

CERTIFICATE ON KEY PERFORMANCE INDICATORS

Date: September 30, 2025

To,

The Board of Directors

LG Electronics India Limited

A-24/6,

Mohan Cooperative Industrial Estate,

Mathura Road,

New Delhi 110044

Axis Capital Limited (“Axis”)

1st Floor, Axis House,

P.B. Marg, Worli,

Mumbai 400 025,

Maharashtra, India

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, India 400 098

Morgan Stanley India Company Private Limited (“MS”)

Altimus, Level 39 & 40

Pandurang Budhkar Marg, Worli

Mumbai 400 018

Maharashtra, India

J.P. Morgan India Private Limited (“JPM”)

J.P. Morgan Tower, 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, Bandra (East)

Mumbai, Maharashtra, India 400 051

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

Re: Proposed initial public offering of equity shares of face value of ₹ 10 (the “Equity Shares”) of LG Electronics India Limited (the “Company” and such offering, the “Offer”)

B.B. & Associates

Chartered Accountants

We, **B.B. & Associates (FRN: 023670N)**, Chartered Accountants, have been informed that the Company proposes to file the red herring prospectus (“**RHP**”) and the prospectus with the Registrar of Companies, Delhi & Haryana at New Delhi (“**RoC**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and thereafter with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”).

In connection with the proposed Offer, the Company is required to obtain a report from an independent chartered accountant that holds a valid peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (the “**ICAI**”), with regard to the key performance indicators as identified by the Company for the purposes of disclosure in the Offer Documents in accordance with the provisions of the ICDR Regulations.

The accompanying statement as outlined in **Annexure A**, containing details of GAAP measures, Non-GAAP financial measures and non-financial measures (part of financial reporting) as described in the Technical Guide on Disclosure and Reporting of key performance indicators in Offer Documents issued by the ICAI (the “**Technical Guide**”) identified by the Company as of and for the three months period ended June 30, 2025 and June 30, 2024, and as of and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 as per the requirement of Schedule VI, Part A (9)(K)(3) of the ICDR Regulations (the “**KPIs**”, and such statement, the “**Statement**”), is prepared by the management of the Company, which we have initialed for identification purposes only.

Management’s Responsibility for the Statement

The preparation of the accompanying Statement is the responsibility of the management of the Company. This responsibility includes designing, implementing, and maintaining adequate internal controls that were operating effectively and testing of such controls for ensuring the accuracy and completeness of information relating to the KPIs including such accounting records relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Management is responsible for:

- (i) Identification, definition, completeness, accuracy, relevance, appropriateness and sufficiency of the KPIs included in the Statement;
- (ii) Providing access to the accounting and other records to us including information and explanations required for reporting on the KPIs;
- (iii) Maintenance of the accounting and other records in relation to point (a) and (b) above;
- (iv) Compliance with the ICDR Regulations, , SEBI Circular dated February 28, 2025 on Industry Standards on KPIs and Disclosures in the draft Offer Document and Offer Document (“**KPI Standards**”), the “**Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents**” issued by The Institute of Chartered Accountants of India (ICAI) and other regulatory requirements;
- (v) Ensuring that the KPIs identified, meet the criteria laid out in the definition of terms used for disclosing KPIs, as specified in the KPI Standards; and
- (vi) Collection and compilation of historical financial or operational performance data as per the requirement of the KPI Standards.

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Our Responsibility

Pursuant to the requirements of Schedule VI, Part A (9) (K) (3) of the ICDR Regulations, it is our responsibility to obtain reasonable assurance and conclude as to whether: (i) the financial details provided in the Statement are in agreement with the restated financial statements of the Company as of and for the three months period ended June 30, 2025 and June 30, 2024, and as of and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Companies Act, 2013, as amended (the “**Companies Act**”) and the Indian Accounting Standards (the “**Ind AS**”) and restated in accordance with the the ICDR Regulations (the “**Restated Financial Statements**”), and/or the underlying books of account maintained by the Company used for the purpose of preparation of the Restated Financial Statements; (ii) non-financial measures provided in the Statement are in agreement with the books of accounts and other relevant records maintained by the Company; and (iii) the KPIs (including their definitions) included in the Statement are mathematically accurate.

