



Industry Report for IPO

Engagement Letter

October 2024

For LG Electronics Inc. ("Client")





This Engagement Letter ("Agreement") is made and entered into this 21st day of October, 2024 ("Effective Date") between:

Redseer Strategy Consultants Private Limited, a private limited company bearing CIN No. U70200KA2023PTC173158, incorporated and registered under the Companies Act, 2013 and having its registered office at Prestige Obelisk, Kasturba Rd, Ambedkar Veedhi, Sampangi Rama Nagar, Bengaluru, Karnataka 560001, (hereinafter referred to as "**Service Provider**" or "**Redseer**");

ANDLG Electronics Inc., a private limited company incorporated and registered under the laws of the Republic of Korea, and having its registered office at 128 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea (hereinafter referred to as "**Client**" or "**LGEKR**")

AND

LG Electronics India Private Limited (CIN: U32107DL1997PTC220109), a private limited company incorporated and registered under the provisions of Companies Act, 1956, as amended from time to time and having its registered office at A – 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044, India (hereinafter referred to as "**LGEIL**")

The "Service Provider" and the "Client" shall be hereinafter individually referred to as a "Party" and collectively as the "Parties".

1. Context

- (i) The Client wishes to engage the Service Provider to prepare an Industry report (the "Report") for the client's Initial Public Offering ("IPO") ("Services") and the Service Provider has agreed to provide the same, subject to fulfilment of the terms and conditions mentioned under this Agreement.
- (ii) LGEIL, a wholly owned subsidiary of the Client, shall act as an intermediary for the facilitation and management of international service fee transfers. Upon the finalization of service fees and the issuance of the corresponding invoice, LGEIL shall process the payment on behalf of the Client to ensure efficiency. The Client shall remit the payment to LGEIL in accordance with the terms outlined herein.

2. Term

This Agreement shall come into effect on the Effective Date and shall continue in force. The term of this Agreement shall be automatically extended until the completion of all responses to the additional request from Securities and Exchange Board of India (SEBI) and the filing of the Red Herring Prospectus (RHP) ("Term").

3. Scope of work and methodology

As attached in Annexure B.

4. Scope Limitation

The scope shall include Services as detailed above. Any work not defined above and requiring significant additional effort as demonstrated by the Service Provider, including material changes to the Report will be considered as a new request.

In case material changes to the Report are required during the DRHP or RHP filing, commercials for such extra effort will be agreed upon mutually at that point in time.

5. Timelines

5 weeks from the date of commencement of the engagement and shall be automatically extended until the completion of all responses to the additional request from SEBI and the filing of the Red Herring Prospectus (RHP).

6. Fee & Invoicing

Details of our fee for services provided via this Engagement are covered in the Fee Letter dated 21st October 2024 signed along with this Engagement Letter.

7. As specified in the Scope section, upon the finalization of service fees, the Service Provider shall issue the corresponding invoice to LGEIL whose responsibility is limited to processing the international transfer of payment on behalf of the Client. Upon completion of the payment by LGEIL, the Client shall remit the payment to LGEIL with applicable Tax & charges.

8. Other terms & conditions



a) Representations, Warranties and Covenants of the Client

The Client represents, warrants and covenants to Redseer that:

- i. the person executing this Agreement has been duly authorized to do so by the Client, and all necessary internal actions, approvals which may be required under the Client's organizational documents have been undertaken;
- ii. the execution of this Agreement will not, directly or indirectly, contravene or conflict with or result in violation of any agreement, authorization or other obligation of the Client; and
- iii. it has and shall continue to have all requisite consents, permissions, approvals to disclose any data or information to Redseer for the provision of Services under this Agreement.

The Redseer represents, warrants and covenants to the Client that:

- i. the performance of the Services by the Redseer shall not violate any proprietary rights of third parties, including, without limitation, patents, copyrights or trade secrets, and that the Redseer's rendering of the Services to LGE under this Agreement will not violate any applicable law, rule, regulation or judicial order, or violate any contractual obligations or confidential relationships which the Contractor may have to or with any third party.
- ii. the Services shall be performed in a professional and workmanlike manner in accordance with the requirements of this Agreement and the requirements and time schedules of any applicable term sheets in all material respects, and in accordance with any applicable commercial standards generally observed in the industry for similar professional services.



