

CHARTERED ENGINEER'S CERTIFICATE

CERTIFICATE FROM INDEPENDENT CHARTERED ENGINEER FOR CAPACITIES UTILIZATIONS

Date: November 22, 2024

To,
The Board of Directors
LG ELECTRONICS INDIA PRIVATE LIMITED
Plot No. 51, Gautam Budhnagar,
Uttar Pradesh 201306

The Board of Directors
LG Electronics India [Private] Limited
Plot No. 51 Udyog Vihar
Surajpur- Kasma Road
Greater Noida, Uttar Pradesh, India
201 306

Morgan Stanley India Company
Private Limited ("MS")
18th Floor, Tower 2
One World Center, Plot- 841
Jupiter Textile Mill Compound,
Senapati Bapat Marg
Lower Parel, Mumbai 400 013

J.P. Morgan India Private Limited
("JPM")
J.P. Morgan Towers, Off C.S.T Road
Kalina, Santacruz East
Mumbai, India 400 098

BofA Securities India Limited
("BofA")
Ground Floor, A Wing
One BKC, G Block

Bandra Kurla Complex, Bandara
(East)
Mumbai, Maharashtra, India 400
051

Citigroup Global Markets India
Private Limited ("Citi")
14th Floor
First International Financial Centre
(FIFC)
Plot Nos. C-54 & C-55, G-Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 098

(MS, JPM, BofA, Citi are collectively referred to as the "**Book Running Lead Managers**" or the "**BRLMs**")

Subject: Proposed initial public offering of equity shares ("Equity Shares") of LG Electronic India Private Limited (the "Company" and such offer the "Offer")

Dear Sir/Madam,

I, the undersigned, confirm that I am duly registered as a chartered engineer with the Institution of Engineers (India) bearing registration number M112890/0 (Certificate of registration enclosed herewith as Annexure I), and that I am authorized and competent to issue this certificate. Further, I confirm that the aforesaid registration is valid as on date hereof, and as such, I am duly qualified to issue this certification.

Pursuant to your confirmation email on our appointment to execute this certification exercise dated 24th Oct'24, I have been engaged by the Company to carry out an independent verification for certifying certain information identified in **Annexure II, III and IV** hereto, to be included in the Materials (as defined below).

Based on the information, explanations and representations provided to me by the Company along with the basis of working and assumptions followed, wherever applicable, examination and verification of the manufacturing plant, physical inspection of the equipment and based on my verification of the relevant records and documents of the Company, I, hereby certify the following as true, fair, complete, accurate and not misleading:

Details of the Company's aggregate installed production capacities, and the capacity utilization of the Company's production facilities, during the relevant periods, are enclosed as **Annexure II** and **Annexure III** here to;

The products manufactured by the Company in each of the production facilities are enclosed as **Annexure II**;

and

Description of the procedure pertaining to installed production capacity certificate issued to the Company enclosed as **Annexure IV** hereto;

The information relating to the estimated annual installed production capacities and the capacity utilization of the manufacturing units included in the materials (as defined below) is based on a number of assumptions and estimates of the management, including expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled break downs, mould changeover, as well as expected operational efficiencies. In particular, the following assumptions have been made in the calculation of the estimated annual installed production capacities of the Company's manufacturing units, and are certified by me:

- Past experience of the management to manufacture the products
- Available orders on hand for the products
- Raw material consumption and the availability of raw materials to estimate the production of each product
- The product mix that the Company can make in a given stream or given plant

It may be noted that the installed production capacity is worked out on the basis of 1/ 2 shifts as per capacity each being eight (8) hours long and the sum total of various different products for which the unit is capable of manufacturing and is already manufacturing.

I represent that my execution, delivery and performance of this certificate has been duly authorized by all necessary actions (corporate or otherwise).

I further confirm that I am an independent person with no direct or indirect interest in the Company except for provision of professional services in the ordinary course of my profession. Further, I am not in any way connected with or related to the Company, its promoters, promoter group, its key managerial personnel, its directors, its group companies or directors of its group companies.