We conducted our examination of the Statement in accordance with the Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Issue Documents and Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which require that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. Accordingly, we confirm that we have complied with such Code of Ethics issued by the ICAI.

We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We have performed the following procedures in relation to the Statement:

1. Obtained list of KPIs from the management and compared the specific components of the KPIs as mentioned in the Statement to source of the KPIs as maintained by management, which includes the Company’s books of accounts, and Restated Financial Statements maintained by the Company as described in the paragraph above;
2. Reviewed the resolution passed by the audit committee of the Company dated September 30, 2025, identifying and approving the KPIs, along with definitions of each KPI as provided by the management;
3. Recomputed the mathematical accuracy of the KPIs included in the Statement, including verifying their definitions; and
4. Conducted relevant management inquiries and obtained necessary representations.

The Management has confirmed that, no KPIs have been shared with external investors in the past three financial years.

We have no responsibility to update this report for events and circumstances occurring after the respective dates of the reports on the financial statements mentioned in above.

We have no responsibility for identification, definition, completeness, relevance, appropriateness and sufficiency of the KPIs included in the Statement.

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The procedures we have performed do not constitute an audit or review made in accordance with generally accepted auditing standards. Furthermore, they will not necessarily reveal matters of significance with respect to any material misstatement of the information related to KPIs of the Company.

Conclusion

Based on the procedures performed by us, as above, we confirm that: (i) the financial details provided in the Statement are in agreement with the Restated Financial Statements as of and for the three months period ended June 30, 2025 and June 30, 2024, and as of and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, and/ or the underlying books of account maintained by the Company used for the purpose of preparation of the Restated Financial Statements, as applicable; (ii) non-financial measures provided in the Statement are in agreement with the books of accounts and other relevant records maintained by the Company; or that (iii) the KPIs included in the Statement are mathematically accurate, and conform to their definitions provided by the management.

We confirm that all KPIs, as communicated by the Company to us and as approved by the Audit Committee pursuant to its resolution dated September 30, 2025 have been included in **Annexure A**.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the RHP, the prospectus and any other material used in connection with the Offer (together, the “**Offer Documents**”) which may be filed by the Company with SEBI, Stock Exchanges, RoC and / or any other regulatory or statutory authority. This certificate can also be uploaded on the repository portal of the stock exchanges/ SEBI as required pursuant to applicable legal requirements.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to the SEBI, RoC, Stock Exchanges and/or any other regulatory/statutory authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

We also consent to the inclusion of this certificate as a part of “*Material Contracts and Documents for Inspection*” in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the bid/offer closing date including through online means on the website of the Company.

This certificate may be relied on by the Company, the BRLMs, their affiliates and the legal counsel to each of the Company and the BRLMs appointed in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate letter being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or on the request of the Stock Exchanges or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation or (iii) for the records to be maintained by the BRLMs and in accordance with applicable law.

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We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the Equity Shares allotted in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

For and on behalf of

B.B. & Associates

Chartered Accountants

ICAI Firm Registration No.: 023670N

Balwan Bansal

Partner

Membership No.: 511341

Peer Review Certificate No. 015429

UDIN: 25511341BMIUTI5780

Place: New Delhi

Date: September 30, 2025

CC:

Domestic Legal Counsel to the Book Running Lead Managers

Cyril Amarchand Mangaldas

Level 1 and Level 2, Max towers,

Plot No. C-001 /A/1, Sector 16 B,

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Uttar Pradesh, India

International Legal Counsel to the Book Running Lead Managers

White & Case

White & Case Pte Ltd.