- iii. the Services shall conform in all material respects to the specifications for such services / deliverables agreed upon in writing by the parties

b) Confidentiality

Each Party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other Party, including, but not limited to any unpublished report, notes, drawings, writings, specifications, documentations, software, any technical, operational, marketing, financial and commercial information in relation to such Party ("**Confidential Information**").

Each Party, its agents and employees shall hold and maintain in strictest confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations pursuant to this Agreement and as may be required by a court or governmental authority, or by law or regulation. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving Party or is otherwise properly received from a third party without an obligation of confidentiality. Each party acknowledges that the other party may be regulated by internal compliance regulations, and in order to ensure compliance with which regulations, the relevant party has established policies and procedures relating to confidentiality and retention of documents.

As such each party understands that the other party may retain a copy of any report, recording, presentation, correspondence, meeting note or other document which forms a record of the relevant party's professional involvement, where that record may contain or reflect Confidential Information, subject to keeping such record in strict confidence in accordance with the other terms of this agreement each party undertakes to ensure that such retention shall have been authorised by the relevant parties to this Agreement.

This Agreement and its contents are strictly confidential. The Client shall use the Agreement as part of any Report, letter, or on its website, etc only after obtaining prior written approval from Redseer.

c) Intellectual Property Rights

"**IP**" means and refers to patents, trademarks, service marks, trade names, copyrights and applications, licenses and rights with respect to the foregoing, and all trade secrets, including know-how, inventions, designs, processes, works of authorship, manuals, documentation, computer programs and technical data/information.

IP that belonged to (i) Redseer or its respective licensors, prior to providing Services to the Client; or (ii) the Client, prior to receiving Services, under this Agreement, shall continue to belong to the relevant party ("**Pre-Existing IP**").

Any rights, title and ownership in any deliverables, materials and reports developed for the Client pursuant to the provision of Services by Redseer ("**Developed IP**") shall be dealt in the following manner: Redseer shall retain any and all right, title and ownership in the Developed IP prepared and delivered by Redseer or composed in the course of or incidental to the performance of the Services under this Agreement. The Client shall acquire no right, title, ownership or interest in any such Developed IP, by virtue of this Agreement or the Services performed under this Agreement.

A consent letter will be signed between the Parties where Redseer will provide the consent to the Client for: (i) the use of Redseer's name as the source of the information provided by Redseer in its Report; and (ii) the



Report (in its entirety or any portions thereof) being included in the DRHP intended to be filed by the Client with the Securities and Exchange Board of India ("SEBI") and the stock exchange(s) where the Equity Shares are proposed to be listed, the red herring prospectus and the prospectus intended to be filed by the Client with the registrar of companies, SEBI and the Stock Exchanges (including any addenda, corrigenda or international supplement(s) of the foregoing for distribution to investors outside India), and in roadshow/ investor presentations, research reports and any other marketing material, in each case relating to the IPO and in accordance with applicable law.

d) Indemnification

Notwithstanding anything contained in this Agreement, the Client shall fully indemnify, defend and hold harmless Redseer, its affiliates, and their officers, directors, employees, agents, successors and assigns ("Redseer Representatives") from and against any and all claims, damages, liabilities, losses, and expenses (including any and all attorney fees, expenses and costs) incurred by or asserted against any Redseer Representatives of whatever kind or nature due to unauthorized usage of the Report in connection with the Proposed Business Transaction or a breach by the Client of any obligation, representation or warranty in this Agreement.

For the avoidance of doubt, the Redseer shall fully indemnify, defend, and hold harmless LGE, its affiliates, and their respective officers, directors, employees, agents, successors, and assigns ("LGE Representatives") from any claims, damages, liabilities, losses, and expenses (including attorney fees, costs, and related expenses) arising from or related to the Redseer's services, including but not limited to any infringement of third party's IP, breaches of this Agreement.

