

**AX Leading Company**

Opening a New Future Through AI Transformation

**Q3 2026**

# **Earnings Presentation**



October 2026 Investor Relations



# Disclaimer

- | This information regarding business performance of LG CNS is provided for the convenience of investors of the Company prior to being reviewed by external auditors and the information contained herein are subject to change during the audit review process of the external auditors.
- | The financial information contained in this document has been prepared on a consolidated basis in accordance with K-IFRS or Korean International Financial Reporting Standards.
- | Some of the statements as contained herein can be forward-looking considering the current business environment and the Company's business strategies. Therefore, in accordance with the uncertainties inclusive of changes in the future business environment and corporate strategies, actual results may differ materially from those expressed in the aforementioned statements.
- | The information contained herein should not be utilized for any legal purposes in regards to investor's investment results. The Company hereby expressly disclaims any and all liability for any loss or damage resulting from the investor's reliance on the information contained herein.

# Contents

3p — **3Q26 Business Performance**

5p — **Highlights**

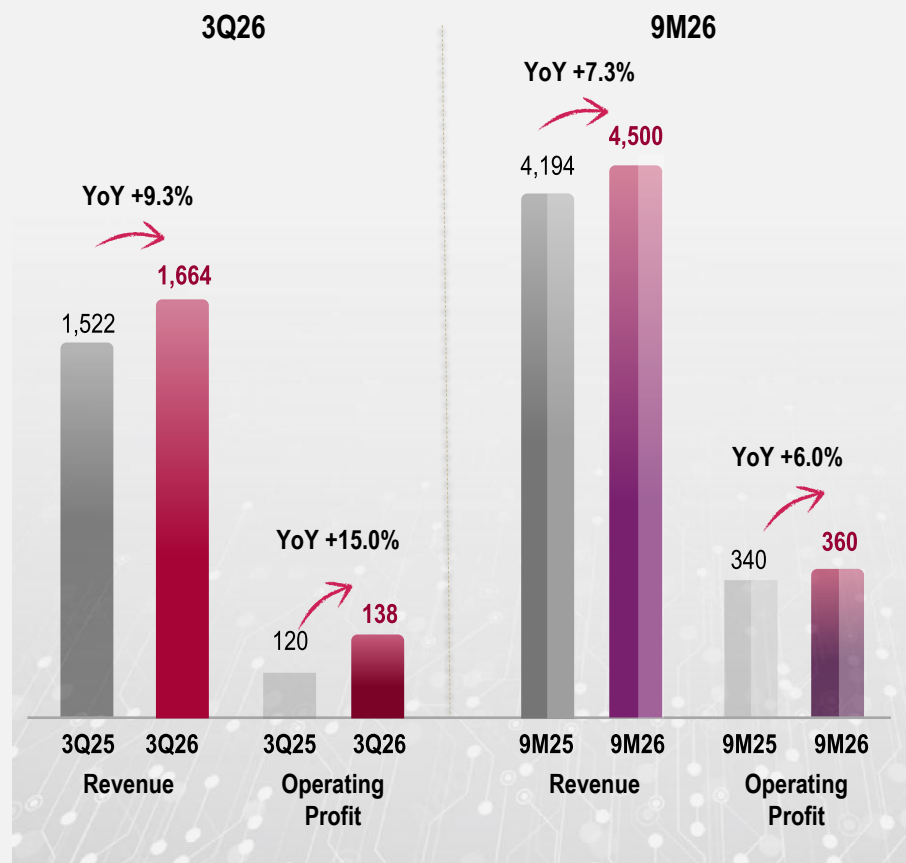
8p — **Appendix**

CNS

## Company-wide growth fueled by AI·Cloud, and financial project monetization

### Financial Results

(Unit: KRW billion)



### Condensed Income Statement

(Unit: KRW billion)

| Category              | 3Q25  | 3Q26  | YoY    | 9M25  | 9M26  | YoY    |
|-----------------------|-------|-------|--------|-------|-------|--------|
| Revenue               | 1,522 | 1,664 | +9.3%  | 4,194 | 4,500 | +7.3%  |
| Cost of Good Sold     | 1,310 | 1,416 | +8.1%  | 3,584 | 3,837 | +7.1%  |
| Gross Profit          | 212   | 249   | +17.1% | 610   | 663   | +8.8%  |
| GPM(%)                | 13.9% | 14.9% | +1.0%p | 14.5% | 14.7% | +0.2%p |
| SG&A                  | 92    | 110   | +19.5% | 270   | 303   | +12.2% |
| Operating Profit      | 120   | 138   | +15.0% | 340   | 360   | +6.0%  |
| OPM (%)               | 7.9%  | 8.3%  | +0.4%p | 8.1%  | 8.0%  | -0.1%p |
| Net Income Before Tax | 141   | 118   | -16.4% | 361   | 384   | +6.3%  |
| Net Income            | 105   | 83    | -21.1% | 262   | 283   | +8.1%  |