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Domestic Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co

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Annexure A

Metric	Unit	Three months ended June 30, 2025	Three months ended June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
GAAP Financial Measures						
Revenue from Operations ⁽¹⁾	₹ Millions	62,629.38	64,087.97	243,666.38	213,520.00	198,682.39
Revenue Growth (year-on-year) ⁽²⁾	%	(2.28%)	-	14.12%	7.47%	-
Revenue from Home Appliances and Air Solutions ⁽³⁾	₹ Millions	49,082.30	50,609.38	182,678.57	156,797.49	150,306.78
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations ⁽⁵⁾	%	78.37%	78.97%	74.97%	73.43%	75.65%
Revenue from Home Entertainment ⁽⁴⁾	₹ Millions	13,547.08	13,478.59	60,987.81	56,722.51	48,339.15
Revenue from Home Entertainment as a percentage of Revenue from Operations ⁽⁵⁾	%	21.63%	21.03%	25.03%	26.57%	24.33%
Profit for the period/year ⁽⁶⁾	₹ Millions	5,132.55	6,796.46	22,033.48	15,110.68	13,449.30
Non-GAAP Financial Measures						
EBITDA ⁽⁷⁾	₹ Millions	7,162.73	9,580.66	31,101.24	22,248.73	18,951.15
EBITDA Margin ⁽⁸⁾	%	11.44%	14.95%	12.76%	10.42%	9.54%
Profit Margin ⁽⁹⁾	%	8.10%	10.51%	8.95%	7.01%	6.69%
Return on Capital Employed ⁽¹⁰⁾	%	9.10%	18.04%	42.91%	45.31%	34.38%
Return on Net Worth ⁽¹¹⁾	%	7.96%	15.39%	37.13%	40.45%	31.13%
Operational Measures						
Number of LG Brand Shops ⁽¹²⁾	#	777	777	800	780	814
Number of B2C touch points ⁽¹³⁾	#	35,640	36,401	36,230	35,833	34,874

#Count of Numbers

Annexure B

S.No.	Particulars	Definition
1	Revenue from Operations	Revenue from operation as per restated financial statements. Revenue from operations include continuing and discontinuing operations.
2	Revenue Growth (year-on-year)	Represents percentage growth of revenue from previous period/year.
3	Revenue from Home Appliances and Air Solutions	Represents revenue from sale of Air Conditioners, Refrigerators, Microwave Ovens, Washing Machines, Dishwasher, Vacuum Cleaners, Compressors, Ceiling Fan, Water Purifiers and Air Purifiers.
4	Revenue from Home Entertainment	Represents revenue from sale of Televisions (Flat panel, Signage, Projectors, Monitor TV etc.), Audio Visual, Monitors, Security Camera, and Personal computers.
5	Segment revenue contribution	Segment revenue contribution is calculated as segment revenue divided by revenue from operations.
6	Profit for the period/year	Profit for year represents profit for the relevant period/year.
7	EBITDA	EBITDA is net profit after tax plus depreciation and amortization expense, interest expense and taxes less other income.
8	EBITDA Margin	EBITDA Margin is the ratio of EBITDA to revenue from operation.
9	Profit Margin	Net profit / (loss) margin is the ratio of net profit/loss to total income.
10	Return on capital employed ("RoCE")	Return on capital employed ("RoCE") (%) is EBITDA less depreciation and amortization, divided by capital employed. Capital employed is calculated as total equity plus total borrowings, total lease liabilities less amalgamation reserves.
11	Return on net worth	Return on net worth is defined as profit for the year attributable to equity shareholders of the Company divided by net worth of the Company as at the end of the period / year. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2(1)(hh) of the SEBI ICDR Regulations.
12	LG Brand Shops	LG BrandShop refers to retail stores that sell exclusively LG products and are operated by third parties under a franchise model
13	B2C touch points	B2C touch points comprise LG Brand Shops, modern trade stores, online business, traditional stores, distributors and sub-dealers, multi-brand outlets and regional specialty stores.