The Client shall indemnify Redseer for losses arising from all such actions, in case the Report including but not limited to the facts or figures, qualifications or disclaimers mentioned therewith, is not presented or produced in the same manner, as prepared and submitted by Redseer, in the DRHP, RHP or any other Offer Documents.

e) Limitation of Liability

In no event shall either Party be liable for any claim for any indirect, punitive, incidental, exemplary, special or consequential damages, for loss of business profits, or damages for loss of business of the other party, or loss or inaccuracy of data of any kind, whether based on contract, tort or any other legal theory, even if one Party has been advised of the possibility of such damages. In no event shall Redseer's total liability under this Agreement exceed the total amount of Engagement Fees paid to Redseer under this Agreement.

f) Termination

This Agreement may be terminated by either Party, immediately, without advance notice, (a) for material breach of this Agreement by the other Party if such other Party has received fifteen (15) days' written notice and has failed to cure the within such period; or (b) if the other Party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement or if any such proceeding is instituted against the other Party and such proceeding is not dismissed within 90 (ninety) days.

Upon the expiration of this Agreement, the Client will pay the Service Provider all fees for Services earned as of and through the effective date of expiration and will also pay and reimburse the Service Provider for all expenses incurred prior to and through the effective date of expiration and all non-cancellable commitments that shall have been pre-approved by the Client. The expiration and termination of this Agreement shall not release either Party from the obligation to make payment of all amounts then or thereafter due and payable.



g) Non-solicitation

Neither the Client nor Redseer shall offer or seek to offer directly or indirectly employment either permanently or part-time to the employees of the other party during the relationship and for a period of two years after the termination or expiry of this Agreement.

h) Nature of the Relationship

The Client acknowledges that Redseer will not advise Client or make recommendations related to making any investments or buy publicly listed stocks or selling any investment positions. Redseer is an independent contractor, and its output is not audited or verified and Redseer makes no representation that the information or output provided is accurate and complete. This is true for all information provided to the Client including but not limited to competitive intelligence, all estimates and projections about a company or a market, etc. This Agreement does not create a partnership or joint venture, and neither Party is authorized to act as agent or bind the other Party, except as expressly stated in this Agreement.

i) Use of Deliverables

The Client shall utilize the deliverables, reports, information, or data received from Redseer on an "as-is" basis, without any modifications. Unless otherwise agreed in writing by both Parties, the Client is prohibited from sharing, disclosing, or divulging any deliverables, reports, information, or data received from Redseer if such materials have been modified without Redseer's prior consent. This restriction includes, but is not limited to, the use and/or citation of information, data, and statements from the Report and any amendments thereto in marketing materials for investors or in connection with the Proposed Business Transaction. For the avoidance of doubt, the Client may use the contents of the Report without restriction, provided that such contents are used "as-is" basis and without any modifications.

j) Disclaimers

The Client agrees to include appropriate disclaimers and/or qualifications in the any materials in which information, data or statements from the Report are presented in connection with the Proposed Business Transaction, as provided by Redseer. Our work is subject to standard disclaimers, which is referred to in Annexure A.

k) Key Contacts and Invoicing information

Redseer:

Engagement Manager: Abhishek Tandon

Email: abhishektandon@redseerconsulting.com

GST: 29AAMCR6459F1ZS

Client (LGEKR):

Engagement Manager: Jungkyu Oh

Email: jungkyu.oh@lge.com

GST: NA

LGEIL:



Engagement Manager: Atul Khanna

Email: atul.khanna@lge.com

GST No.: 09AAACL1745Q1Z2

1) General clauses:

- (i) **Execution:** This Agreement may be executed by the Parties physically, in accordance with this Clause 10 (i).
 - Physical execution: In the event that this Agreement is being executed physically, the Client shall affix its countersignature in the sign off sheet below.
 -
- (ii) **Modification/Waiver:** This Agreement may be modified by the Parties, but any modification of this Agreement must be in writing and executed by both Parties. Failure by either Party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights, nor shall a waiver by either Party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.
- (iii) **Notices:** All notices to be given hereunder shall be transmitted in writing either by electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the registered addresses of the Parties, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of email, upon confirmation of receipt.
- (iv) **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of Singapore. All disputes, controversies or disagreements which may arise between the parties, in relation to or in connection with this Agreement, or for the breach hereof shall be finally settled by arbitration in accordance with the International Arbitration Rules of the Singapore International Arbitration Board. The seat of arbitration shall be Singapore and the language of the arbitral proceedings shall be English.

Please countersign and return a copy of this signoff sheet to Redseer.

