadership across every major category, and laid a strong foundation across manufacturing, exports, and new categories for FY27.

The fundamentals of our business are strong, our strategy is clear, and our organization is energized for what lies ahead. We are deeply grateful for the continued trust and support of our shareholders, our trade partners, and most importantly, the Indian consumers.

With that, we conclude our prepared remarks and request the operator to open the lines for the Q&A session. We look forward to your questions. Thank you.

Moderator:

Thank you very much, sir. Ladies and gentlemen. We will now begin the question and answer session. The first question is from the line of Siddhartha Bera from Nomura. Please go ahead.

Siddhartha Bera: **Hi, sir. Thanks for the opportunity. Sir, my first question is, while we have seen revenues growing at 8% Y-o-Y in the quarter, we have not seen any operating leverage play out, which has led to decline in EBITDA margins on a Y-o-Y basis. Can you please explain what is the reason for this and how should we think about the coming year?**

Aditya Bhasin: Thank you, Siddhartha for the question. This question will be addressed by our Chief Accounting Officer, Mr. Atul Khanna, after the Korean translation. Please hold on.

Atul Khanna: Thank you for this question. And this is a very valid observation. Despite a challenging global environment, our sales grew by 8.1% in quarter 4 '26, which provided some operating leverage benefit. However, the margin declined by approximately 250 bps, which was driven by a combination of few factors.

To start with, raw material costs remained broadly at similar levels but impacted marginally due to the pressure of commodity prices. However, the rupee depreciated almost by 5.6% year-on-year in this quarter, creating a meaningful headwind on our import cost. The single largest contributor was our channel promotion investments, which impacted margins by approximately 1.1%. These were temporary strategic investments made to separate our channel partners, drive sell-out, and strengthen our market position during this quarter, and build confidence among our channel partners.

Currency depreciation was other significant factor impacting the margins again by approximately 1%.

Electronic waste cost, which is a compliance cost, added a further impact of approximately 0.2% as our recycling targets increased from 60% to 70% as per government regulations. Looking ahead, with the price hikes now in place across categories, promotional intensity rationalizing, hot summer going on, we are confident of recovering our margins for financial year '27 and to deliver our early double digit EBITDA margins for '27 full year. Thank you.

Siddhartha Bera: **Thanks for this, sir. My second question is on the outlook side. Can you clarify what is LG doing differently compared to peers, which will help it grow ahead of the industry? And how will margins improve from the current levels as conditions normalize going ahead?**

Aditya Bhasin: So, this question will be addressed by our respected CFO, Mr. Dongmyung Seo, after the Korean translation.

Dongmyung Seo: Thank you for your question. As mentioned earlier, our confidence in outperforming industry growth does not rely on a single factor. It comes from our clear differentiation and multiple growth drivers. On the revenue side, exports are scaling up meaningfully. We are entering neighbouring countries and key global markets through our essential series and premium product lines, achieving steady growth beyond the domestic B2C business.

The B2B segment is recovering strongly with ID recently achieving its highest ever quarterly sales. Meanwhile, the non-hardware AMC business which generates high margin recurring

revenue is expected to drive additional growth in FY2026 and serve as a stable growth engine. New product categories are delivering strong contribution to our revenue.

Under our two-track strategy, premium French door refrigerators are gaining solid traction while dishwashers have already doubled revenue this year. At the same time, we also launched the new Essential Series, allowing us to reach new consumer segments and untapped geographies.

Looking ahead, our entry into the segment of chest freezers will serve as an additional growth driver, further expanding LG's portfolio and strengthening revenue streams. From a margin improvement perspective, we see three clear opportunities.

First, we have positioned exports as our core growth engine. This provides the most opportunity to improve profitability and enhance overall margin performance. Second, localization, which currently stands at 55.2 % and continues to grow is central to our Make in India strategy.

By deepening local manufacturing, we're reducing import dependency, lowering currency exposure and strengthening our cost structure. Third, higher margin businesses such as AMC and B2B are expected to account for a larger share of our revenue compared to our core B2C business.

If the geopolitical situation in the Middle East stabilizes, lower oil prices and improved raw material costs are expected to follow. This in turn could drive capital inflows into India and support a recovery in consumer demand. In the consumer demand sector, we anticipate both, revenue growth driven by stronger demand and significant margin improvement supported by cost optimization. To capture these opportunities, we will pursue a premium and mass premium portfolio strategy to enhance both growth and profitability.

Siddhartha Bera: Understood.

Moderator: Thank you. The next question is from the line of Sonali from Jefferies. Please go ahead.