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Metric 1

EBITDA and EBITDA Margin

Metric	Three months ended June 30, 2025	Three month ended June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit for the period/year*	5,132.55	6,796.46	22,033.48	15,110.68	13,449.30
Add:					
Finance Cost*	85.03	69.35	306.46	285.05	225.84
Tax Expenses*	1,787.00	2,327.64	7,597.63	5,260.49	4,711.99
Depreciation and amortization expenses*	902.41	967.21	3,803.57	3,643.69	3,003.93
Less:					
Other Income*	(744.26)	(580.00)	(2,639.90)	(2,051.18)	(2,439.91)
EBITDA (A)	7,162.73	9,580.66	31,101.24	22,248.73	18,951.15
Revenue from operations* (B)	62,629.38	64,087.97	243,666.38	213,520.00	198,682.39
EBITDA Margin (A/B)	11.44%	14.95%	12.76%	10.42%	9.54%

*As per Restated Financial Statements of the company

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Metric 2

Profit and Profit Margin

Metric	Three months ended June 30, 2025	Three month ended June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit for the period/year* (A)	5,132.55	6,796.46	22,033.48	15,110.68	13,449.30
Total Income* (B)	63,373.64	64,667.97	246,306.28	215,571.18	201,122.30
Profit Margin (A/B)	8.10%	10.51%	8.95%	7.01%	6.69%

**As per Restated Financial Statements of the company*

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Metric 3

Return on Net Worth

Metric	Three month ended June 30, 2025	Three month ended June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit for the period/year* (A)	5,132.55	6,796.46	22,033.48	15,110.68	13,449.30
Equity share capital* (B)	6,787.72	1,131.29	6,787.72	1,131.29	1,131.29
Other equity* (C)	58,055.01	43,396.36	52,913.98	36,591.17	42,431.16
Amalgamation Reserve* (D)	(364.25)	(364.25)	(364.25)	(364.25)	(364.25)
Equity attributable to equity holders of the parent (E=B+C+D)	64,478.48	44,163.40	59,337.45	37,358.21	43,198.20
Return on Net Worth for the period/year (A/E)	7.96%	15.39%	37.13%	40.45%	31.13%

**As per Restated Financial Statements of the company*

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Metric 4

Return on Capital Employed

Metric	Three month ended June 30, 2025	Three month ended June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit before Tax*	6,919.55	9,124.10	29,631.11	20,371.17	18,161.29
Add: Finance Costs*	85.03	69.35	306.46	285.05	225.84
Less: Other Income*	(744.26)	(580.00)	(2,639.90)	(2,051.18)	(2,439.91)
EBIT (A)	6,260.32	8,613.45	27,297.67	18,605.04	15,947.22
Total Equity*	64,842.73	44,527.65	59,701.70	37,722.46	43,562.45
Less: Amalgamation Reserve*	(364.25)	(364.25)	(364.25)	(364.25)	(364.25)
Add: Lease liabilities*	4,343.69	3,585.95	4,278.28	3,699.55	3,184.51
Capital Employed (B)	68,822.17	47,749.35	63,615.73	41,057.76	46,382.71
Return on Capital Employed (%) (A/B)	9.10%	18.04%	42.91%	45.31%	34.38%

*As per Restated Financial Statements of the company

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Metric 5

Number of B2C touch points

Particulars	June 30, 2025	June 30, 2024	Fiscal 2025	Fiscal 2024	Fiscal 2023
LG Brand Shops (A)	777	777	800	780	814
Modern trade (B)	1,385	1,266	1,369	1,224	1,034
Online business					
<i>LG website (C)</i>	1	1	1	1	1
<i>E-commerce platforms (D)</i>	2	2	2	2	2
Traditional channels					
Distributors and sub-dealers (E=I+II)	30,726	31,666	31,259	31,275	30,563
<i>Distributors (I)</i>	377	375	412	417	429
<i>Sub-dealers (II)</i>	30,349	31,291	30,847	30,858	30,134
Multi-brand outlets (F)	1,134	1,218	1,221	1,272	1,341
Regional specialty stores ("RSS") (G)	1,615	1,471	1,578	1,279	1,119
B2C touch points (H=A+B+C+D+E+F+G)	35,640	36,401	36,230	35,833	34,874

1. Definition:

For this KPI, we were requested to certify the following indicators:

- Count of B2C retail touchpoints for the three months period ended June 30, 2025, and June 30, 2024 and for Fiscal 2025, 2024 and 2023;
- Count of LG BrandShops for the three months period ended June 30, 2025, and June 30, 2024, and for Fiscal 2025, 2024 and 2023;
- Count of modern-trade outlets for the three months period ended June 30, 2025, and June 30, 2024, and for Fiscal 2025, 2024 and 2023;
- Count of online business for the three months period ended June 30, 2025, and June 30, 2024, and for Fiscal 2025, 2024 and 2023;
- Count of traditional channels that include distributors, sub-dealer, multi-brand outlets and regional specialty stores for the three months period ended June 30, 2025, and June 30, 2024, and for Fiscal 2025, 2024 and 2023; and
- Count of regional specialty store partners for the three months period ended June 30, 2025, and June 30, 2024, and for Fiscal 2025, 2024 and 2023.

2. Definition of terms used in this KPI:

- BrandShops:** LG BrandShops refers to retail stores that sell exclusively LG products and are operated by third parties under a franchise model;
- Modern-trade:** Large format modern trade outlets that provide dedicated floor space to sell products, such as supermarkets, hypermarkets and large-format stores, and through their own websites. These modern trade outlets are typically located in tier-I and tier-II cities in India, and more recently in smaller towns and cities in India;
- Online Business:** consists of (i) direct to consumers ("D2C") channel operated through company website and (ii) e-commerce, where company partners with e-commerce marketplaces to sell its products;
- Traditional channels:** distribution channels located in cities and towns in India which serve mass market consumers. The traditional channels are more prevalent in smaller towns and rural India.

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- e) **Distributors:** They are part of traditional distribution channels, primarily located in cities and towns across India. Distributors resell products to sub-dealers, who then sell to end consumers. This setup is more prevalent in smaller towns and rural areas.
- f) **Sub-dealers:** They act as intermediaries between distributors and consumers, receiving products from distributors and selling them to the end customers.
- g) **B2C touchpoints:** LG BrandShops, modern trade stores, online touch points, traditional stores, distributors and sub-dealers.

3. Data provided:

- a) Sales Register containing details of sales made by distributors to sub-dealers, including: Zone, region, branch, partner code, partner name, GTM (Go-To-Market) code, dealer name, segments, quantity, product category, and sub-category. Data pertains to the three months period ended June 30, 2025, and June 30, 2024, and Fiscal Years 2025, 2024 and 2023.
- b) Modern Trade Outlets List: Details on location, store code, GTM code, modern trade partners, store opening and closure dates, and operational status for the defined periods.
- c) LG Brandshop Dealers data: Includes GTM code, dealer name, location, store opening/closure dates, and operational status for the defined periods.
- d) Multi-Brand Outlets and Regional Specialty Stores data: Includes zone, location, branch, partner code, dealer code, and channel details for the defined periods.
- e) SSE (Sales & Service Executive) Promoters List: Provides employee ID, name, profile, branch, GTM codes, dealer name, zone, and partner code for the defined periods.
- f) Customer Master: Contains partner code, partner name, branch, channel, location, and creation date as of June 30, 2025.

4. Risks analysed and procedures performed to mitigate the risk:

- a) Reconciled the LG brandshops store numbers with SSE promoter data to check if promoters were deployed in all stores, as a way of verifying the existence of the stores. In order to verify the accuracy of data, we, also obtained approval documentation on sample basis to ensure the accuracy of date of closure of stores where applicable, and further ensured the date of opening from the customer master.
- b) Reconciled the multi-brand outlets and regional specialty stores dealers with SSE promoter data, as per above mentioned procedure.
- c) Reconciled the list of modern trade outlets with the EDI patch data, which is used by stores to sync their sales information to the Company's records. This EDI system provides visibility into the store's sales data, including details such as sales volume, product categories, and store locations. By reconciling the outlet list with the EDI patch data, we confirmed that the sales data received from stores was accurately reflected in the Company's records. Obtained independent approval from modern trade partners on a sample basis to further validate the accuracy of the count;
- d) Obtained independent confirmation from sub-dealers on sample basis;
- e) Traced the outputs of the matrices provided by the management with the outputs derived from the above-mentioned data and found them to be in agreement.