Hanjun Kim

Digitally signed by Hanjun Kim
(DN: c=KR, o=Personal,
gn=young@naver.com, email=Cyber@naver.com),
3.4.20-42.020223684d27543c5a95222aee6c20795c2d006530ed90
4e5d3b78478, postalCode=053119, st=Korea, s=hanjun.kim
ko, 2008.10.21 17:40:35+08'00')

Signature:



ANNEXURE A

DISCLAIMER FOR THE OFFER MATERIALS

The market information in this Report is arrived at by employing an integrated research methodology which includes secondary and primary research. Our primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. Redseer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. Redseer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. Any financial information pertaining to peer group companies provided in this Report has been obtained from filings made by such companies with the Registrar of Companies or as publicly available on their respective websites. No independent research, analysis or verification has been made by Redseer in respect of such financial information. Redseer shall not be liable for any loss suffered by any person on account of reliance on any information contained in this Report, provided, however that Redseer has exercised due diligence in verifying the reliability of the sources, conducted its work in a professional manner, and made every reasonable effort to ensure the accuracy of the information.

While Redseer has taken due care and caution, and performed in a professional and workmanlike manner in preparing this Report based on information obtained from reliable and authorized (where applicable) sources, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, data availability, amongst others.

Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. The forecasts, estimates and other forward-looking statements in this Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.

This Report is not a recommendation to invest/disinvest in any entity covered in the Report and this Report should not be construed as investment advice within the meaning of any law or regulation.

Without limiting the generality of the foregoing, nothing in this Report should be construed as Redseer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of this Report shall be reproduced or extracted or published in any form without Redseer's prior written approval.

ANNEXURE – B

Consumer Electronics Industry Report – Illustrative Scope of Work

Note: Redseer will support the client with report updates during the DRHP or RHP filing, including responses to SEBI's requests.

- 1) Macroeconomic Overview
 - a) Global economic overview
 - i) Review of global GDP growth trend and outlook for CY24, next 3-5 years
 - ii) Review of key economic metrics such as GDP, GDP growth, interest rates, inflation, PMI, PFCE etc. for key economies including Asia, US, Europe, China, Africa and Middle East, comparison to India
 - iii) Comparison of GDP growth trend of India and key global economies
 - b) India economic overview
 - i) Review of historic GDP and Per Capita income growth in India
 - ii) Outlook of GDP growth and per capita income growth for FY2025 and 2026 and beyond, including drivers of growth, including but limited to
 - (1) Urbanization
 - (2) Demographic Dividend
 - (3) Digital adoption
 - (4) Technological advancements
 - iii) Trends in private consumption growth (PFCE) based on basic and discretionary spends, including drivers of growth such as:
 - (1) Retail consumption shifting towards organized channels, driven by
 - (a) Better selection at competitive prices
 - (b) Improved consumer experience
 - (c) Greater degree of agility
 - (d) Investments in infrastructure to enhance stores
 - (e) Shift towards e-commerce
 - (2) Increased spending on discretionary items
 - (3) Preference for convenience
 - iv) Section on inflation in India, how the economy has dealt with it better than other economies
 - v) Review of overall GVA trend and sector wise contribution, including manufacturing GVA
 - vi) Review of per capita net national income, per capita GDP and growth rate at constant prices
 - vii) GDP S-curve
 - (1) India is near ~\$2,000 GDP per capita
 - (2) Private consumption, specially FMEG consumption tends to boom for economies after that point
 - (3) Comparison to other economies which have crossed that threshold in the past (US, China, Japan, Russia, Brazil, etc.) to show how FMEG consumption boomed
 - viii) India population segmentation by age group and income, 2010 onwards for every five years and projections till 2030
 - ix) India urbanization trends, 1960 onwards for every ten years and projections till 2030
 - x) Overview of key government initiatives and policies driving growth for electronics sector in India, such as
 - (1) PLI scheme
 - (2) Infrastructure investment
 - (3) Smart cities
 - (4) Electrification
 - (5) Push toward digitalization