I hereby confirm that the information in this certificate and the annexures, including any extracts there of, may be reproduced in the red herring prospectus (“RHP”) and the prospectus of the Company (“Prospectus”) to be filed with the Registrar of Companies,

MCA (“RoC”), SEBI, the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”), as applicable or any other document(s) to be issued, published or filed in connection with the Offer (such materials, together with the RHP and the Prospectus, the “Materials”).

I agree to keep the information regarding the Offer strictly confidential.

I consent to be named as an “expert” as defined under the provisions of the Companies Act, 2013, as amended and the rules framed thereunder, in the Materials. Further, I confirm that I am not, and have not been, engaged or interested in the formation or promotion of the management of the Company. The following details with respect to me may be disclosed in the Materials:

| | |
|-------------------------|--|
| Name | Mr. Rajendra Singh Ghai |
| Position | Managing Director, Crest Capital Group Pvt Ltd |
| Address | Registered Address: 133, Raja Garden, New Delhi-110015 Corporate Office: B-1, Ansal Chamber-II Bhikaji Cama Place, New Delhi-110066 |
| Telephone Number | Phone No: 91-9899522635; 8810364499, 011 41834300, 011 45604675 |
| E-mail | gagan@crestcapitaladvisors.com |
| Website | www.crestcapitaladvisors.com |

I confirm that the Book Running Lead Managers and the legal counsels may rely on the contents of this certificate in connection with the Offer. Further, I undertake to immediately inform the Company and the Book Running Lead Managers in writing of any changes or qualifications or any developments in respect of the matters covered in this certificate until the date when the Equity Shares issued pursuant to the Offer commence trading on the Stock Exchanges.

In the absence of any such written communication from me/us, the above information contained in the Materials and certified herein should be taken as true, correct, and accurate and updated until the date when the Equity Shares issued pursuant to the Offer commence trading on the Stock Exchanges.

Further, I also give my consent to include this certificate as part of the 'Material Contracts and Documents for Inspection' in the Offer Documents, thereby making it available to the public for inspection.

I hereby authorize you to deliver this letter to SEBI (including for any inspections), the Stock Exchanges, the RoC and any other governmental or regulatory authority as may be required.

All capitalized terms not defined herein would have the same meaning as attributed to it in the RHP.

Thanking you.

Yours faithfully

Mr. Rajendra Singh Ghai
Chartered Engineer
Membership No. M112890/0
Place: New Delhi
Date: 22th Nov' 2024

Domestic Legal Counsel to the
BRLMs

Cyril Amarchand Mangaldas
Level 1 and Level 2, Max
towers,
Plot No. C-001 /A/1, Sector 16
B,
Gautam Buddha Nagar, Noida –
201 301,
Uttar Pradesh, India

International Legal Counsel to
the BRLMs


White & Case
White & Case Pte Ltd.
88 Market Street
#41-01 CapitaSpring
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Domecti Legal Counsel to the
Company

Shardul Amarchand Mangaldas
Amarchand Tower 216
Okhla Industrial Estate Phase III
New Delhi 110 020
India

International Legal Counsel to
the Company
Latham & Watkins
29F, One IFC,
10 Gukjegeumyung-ro,
Yeongdeungpo-gu
Seoul 07326 Korea

ANNEXURE I

The Institution of Engineers (India)
M 112890/0




By virtue of Professional training, experience and Corporate Membership of this Institution

RAJENDRA SINGH GHAI

is hereby authorised to use the style and title of

Chartered Engineer [India]

Dated this Tenth day of March 1997


Secretary and Director General

ANNEXURE II

Capacity and Utilization

The following table sets forth details of the Company's aggregate installed production capacity, as per product groups as on June 30, 2024:

| S. No. | Manufacturing Unit Location | Total Plot Area | Products | Installed Production Capacity per annum (Qty.) | Lease / Owned |
|--------|--|-------------------|---|--|--|
| 1. | Plot no – 51, Udyog Vihar, Surajpur-Kasna Road, Greater Noida, Gautam Budh Nagar, Uttar Pradesh 201306 | 1,90,231.87 Sq. m | Manufacture of electronic items and home appliances | 74,00,000 | On Leasehold For 90 Years starting 23 June 1997. |
| 2. | Plot no A5 MIDC Ranjangaon, Tal-Shirur, Dis.- Pune, State- Maharashtra, Pin Code- 412220 | 2,13,916 Sq. M | Manufacture of electronic items and home appliances | 63,35,000 | Self-owned |