## Sustaining a strong balance sheet backed by a stable net cash position

### Leverage Ratios



### Condensed Financial Position

(Unit: KRW billion)

|                                | 3Q25         | 2Q26         | 3Q26         |
|--------------------------------|--------------|--------------|--------------|
| <b>Total Assets</b>            | <b>4,708</b> | <b>4,947</b> | <b>5,003</b> |
| <b>Current Assets</b>          | <b>3,548</b> | <b>3,614</b> | <b>3,672</b> |
| Cash and cash equivalents*     | 1,494        | 1,612        | 1,604        |
| <b>Non-current Assets</b>      | <b>1,159</b> | <b>1,333</b> | <b>1,331</b> |
| <b>Total Liabilities</b>       | <b>1,950</b> | <b>1,891</b> | <b>1,971</b> |
| <b>Current Liabilities</b>     | <b>1,555</b> | <b>1,497</b> | <b>1,564</b> |
| <b>Non-Current Liabilities</b> | <b>395</b>   | <b>394</b>   | <b>407</b>   |
| <b>Total Equity</b>            | <b>2,757</b> | <b>3,056</b> | <b>3,032</b> |
| <b>Borrowing**</b>             | <b>391</b>   | <b>160</b>   | <b>160</b>   |
| <b>Net Cash</b>                | <b>1,104</b> | <b>1,452</b> | <b>1,444</b> |

\*Including deposits with financial institutions

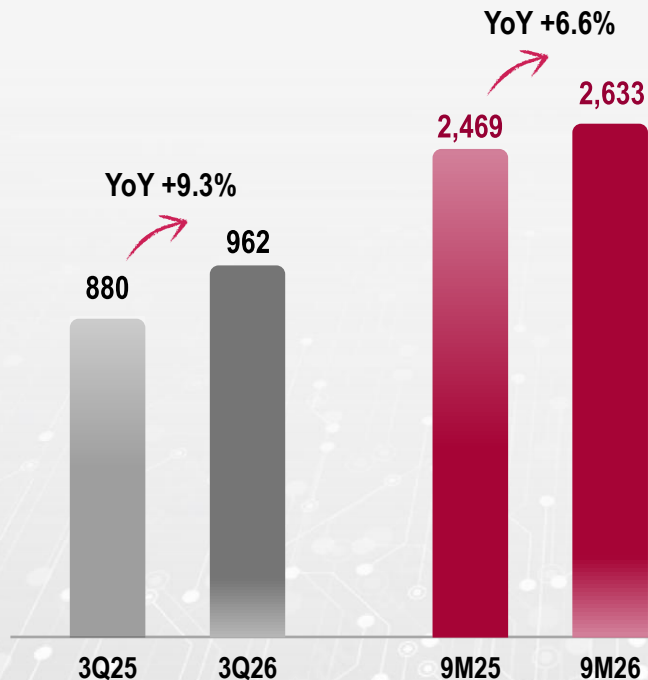
\*\*Excluding lease liabilities

## Financial Highlights

### Cloud & AI Revenue

3Q26 Revenue increased by +82.1 bn. (YoY +9.3%)

(Unit: KRW billion)



## Business Highlights

### Earnings Review

- ✓ \*MSP expansion supported by AI service growth, drove strong growth
- ✓ AI infrastructure build-out and maintenance revenue also expanded, supporting solid growth
- ✓ Revenue growth from ongoing AIDC build-outs and colocation services boosted results

### Outlook

- ✓ Rising AI service demand is driving cloud usage and MSP demand, supporting continued cloud growth
- ✓ Growing adoption of AI services is expected to drive GPUaaS expansion and demand for AI Factories that produce AI intelligence, sustaining growth

\*MSP(Managed Service Provider) : A provider managing hyperscaler cloud & related IT services