2) Assessment of retail space in India



- a) Speed of growth and projected size, with projected size by 2030
- b) Commentary on long runway given low per-capita spends
- c) Increased spending on discretionary items, driven by
 - i) Increase in middle and high income households
 - ii) Basics needs are now increasingly already met
 - iii) Demographic dividend
 - iv) Rising female workforce
 - v) Awareness driven by social media channels
 - vi) Rising urbanization
 - vii) Rise of nuclear families
 - viii) Evolving needs and new trends
 - ix) Innovations by brands/platforms/retailers
- d) Other trends, including increasing digital adoption by consumers
- 3) Overview of global consumer and home electronics market
 - a) Qualitative overview of structure of Global consumer and home electronics market
 - b) Market size of global consumer and home electronics industry in value terms, historic and projected
 - c) Current share and Outlook of key segments in the consumer and home electronics industry
 - d) Qualitative overview of key trends and drivers impacting the global consumer and home electronics industry
 - e) Qualitative overview of key risks and challenges impacting the global consumer and home electronics industry
- 4) Assessment of consumer and home electronics industry in India
 - a) Qualitative overview of structure of the electronics market in India
 - b) Market size in value and volume terms of the retail consumer and home electronics industry in India, historic and forecasted
 - c) Segmentation of market into B2B and B2C including key sub-segments and comparison of needs in products, sales formats, after-sales services, etc.
 - d) Qualitative overview of key trends and drivers impacting the Indian consumer and home electronics industry, factors driving growth in the B2C segment
 - i) Rising income
 - ii) Rising growth in T2 cities
 - iii) Rising penetration as India catches up to global benchmarks of per-capita spending
 - iv) Premiumization
 - v) Evolving consumer preferences
 - vi) Nuclearization of families alongside urbanization
 - vii) Internet Penetration and E-commerce
 - viii) Improved infrastructure (electricity)
 - e) Factors driving B2B growth
 - i) Demand for connected products for offices
 - ii) Demand for energy-efficient products
 - f) Segment-wise analysis of products, with market size (current and forecasted), penetration in India (and drivers of increasing penetration), existing manufacturing capacity, % imported, key players, drivers of growth, % organized, split by channel, split by end-user (household vs commercial), drivers of premiumization for each product, etc. Other commentary to also be added such as key risks and challenges for each product category (e.g., seasonal nature of AC market)
 - i) Large appliances

- (1) Refrigerators
 - (a) B2C drivers of growth
 - (i) Low penetration
 - (ii) Increasing per-capita income
 - (iii) Better power infrastructure
 - (iv) Premiumization driven by
 - 1. Demand for energy efficient models
 - 2. Higher capacity unit as users seek more storage
 - (b) B2B drivers of growth
 - (i) Rising number of commercial spaces
 - (ii) Growth of F&B industry and grocery players
- (2) Washing machines
- (3) Kitchen devices such as dishwashers and microwave ovens
- (4) ACs
 - (a) Window
 - (b) Split
 - (c) Commercial HVAC
 - (d) Data Centre Chillers / HVAC
 - (e) Other commercial/consumer
- ii) Audio/Video devices
 - (1) TVs (segmented into LED, OLED, LCD etc.)
 - (2) Computer monitors
 - (3) Audio devices (headphones, earphones, speakers, home theater etc.)
 - (4) Personal Computers
 - (5) Other personal devices
- iii) Mobiles
- iv) Small household devices
 - (1) Vacuum cleaners
 - (2) Water purifiers
 - (3) Air purifiers
 - (4) Personal care gadgets
 - (5) Other small appliances
- v) Other B2B/B2C categories, such as compressors, voltage regulator module ACs etc.
- g) Calculation of total addressable market for company
 - i) Overall TAM
 - ii) Calculation of total number of households/consumers impacted by [company] products
 - iii) Additional details and market sizing of the AMC (annual maintenance contract) market
- h) Overview of Import / Export trends in various categories
 - i) Trends in sourcing and supply chain
 - j) Segmentation into channels, trends and drivers of growth in each channel
 - i) Unorganized/GT (drivers of growth listed in separate section)
 - ii) Organized offline LFR
 - iii) Organized online
 - iv) COCO / Exclusive company stores
 - v) Omnichannel, which is growing driven by
 - (1) Deepening consumer engagement
 - (2) Enhanced brand perception
 - (3) Targeted marketing