CREST CAPITAL GROUP PRIVATE LIMITED

Registered Address: 133, Raja Garden, New Delhi-110015

Corporate Office: B-1, Ansal Chamber-II Bhikaji Cama Place, New Delhi-110066

Phone No: 91-9899522635; 8810364499, 011 41834300, 011 45604675

ANNEXURE III

The following table sets forth the average capacity utilization of the company's products at the Company's Manufacturing facilities for the specified periods:

| Location | Product | As of 30 June , 2024 | | | As of end of period March 31, 2024 | | | As of 30 June , 2023 | | | As of end of period March 31, 2023 | | | As of end of period March 31, 2022 | | |
|----------|-----------------|--------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|--------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|
| | | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) |
| Noida | REF | 3,000,000 | 785,401 | 26% | 3,000,000 | 2,160,446 | 72% | 3,000,000 | 633,302 | 21% | 3,000,000 | 2,081,479 | 69% | 2,900,000 | 1,753,990 | 60% |
| | WMC | 2,800,000 | 498,898 | 18% | 2,800,000 | 2,066,198 | 74% | 2,800,000 | 474,376 | 17% | 2,800,000 | 1,957,834 | 70% | 2,500,000 | 1,785,950 | 71% |
| | RAC (Set Based) | 700,000 | 176,194 | 25% | 700,000 | 671,110 | 96% | 700,000 | 166,526 | 24% | 700,000 | 725,286 | 104% | 625,000 | 476,271 | 76% |
| | MWO | 550,000 | 93,612 | 17% | 550,000 | 451,877 | 82% | 550,000 | 78,477 | 14% | 550,000 | 454,361 | 83% | 440,000 | 424,445 | 96% |
| | WP | 350,000 | 37,371 | 11% | 350,000 | 116,968 | 33% | 350,000 | 26,910 | 8% | 350,000 | 124,736 | 36% | 350,000 | 102,861 | 29% |
| Total | | 7,400,000 | | | 7,400,000 | | | 7,400,000 | | | 7,400,000 | | | 6,815,000 | | |

| Location | Product | As of 30 June , 2024 | | | As of end of period March 31, 2024 | | | As of 30 June , 2023 | | | As of end of period March 31, 2023 | | | As of end of period March 31, 2022 | | |
|----------|------------------|--------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|--------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|------------------------------------|-------------------|-----------------|
| | | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) | Installed Capacity (Qty) | Utilization (Qty) | Utilization (%) |
| Pune | REF | 1,565,000 | 338250 | 22% | 1,565,000 | 1070759 | 68% | 1,530,000 | 272915 | 18% | 1,530,000 | 1004479 | 66% | 1,402,930 | 914697 | 65% |
| | WM | 675,000 | 184850 | 27% | 675,000 | 635296 | 94% | 669,631 | 143079 | 21% | 669,631 | 551360 | 82% | 561,894 | 459718 | 82% |
| | RAC (Set Based) | 776,087 | 147,337 | 19% | 776,087 | 623,721 | 80% | 751,304 | 125,690 | 17% | 751,304 | 579,075 | 77% | 698,062 | 422,945 | 61% |
| | CAC (Unit based) | 128,913 | 28741 | 22% | 128,913 | 87385 | 68% | 128,696 | 19499 | 15% | 128,696 | 71132 | 55% | 125,488 | 37356 | 30% |
| | TV+Monitor | 3,190,000 | 437934 | 14% | 3,190,000 | 2057648 | 65% | 3,439,146 | 530376 | 15% | 3,439,146 | 2036166 | 59% | 3,168,049 | 1736653 | 55% |
| Total | | 6,335,000 | | | 6,335,000 | | | 6,518,776 | | | 6,518,776 | | | 5,956,422 | | |

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Notes:

1. The information relating to the installed capacity as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of white goods manufacturing industry after examining the calculations and explanations provided by the Company for their manufacturing along with assembly line (streams) capacities with all plant machineries and other associated ancillary equipment installed at the facilities. The assumptions are also based on the past experience of the Management of Company to manufacture the products. It also depends on the Product Mix that the Company has used to manufacture the various products in a manufacturing and assembly lines installed in a plant. The assumption for is on the basis of one or two shifts basis the capacity required by the Company is running for eight (8) hours a day. The assumptions and estimates taken into account include the following: (i) Number of working days in a fiscal year – 293(Noida) /300 (Pune) (ii) Number of shifts in a day – one or two ; (iii) Number of hours - 8. The installed capacity as of required Financial Years have been provided on an annualized basis.
2. The information relating to the actual production as of the dates included above are based on the examination of the Company's internal MIS, Reporting Mechanisms for assembly and manufacturing production records provided by the them to us, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. The actual production for the given Financial Years have been provided on an annualized basis.
3. Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30, 2023, and June 30, 2024, the capacity utilization has been calculated based on the actual working days during the period

4. The production lines mentioned in the above table of capacity utilization refer to the various active production lines in each plant. Each production line is dedicated to manufacturing different products, allowing for a clear bifurcation of production for each product. However, with minor modifications, these production lines can be reconfigured to manufacture other products that are in higher demand and require increased production.

Proposed utilization of Capacities in Next one Year

| Sr.no. | Manufacturing Unit location | Area covered by the facility | Proposed capacity | Proposed production | Proposed utilization |
|--------|--|------------------------------|-------------------|---------------------|----------------------|
| 1 | Plot no – 51, Udyog Vihar, Surajpur-Kasna Road, Greater Noida, Gautam Budh Nagar, Uttar Pradesh 201306 | 1,90,231.87 Sq. m | 74,00,000 | 60,18,111 | 81% |
| 2 | Pune MIDC Ranjangaon, Tal-Shirur, Dis.- Pune, State- Maharashtra, Pin Code- 412220 | 2,13,916 Sq. m | 69,27,580 | 53,73,946 | 78% |

ANNEXURE IV

DESCRIPTION OF THE PROCEDURE PERTAINING TO INSTALLED PRODUCTION CAPACITY
CERTIFICATE ISSUED TO THE COMPANY ON November 09, 2024

The production capacity of a Manufacturing plant is a fundamental measure of its economic potential, and an integral factor in the assessment of a Manufacturing plant's value. Although capacity is a central concept in production planning and scheduling, operations management.

The production capacities are measured by taking into account the below mentioned:

1. Actual Production done in a month
2. Actual time used for the cleaning of the Plant & Machinery along with equipment in a month
3. Actual wastage (if any) in the manufacture of the products
4. Actual sales done and the inventory in stock at the end of a month

Capacity is the maximum average throughput that satisfies the below mentioned constraints:

1. It takes into account the production restrictions imposed by the existing equipment, materials and labor;
2. It is sustainable for an extended and specified period of time;
3. It assures product quality requirements are met and
4. It does not exceed the safe operating limits of the facility

The production capacities of the Company for each stream in each plant is determined by the actual production done by the Company through the same.

The production is also based on the demand of each product which is manufactured by the Company.

In determining the Installed Capacity, we have taken into account the past records of the Production done by the Company for each of the Product in each stream at each Plant.

The same is also determined more accurately by taking into account the Purchase Orders on hand with the Company and current productions being done.

We have verified the production data vis a vis the sales data which are fed into the system for each product and determined the production capacities.

We have considered the shifts which are working at the Plant for the production, in determining the capacities. Production Capacity is an important factor that needs to be calculated to determine equipment size, satisfy contractual Requirements, aid supply chain management, benchmarking against the competitors and obtaining operating permits / Licenses / approvals from various regulators / government / agencies. There is no single way to measure the capacity and there are numerous factors to be considered, many of which are unique to a specific process or facility.

LG Electronics India Private Limited has developed its own technologies and systems, by using which they have designed the Batches of production for all the products. In order to have the unique manufacturing methodology and systems, the steps involved in the production of all products are well defined and communicated to the manufacturing people. The production thus takes place as per the defined norms.