Sonali: **Thank you for the opportunity and I must say, it's good to see a double-digit EBITDA margin, especially in the current uncertain macros and the cost headwind. So, congratulations to the team for that. I have three questions. The first on the current industry scenario, you did mention that the demand is very strong?**

So can you please help us understand the channel inventory right now versus say a comparison at the start of the year? My second question is regarding the price hikes across all product segments. So we know broadly that for aircons it is 12% to 13%, but across the rest, washers and TVs as well and do you think they are enough to sustain the margins or improve them going forward or should we take further hikes? And the third is regarding capex, the capex outlook for F27 and also the update on the timelines of the new plant commissioning? Thank you.

Aditya Bhasin: Thank you Sonali for the question. The first part of the question is related to the inventory which will be handed over to Mr. Gurbinder Singh. He will give you the answer for that. For the second

question is about the price hike which will be taken care by Mr. Sanjay Chitkara who is our Co-CSMO. And third one is the capex which Mr. Atul Khanna, our Chief Accounting Officer will respond to after the current translation. Please hold on.

Gurpinder Singh:

Thank you for this question. This is regarding the channel inventory of AC. So basically I would like to share that Q4 is a big period for AC business for us. 55% of our annual business comes from Q4. And during this period, as per our strategy, we filled the channel with AC inventory to ensure sufficient stock availability during the summer. I would like to share with you that we have sold more than 1 million ACs in Q4 FY26. Regarding channel inventory, the AC industry entered Q1 FY'27 with the same inventory levels as last year. Yes there was a little stress due to the spell of low temperature during March, which temporarily slowed down the normal sell-out cycle.

As a result, dealers approached the season with cautiousness, given the elevated inventory and slower start to sales. In LG's case, on the contrary, our inventory levels were aligned with our planning and remain manageable and we were closely monitoring the pace of sell-out. Dealer sentiment was steady, but like the rest of the industry, partners were watchful of how quickly demand picks up with the weather.

Importantly, the current sell-out trend is strongly supported by high temperatures across regions, helping us drive demand and ease channel pressure. We have also supported our partners with timely product availability including the launch of new BEE rated compliant models which has kept their engagement active. Thank you.

Sanjay Chitkara:

I am Sanjay Chitkara, I am Co-Chief Sales and Marketing Officer at LG India. I will answer about the price increase. So you know we always approach our pricing increase very thoughtfully with balanced decisions, always guided by three key factors. First is our brand's position, second is our market competitiveness, and third and foremost is our profitability.

So we do not take any pricing action in isolation and we take a very balanced approach for our consumer, trade partners, and our business. So for ACs, we took a calibrated price adjustment in two phases. In the first phase, it was clearly driven by a structural change of new BEE star ratings announcement and that was required to make a meaningful upgrade to the product specification helping deliver more energy efficient standards to our consumers.

The second adjustment was taken to protect our margin due to increased input cost and exchange rate movements. And once we took this decision, we were the first one to take this bold decision and others also followed us. And this is why our competitive price positioning has not changed in the market.

We are also simultaneously working on multiple internal levers depending upon deepening our component localization, trying to reduce our dependency on currency fluctuation, and continuous cost optimization across our operations, and actively improving our model mix so that our premium market share goes up and higher star rating products sell more and profitability can be improved.

Together these levers are giving us a sustainable and balanced path to improving our profitability than deeply depending upon price adjustment alone. Furthermore, we should not forget that GST cut on RACs has significantly benefited consumers, which has offset the impact of these price adjustments and keeping our products accessible and affordable.

For refrigerator and washing machines, we have also taken similar price adjustments. Consumer and channel response have been encouraging and there is no impact on our sales and sales targeted sales growth. As far as further price increase actions are concerned, we do not have any immediate plan at this stage, but we are very cautious and monitoring the situation. However, we will continue to closely monitor the raw material prices, currency movements, and market conditions, and take a calibrated decision as and when required. Thank you very much.

Atul Khanna:

This is Atul Khanna and now I will answer your third question on Sri City plant timeline as well as the investment plan. I am pleased to confirm that our Sri City plant construction is fully on track as per our plan and we remain committed to our INR5,000 crore investment roadmap, deployed in a phased manner over the next few years, funded entirely from our internal accruals.

Coming to the specific timelines, our aircon compressor production line is scheduled to commence operations in the last quarter of calendar year 2026, which is third quarter of FY27 as communicated earlier, followed by aircon production line operational in first quarter of 2027 which would be quarter four of FY27.

Washing machine and refrigerator lines will be added thereafter in a phased manner. Our next two years investment is majorly planned to cover our total INR5,000 crores of investment. And currently, till March 2026, we have invested INR657 crores already.