- (4) Higher convenience
- k) Overview of key government policies and regulatory factors impacting the Indian electronics industry
 - i) Overview of key schemes and policies
 - ii) Trade agreements
 - iii) Key regulations
- 5) Competitive Landscaping
 - a) Factors needed to win, such as
 - i) Strong R&D
 - ii) Robust manufacturing, enabling good quality control, efficiency, etc.
 - iii) Strong brand with comprehensive product portfolio
 - iv) Widespread dealer network, providing easy access
 - v) After-sales service network, with trends in the repair, servicing, and maintenance sector
 - b) Brief overview of competitors including key offerings
 - i) Types of products offered
 - ii) Benchmarking on energy efficiency, especially of key products such as ACs and refrigerators
 - iii) No of years of operations
 - iv) Manufacturing capacity / facilities
 - v) Employee count
 - vi) Geographical presence
 - c) Benchmarking covering
 - i) Operating income and growth
 - ii) Operating profit, margin and growth
 - iii) Net profit margins and growth
 - iv) Return of capital employed (ROCE) and ROE
 - v) NWC days, inventory days, asset turnover
 - vi) R&D spend as a % of revenue
 - vii) Brand recognition/awareness
 - d) Competition from Chinese manufacturers
 - i) Geographic reach
 - ii) R&D capability
 - iii) Product line
 - iv) Share of premium products in portfolio
 - v) Details of anti-dumping duties on Chinese imports
- 6) Key risks and challenges
- 7) Conclusion
- 8) Claim statements (Illustrative)
 - a) Market Leadership
 - i) Company is the [n]th largest consumer electronics company in India
 - ii) Company is a dominant player in the air conditioner market in India, with a significant share that underscores its leadership in both the inverter and dual-inverter AC segments.
 - b) Innovation
 - i) Company introduced the [x] TV in India, a first-of-its-kind product in the country.
 - ii) Company was among the pioneers in launching air conditioners equipped with dual-inverter technology in India
 - c) Other
 - i) Company's [x] manufacturing unit is one of the most eco-friendly units among all [x] manufacturing plants in the world.



Additional comments on scope received

1. Population of India & proportion of the national population considered middle class (from year X to year Y (projection year) , with a focus on 2022, 2023, 2024 and 1Q25)
2. Average income level (from year X to year Y (projection year), with a focus on 2022, 2023, 2024 and 1Q25)
 - a. Customer discretionary spending (from year X to year Y (projection year) , with a focus on 2022, 2023, 2024 and 1Q25)
3. Market size for each product group (mass vs premium)
 - a. Definition and classification of each segment (e.g. premium market refers to [OLED TVs over [x] price range, washing machines over [x] price range, and refrigerators over [x] price range, globally]
4. Penetration (market share) of company products in each segment / product group
 - a. E.g. In refrigerators we are a market leader with [30.8%] market share. These numbers reflect our deep understanding of the Indian consumer and our ongoing commitment to delivering products that meet their evolving needs. Further, in the premium segment, we have established ourselves as the undisputed leader. We hold commanding market shares of [42%] in side-by-side refrigerators, [43%] in front-load washing machines, [22%] in premium air conditioners, and [30%] in LCD TVs
5. % wallet share of consumer appliances in India for 2024 and next 5 years
6. Sourcing cost comparison between major players (Company, Samsung, Whirlpool, Havells, Voltas, etc.)
 - a. Understand quantitative data might not be available. Any qualitative inputs would be helpful at this stage (e.g., Company sources most of the key materials domestically while other competitors source key materials outside India, hence Company has relatively lower sourcing cost, approx. INRxxx, etc.)
7. Operating margins of major players (Company, Samsung, Whirlpool, Havells, Voltas, etc.)
8. Retail distribution footprint in India among major players (Company, Samsung, Whirlpool, Havells, Voltas, etc.)
9. After-sales service network footprint by major players (Company, Samsung, Whirlpool, Havells, Voltas, etc.)
 - a. By the number of after-sales service branches
 - b. By the number of service professionals
 - c. By the tier-1 city coverage
 - d. By average repairs per day
 - e. By average response time to after service request
10. Penetration into Amazon / Flipkart, and Croma / Reliance Digital consumer appliances sales by major players (Company, Samsung, Whirlpool, Havells, Voltas, etc.)
11. Energy efficiency classifications of competitors' product portfolio vs Company's
12. Survey results on
 - a. Quality of Company appliances
 - b. Company's after-service