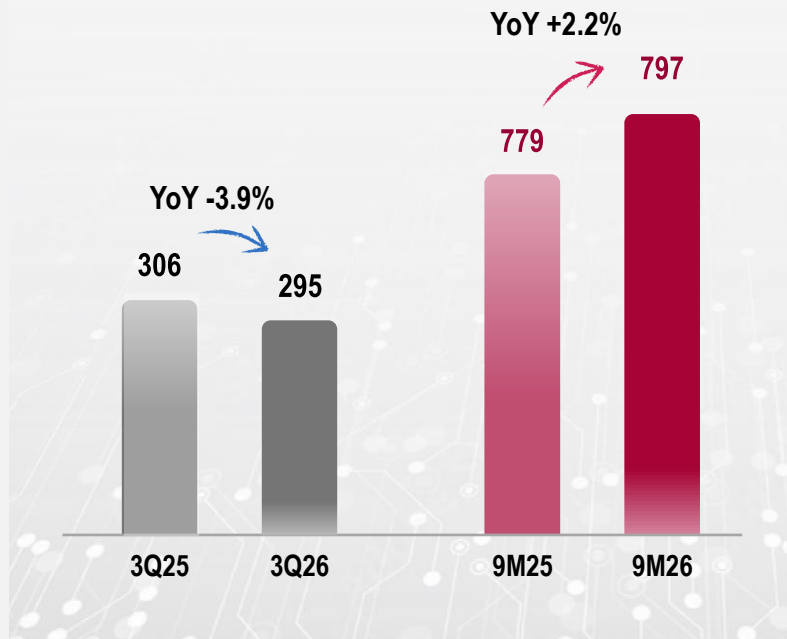
\*XPU : A next-generation AI accelerator integrating CPUs, GPUs, and NPUs for diverse workloads.

## Financial Highlights

### Smart Engineering Revenue

3Q26 Revenue decreased by -11.8 bn. (YoY -3.9%)

(Unit: KRW billion)



## Business Highlights

### Earnings Review

- ✓ Expanded the customer base beyond affiliates into defense, pharmaceuticals, electronics and batteries, strengthening competitiveness in non-captive businesses
- ✓ Expanded non-captive business presence across North America, Europe and the Middle East
- ✓ A slight year-on-year decline was recorded in revenue from the captive smart factory business in North America.

### Outlook

- ✓ Continue expanding the non-captive smart factory business
- ✓ Strengthen the foundation for growth by expanding smart logistics and city businesses in Korea and overseas
  - Expand logistics automation solutions across diverse industries (such as e-commerce, automotive, pharma, and others).
  - Prepare for the commencement of major projects (including Sejong Smart ICT and next-generation transportation in Colombia).
- ✓ Prioritize commercialization of RX Vertical Solutions in manufacturing, logistics and services area

\*RX: Robotics Transformation

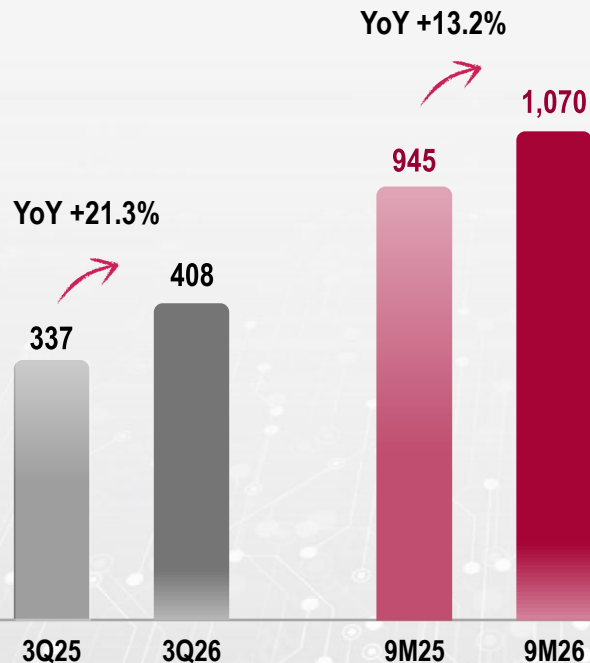
\*\*VX: Virtual Transformation

## Financial Highlights

### Digital Business Service Revenue

3Q26 Revenue increased by +71.7 bn. (YoY +21.3%)

(Unit: KRW billion)