From a people perspective, we have already initiated hiring for key staff and other critical functions. This reflects our confidence in construction timelines and underscores our commitment to ensuring full operational readiness when the plant goes live. By building capabilities ahead of schedule, we are de-risking execution and strengthening our talent pipeline, a proactive step that supports seamless ramp-up once operations commence.

This facility represents a strategic assay for both our domestic operations and expanding export ambitions. It will expand production capacity, enhance logistics efficiency, particularly for our South India business, which contributes 38% to 40% of our total business, and also reinforce our localization roadmap. We see this as a key driver of sustainable growth and long-term shareholder value creation. Thank you.

Sonali:

Thank you team and all the best.

Moderator:

Thank you. The next question is from the line of Vishal Goel from HSBC Securities and Capital Markets. Please go ahead.

Vishal Goel:

Yes, thanks for the opportunity. I have two questions. First one is on exports. So your initial comments were very encouraging. But given that current global environment, do

you still maintain your earlier export guidance of doubling the exports compared to last year? And my second question is on Essential Series. So just want to check what is the response you are getting on the Essential series so far from the market and what are the products in this entry level line you are which is scheduled for launch? So these are my two questions. Thank you.

Aditya Bhasin:

So the first part of the question will be addressed by Mr. Atul Khanna, who's our Chief Accounting Officer and the second part is about the Essential Series progress will be addressed by Mr. Sanjay Chitkara, our Co-CSMO, after the Korean translation.

Atul Khanna:

So, thank you for your first question. Let me address that about exports. Our export business is consistently delivering better margins and we are expanding our exports going forward for FY27. As you rightly mentioned, under our 'global south strategy', we are expanding our export base with a greater share of premium products. And as part of this plan we will be exporting high value offerings such as side-by-side refrigerators and Top Freezers (790 liter plus) and front-load washing machines that are all manufactured in India for developed markets, while also supplying LG Essential Series to other developing countries.

This approach ensures a well-diversified export portfolio across geographies and price points strengthening both growth and margins. So, our clear guidance is to expand our exports very significantly considering the Middle East situation so far. As a part of LG's global growth, we benefit from our order allocations from headquarters giving us a clear demand visibility, a key advantage over peers in terms of currency fluctuation. Our export receivables naturally hedge import payable creating a built-in currency buffer as export scales.

Further, this natural hedge will continue to strengthen our profitability with our diversified portfolio across developed and emerging market reducing geographical risk. Through our Pune plant we have already built on our premium product capacity which will support exports of the premium side-by-side refrigerators, Top Freezers and Front loading washing machines. We are also building our capability and capacity through our Sri City plant in FY27 to boost the capacity to double, to further support our future export plans and increase our asset return and margins FY27 onwards.

Sanjay Chitkara:

Thank you. I will answer on the Essential Series. Essential Series is a product lineup that we introduced on 14th of October last year. Prior to launching this range, we actually visited 1200 Indian households across India's tier 2 and tier 3 towns. The Essential Series was designed to meet everyday needs with a strong emphasis on durability, functionality and the same LG aesthetic appeal. It reflects LG's commitments to delivering affordable premium offerings across both home appliances and electronics.

Regarding the response of this product. this range was initially offered with only limited SKUs, but yet, the response has been very encouraging. For the washing machine alone, we have sold 1 lakh units. In Q4 FY'26 and the similar period we sold roughly 80,000 Essential Series refrigerators. On the RAC front, we introduced a lower than 1 ton capacity unit which was 0.8

ton and the sale was roughly 20,000 units. In the near future, we will further expand this series in various capacities, various variants, color and designs.

We will also expand the Essential Series in televisions as well. Currently we are commencing exports as my colleague Mr. Atul Khanna also explained earlier. We are expanding the export of Essential Series to 22 countries. Thank you very much.

Vishal Goyal: Thank you for a detailed response. Thanks team.

Moderator: Thank you. The next question is from the line of Sanjeev Kumar Singh from Motilal Oswal Financial Services. Please go ahead.

Sanjeev Singh: **Thank you for the opportunity, Sir. First question is in terms of demand. So, you mentioned in your opening remark that there has been a significant improvement in demand in April and May 26. Can you throw some light on how has been the industry growth rate as well as our growth rate in these two months? You also discussed about the price hikes in different categories. Are these hikes sufficient to offset cost increases which have been seen till now or you need to take some more price hikes?**

Management: Both these questions will be addressed by Co-CSMO Mr. Sanjay Chitkara after the Korean translation.

Sanjay Chitkara: Thank you for the question. Let me address this category wise. First, let me talk about air conditioners. We had a very strong last quarter and demand picked very well for ACs. India is a very diverse tropical weather country, where we have high ambient temperature, long summers and therefore the AC has become a necessity now. Notably, the penetration of ACs is also very low. Currently, it is touching only 13%, so good demand is assured for mid and long term.