- c. Brand images, NPS, consumer intention to continue purchasing company products
- 13. Other views on future competitive dynamics
 - a. Penetration by Chinese players leading to further competition
 - b. View on shifting consumer preference over sales channels (Modern Trade vs RSS vs Multi- brand shop vs online, etc)





ADDENDUM NO.1 TO ENGAGEMENT LETTER

This Addendum No.1 is made on [15th July 2025] ("**Addendum**") and is subject to terms & conditions of the Engagement Letter dated 21st October 2024 (including its exhibits and other attachments, "**Agreement**"),

Redseer Strategy Consultants Private Limited, a private limited company bearing CIN No. U70200KA2023PTC173158, incorporated and registered under the Companies Act, 2013 and having its registered office at Prestige Obelisk, Kasturba Rd, Ambedkar Veedhi, Sampangi Rama Nagar, Bengaluru, Karnataka 560001, (hereinafter referred to as "**Service Provider**" or "**Redseer**");

AND

LG Electronics Inc., a company incorporated and registered under the laws of the Republic of Korea, and having its registered office at 128 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea (hereinafter referred to as "**Client**" or "**LGEKR**")

AND

LG Electronics India Limited (CIN: U32107DL1997PLC220109), (erstwhile LG Electronics India Private Limited), a company incorporated and registered under the provisions of Companies Act, 1956, as amended from time to time and having its registered office at A – 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044, India (hereinafter referred to as "**LGEIL**")

The "Service Provider", the "Client" and "LGEIL" shall be hereinafter individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

Pursuant to discussion between the Parties, it has been mutually agreed between the parties:

1. To refresh certain market perspectives in the Report ("Additional Scope") and Redseer has agreed to deliver the same, which include:
 - a. Macro section to be updated for latest time period (as available)
 - b. Market sizing model, trends, and projections to be updated for CY2019, CY2024, H1 CY2025 (Annualized), CY2029P
 - c. Claim Statements to be validated for latest time period (as applicable)
 - d. Peer Benchmarking to be updated once in July for FY2025, and once in August for Q1FY2026 or in November/December for Q2FY2026 (as available)
2. The scope of work under this Addendum shall include the above service. Any work not defined above and requiring additional effort will be considered as a new request.
3. The timeline to deliver the Additional Scope (for report revision) is 3 weeks from 31st July, 2025 ("Commencement Date). Redseer will be available to support for any comments and queries from the client and any additional queries/requests from SEBI beyond the specified timeline.
4. Engagement Fee to deliver the additional scope under this Addendum is INR 62,09,820 (excluding the taxes).



The above includes out-of-pocket expenses (OPE) and engagement administration costs (EAC). Any third-party reports or consent (if needed) will be charged additionally post written approval from the Client.

In addition to the above, goods and service tax, as applicable, shall be payable by LGEIL on the fees. Furthermore, any other tax, duty, cess or other levies instituted by the government that may become applicable to any or all the Services performed under this engagement shall also be payable by LGEIL.

5. Redseer shall invoice the LGEIL, 100% of the Engagement Fee for the additional scope under this Addendum, upon commencement of the engagement.
6. LGEIL agrees to pay the invoice, inclusive of applicable charges and taxes for additional scope under this Addendum, within 30 days from the receipt of a valid invoice from Redseer.
7. The Agreement and Addendum contain the entire understanding of the Parties hereto and neither it, nor the rights and obligations hereunder, may be changed, modified, or waived except by an instrument in writing that is signed by both the Parties. Any terms, conditions, or provisions of the Agreement that are not amended or modified by Addendum shall remain in full force and effect. In the event of any conflicts between the terms, conditions, or provisions of the Agreement, the terms, conditions, and provisions of the Addendum shall prevail.

This Addendum shall become effective from 31st July 2025. All capitalized terms used but not defined herein shall have the meaning given to such terms in the Agreement.

This Addendum shall form an integral part of the Agreement and shall be read along with the Agreement.

All other provisions of the Agreement shall be valid and remain enforceable.

The Parties hereby acknowledge that the Parties have read and understood the terms of this Addendum and agree to accept and abide by its terms.

LG Electronics Inc

Name: Young Kyoan Kim

Designation: Global Treasurer

Signature:

A handwritten signature in blue ink, appearing to be "YK Kim", written over a horizontal line.