## Business Highlights

### Earnings Review

- ✓ **Financial projects led accelerated revenue growth; competitive edge in AX technology demonstrated in non-captive markets**
  - Growth accelerated on large financial SI projects; new global wins proved AX edge and expanded strategic customers
- ✓ **Customer base diversifying beyond financial sector, driven by new wins in the domestic services and overseas public sectors**

### Outlook

- ✓ **Solid growth led by the financial business continues**
  - Large next-gen system tenders expected across banking, securities and insurance
  - Recurring revenue base secured through 2027 maintenance contracts with strategic customers in both financial and public sectors
- ✓ **Strengthen growth through broader AX capabilities and business coverage**
  - Advance the DevOn Agentic AI Native Development platform
  - Expand AX across manufacturing, finance, retail, services and overseas finance
  - KITL digital asset platform launched; partnerships with five global companies

\*DevOn Agentic AIND(AI Native Development) Platform

▶ An Agentic AI-powered platform for IT system development and operation

## Income Statement (Consolidated)

(Unit: KRW billion)

|                                             | 2024         |              |              |              |              | 2025         |              |              |              |              | 2026         |              |              |
|---------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                             | Q1           | Q2           | Q3           | Q4           | FY           | Q1           | Q2           | Q3           | Q4           | FY           | Q1           | Q2           | Q3           |
| <b>Revenue</b>                              | <b>1,070</b> | <b>1,450</b> | <b>1,438</b> | <b>2,024</b> | <b>5,983</b> | <b>1,211</b> | <b>1,460</b> | <b>1,522</b> | <b>1,936</b> | <b>6,130</b> | <b>1,315</b> | <b>1,521</b> | <b>1,664</b> |
| Cloud & AI                                  | 551          | 806          | 795          | 1,200        | 3,352        | 717          | 872          | 880          | 1,118        | 3,587        | 765          | 906          | 962          |
| Smart Engineering                           | 223          | 299          | 277          | 439          | 1,237        | 206          | 267          | 306          | 414          | 1,194        | 228          | 275          | 295          |
| Digital Business Service                    | 297          | 345          | 367          | 386          | 1,394        | 288          | 321          | 337          | 404          | 1,349        | 322          | 340          | 408          |
| <b>Cost of Goods Sold</b>                   | <b>939</b>   | <b>1,202</b> | <b>1,197</b> | <b>1,713</b> | <b>5,051</b> | <b>1,053</b> | <b>1,221</b> | <b>1,310</b> | <b>1,593</b> | <b>5,177</b> | <b>1,134</b> | <b>1,288</b> | <b>1,416</b> |
| <b>Gross Profit</b>                         | <b>131</b>   | <b>247</b>   | <b>242</b>   | <b>311</b>   | <b>931</b>   | <b>158</b>   | <b>239</b>   | <b>212</b>   | <b>343</b>   | <b>952</b>   | <b>181</b>   | <b>233</b>   | <b>249</b>   |
| <b>SG &amp; A</b>                           | <b>99</b>    | <b>110</b>   | <b>99</b>    | <b>111</b>   | <b>418</b>   | <b>79</b>    | <b>98</b>    | <b>92</b>    | <b>131</b>   | <b>401</b>   | <b>87</b>    | <b>105</b>   | <b>110</b>   |
| <b>Operating Profit</b>                     | <b>32</b>    | <b>138</b>   | <b>143</b>   | <b>200</b>   | <b>513</b>   | <b>79</b>    | <b>141</b>   | <b>120</b>   | <b>212</b>   | <b>552</b>   | <b>94</b>    | <b>128</b>   | <b>138</b>   |
| <b>Net income before Tax</b>                | <b>20</b>    | <b>132</b>   | <b>151</b>   | <b>182</b>   | <b>486</b>   | <b>88</b>    | <b>132</b>   | <b>141</b>   | <b>232</b>   | <b>593</b>   | <b>113</b>   | <b>153</b>   | <b>118</b>   |
| <b>Income tax</b>                           | <b>8</b>     | <b>30</b>    | <b>34</b>    | <b>50</b>    | <b>121</b>   | <b>31</b>    | <b>33</b>    | <b>36</b>    | <b>55</b>    | <b>154</b>   | <b>32</b>    | <b>34</b>    | <b>35</b>    |
| <b>Net profit</b>                           | <b>13</b>    | <b>102</b>   | <b>118</b>   | <b>132</b>   | <b>365</b>   | <b>57</b>    | <b>99</b>    | <b>105</b>   | <b>178</b>   | <b>439</b>   | <b>81</b>    | <b>119</b>   | <b>83</b>    |
| Profit attributable to owners of the parent | 12           | 103          | 118          | 132          | 365          | 57           | 99           | 105          | 178          | 438          | 81           | 119          | 82           |