This year we prepared well for our AC products and we launched early new BEE star-rated air conditioners in the market and hit the 1-million-unit mark in quarter four, which is historically the highest AC sales for LG Electronics, a proud moment for us all, with the current summer trends and GST cuts.

ACs are very well supported by the summer demand, and we will surely deliver good growth over last year. Refrigerator demand is also steady and moving as per expectations. Customers are choosing larger and more energy-efficient models, which is a very positive signal for us. Our French door refrigerators are also doing extremely well. We launched these products in the month of November, and our market share jumped from 5% to 14% by March 2026 and we will become number one player for French door refrigerator very soon.

Regarding washing machine category, it is also on track. Essential range is doing very well for first time buyers, and it has been received very well received in the market. We sold, as I mentioned earlier also, we sold nearly 1 lakh units in Q4 alone. Especially in the smaller towns and cities.

Regarding televisions, the demand is steady and customers are clearly moving towards bigger screens that are 55 inch and above. We grew 47% in the 55-inch segment. And now this segment has become 49% of our business. We achieved 20% plus growth in televisions in Q4, which is very encouraging.

What gives us further confidence is that India is still a very under-penetrated country for home appliances, as compared to other developed nations. So, the long-term growth opportunity is very large. The recent GST reductions have also made our products more affordable for the customer.

Putting it all together, we are very confident of delivering strong double digit, mid-teen digit growth across all four categories for FY'27. Regarding the price increase, I have just answered the price increase question and we are clearly vigilant and observing the currency movement.

As of now, it is too early and too premature to announce any future price increase. Currently we are focusing on cost optimization, operational efficiency and our localization rate to mitigate the currency fluctuation impact. Thank you very much.

Sanjeev Singh:

My second question is in terms of new product categories. So, you had given a press release in the first week of May mentioning new product categories like chest freezers, fixed-speed room ACs and large size refrigerators. So, can you throw some more insight on this, whether these are meant for domestic market, exports, and what are the market opportunities? Thank you.

Aditya Bhasin:

So, this question will also, be addressed by our Co-CSMO Mr. Sanjay Chitkara after the Korean translation.

Sanjay Chitkara:

Thank you very much for this question. So, you know we are very excited about our new categories which we have recently introduced or planning to introduce. First, I would like to talk about our French door refrigerators. So, we entered this category in the month of December 2025 and we have moved very quickly to capture this opportunity.

As I mentioned just now, our market share is growing very significantly in this segment – from 5% to 14% is what our market share jumped to in Q4 and we aim to become the number one player in this category. These refrigerators are becoming very popular in India because they are designed for Indian kitchen needs, with layouts that are very suitable for Indian consumers.

On chest freezer, this is entirely a new category for LG India. And we are launching a strong range for five models in the upcoming quarter at very competitive prices. Currently the chest freezer market sizes is roughly around INR3000 crores. And it will create new business revenue for us in the near term. Similarly, we were not present in the fixed-speed AC segment earlier either. This year we introduced this missing segment in our portfolio as well.



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And we have now addressed it with more energy efficient models, reinforcing our technology leadership even in the value segment. We also introduced a sub-1-ton capacity air conditioner model this year in the Essential Series category.

Coming to the last and my favourite category - dishwashers. This too has been a very strong success story for us. Sales have been growing significantly year-on-year and we have moved up to become the number two player in this category. And our ambition is very clear – we want to become the number one player in this segment. Our new higher capacity model like the 14 plate and true steam wash models are emerging as key drivers in the segment.

Recently we have also started production of our double door refrigerator of 674 litre and 790 litre side-by-side refrigerator in our Pune plant, a size that no one else is currently producing in India. It strengthens our Make-in-India commitment. We are also excited about the LG Essential Series, with its multiple new SKU lineup across categories and we are confident that with the help of all new segments, we will register a mid-teen growth. Thank you very much.

Sanjeev Singh: Thank you for your detailed response, sir.

Moderator: Thank you. Ladies and gentlemen, we'll take that as the last question for today. I now hand the conference over to Mr. Aditya Bhasin for closing comments. Thank you and over to you, sir.

Aditya Bhasin: Thank you all of you for attending our LG Q4 FY26 and full year FY26 earnings call. With this, we conclude today's discussion. Should you have any pending questions or require further clarification, please don't hesitate to call me directly. Thank you and have a nice day.

Moderator: Thank you, members of the management. On behalf of LG Electronics India Limited, this concludes our conference. We thank you for joining us and you may now disconnect your lines. Thank you.