## Financial Position (Consolidated)

(Unit: KRW billion)

|                                         | 2024         |              |              |              | 2025         |              |              |              | 2026         |              |              |
|-----------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                         | Q1           | Q2           | Q3           | Q4           | Q1           | Q2           | Q3           | Q4           | Q1           | Q2           | Q3           |
| <b>Total Assets</b>                     | <b>3,701</b> | <b>3,815</b> | <b>3,899</b> | <b>4,505</b> | <b>4,722</b> | <b>4,544</b> | <b>4,708</b> | <b>5,285</b> | <b>4,784</b> | <b>4,947</b> | <b>5,003</b> |
| <b>Current Assets</b>                   | <b>2,677</b> | <b>2,775</b> | <b>2,865</b> | <b>3,435</b> | <b>3,608</b> | <b>3,394</b> | <b>3,548</b> | <b>3,965</b> | <b>3,482</b> | <b>3,614</b> | <b>3,672</b> |
| Cash and cash equivalents               | 609          | 752          | 879          | 1,077        | 1,692        | 1,301        | 1,269        | 1,141        | 881          | 565          | 967          |
| Financial institution deposits          | 171          | 48           | 82           | 87           | 142          | 237          | 226          | 538          | 939          | 1,047        | 637          |
| Trade receivables, net                  | 1,059        | 1,090        | 1,021        | 1,662        | 999          | 1,042        | 1,144        | 1,665        | 876          | 1,074        | 1,135        |
| Other current assets                    | 839          | 885          | 883          | 611          | 775          | 814          | 910          | 621          | 787          | 928          | 933          |
| <b>Non-current assets</b>               | <b>1,023</b> | <b>1,040</b> | <b>1,034</b> | <b>1,069</b> | <b>1,114</b> | <b>1,150</b> | <b>1,159</b> | <b>1,320</b> | <b>1,302</b> | <b>1,333</b> | <b>1,331</b> |
| Property, plant and equipment           | 545          | 538          | 532          | 545          | 540          | 530          | 521          | 536          | 524          | 530          | 518          |
| Intangible assets                       | 81           | 71           | 68           | 64           | 62           | 56           | 54           | 53           | 50           | 49           | 49           |
| Other non-current assets                | 398          | 431          | 434          | 460          | 513          | 564          | 584          | 732          | 727          | 755          | 764          |
| <b>Total Liabilities</b>                | <b>1,944</b> | <b>1,953</b> | <b>1,925</b> | <b>2,382</b> | <b>2,091</b> | <b>1,830</b> | <b>1,950</b> | <b>2,344</b> | <b>1,851</b> | <b>1,891</b> | <b>1,971</b> |
| Trade payables                          | 450          | 518          | 506          | 794          | 529          | 522          | 553          | 664          | 503          | 619          | 590          |
| Short-term borrowings                   | 2            | 3            | 3            | 6            | 4            | 1            | 1            | 0            | 0            | 0            | 0            |
| Current portion of long-term borrowings | 110          | 160          | 160          | 160          | 280          | 230          | 230          | 230          | 0            | 100          | 100          |
| Long-term borrowings                    | 440          | 390          | 390          | 390          | 160          | 160          | 160          | 160          | 160          | 60           | 60           |
| Other liabilities                       | 943          | 883          | 867          | 1,032        | 1,118        | 918          | 1,007        | 1,290        | 1,189        | 1,112        | 1,221        |
| <b>Total Equity</b>                     | <b>1,756</b> | <b>1,862</b> | <b>1,974</b> | <b>2,123</b> | <b>2,631</b> | <b>2,714</b> | <b>2,757</b> | <b>2,941</b> | <b>2,933</b> | <b>3,056</b> | <b>3,032</b> |

# Thank you

👤 • LG CNS IR Team

☎ • 02-3777-1114

✉ • [ir@lgcns.com](mailto:ir@lgcns.com)

🌐 • [www.lgcns.com](http://www.lgcns.com)