Redseer Strategy Consultants Private Limited

Name: Rohan Agarwal

Designation: Partner

Signature:

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LG Electronics India Limited

Name: Dong Myung Seo

Designation: CFO

Signature:

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Date: 2 September 2025

To:

The Board of Directors
LG Electronics India Limited
Plot No. 51 Udyog Vihar
Surajpur – Kasna 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, India 400 013

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
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

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

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

Ladies and Gentlemen

Subject: Proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares”) of LG Electronics India Limited (the “Company”) and such offering (the “Offer”)

With reference to the captioned matter, we, Redseer Strategy Consultants Private Limited (**“We/ Redseer”**), hereby accord our no-objection and our consent to: (i) the use of and references to our names as independent service provider to the extent of the information provided by us in our report titled “Industry Report for Appliances and Electronics Market in India” dated 2 September 2025 and enclosed herewith as **Annexure A (the “Report”)** (ii) for quoting of information, reproducing content, extracting or utilizing our Report including its contents or any extract thereof, and (iii) the date of our engagement letter and addendum with the Company, being included in the draft red herring prospectus (**“DRHP”**) proposed to be filed with the Securities and Exchange Board of India (**“SEBI”**), and the red herring prospectus (**“RHP”**) and the prospectus (**“Prospectus”**) that the company intends to file with

Registrar of Companies, Delhi and Haryana at New Delhi, Delhi and with SEBI and the stock exchanges and any addenda, corrigenda, supplements or notices to the DRHP, RHP or the Prospectus and in any other documents including investor presentations, research reports or other material and any international supplement of the foregoing for distribution to investors outside India prepared by the Company or the BRLMs in connection with the Offer (collectively, the **“Offer Documents”**) and in roadshow / investor presentations, research reports and any other marketing and/or publicity material, in each case relating to the Offer and in accordance with applicable law (collectively, together with the Offer Documents, the **“Offer Materials”**).

We also agree that such disclosures would be made only as deemed fit by the Company and the BRLMs and this letter does not impose any obligation on the Company to include in any Offer Materials all or any part of the information with respect to which consent for disclosure is being granted pursuant to this letter.

We also confirm that we are independent consultants with respect to the Company, its associates, promoters, directors, key managerial personnel, senior management and the BRLMs as listed out in **Annexure B**.

We confirm that we are not, and have not in the past, been engaged or interested in the formation, or promotion, or management, of the Company. We also confirm that we do not have any other business relationship with the Company other than as set out in the engagement letter dated 21st October 2024 together with its addendum dated 15th July 2025. We confirm that as per our records, none of the Company, its directors, its promoter(s), its key managerial personnel, its senior management personnel or the BRLMs to the Offer, is a related party with respect to us, as per the definition of “related party” provided under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended, as on date of this letter.

We confirm that we do not have any relation with the Company, its directors, its promoters, its promoter group, its key managerial personnel and senior management personnel and the selling shareholders as listed out in Annexure B, nor the BRLMs to the Offer except for preparation of the Report.

We also give our consent to include the Report and this letter and the redacted Engagement letter and the Addendum (**Annexure C**) as part of the section titled *“Material Contracts and Documents for Inspection”* in the DRHP, RHP and Prospectus which will be available for public inspection and have no objection with you sharing the Report with any regulatory or judicial authority as required by law or regulation in relation to the Issue Further, we consent to the Report being made available on the Company’s website, and to the inclusion of a weblink to the Report and this letter in the Offer Documents in order to enable access thereto on the website of the Company. We also consent to disclose the date of its appointment pursuant to engagement letter dated 21st October 2024 together with its addendum dated 15th July 2025 for the purpose of preparing/commissioning this Report, in the Offer Documents.

We confirm that we have, where required, obtained requisite consents that may be required from any governmental authority or other person in relation to any information used by us in the Report. Subject to compliance with the terms hereof, we further confirm that there are no further consents, permissions, approvals or intimation required for reproducing the information contained in the Report in any Offer Documents. This consent will remain valid unless withdrawn in writing by us.

We confirm that we and our associate company/ies (as defined under the Companies Act, 2013) do not hold any Equity Shares of the Company.

We confirm that all information contained in the Report has been obtained by us from sources believed by us to be true and reliable and after exercise of due care and diligence by us. We further confirm that we have, where required, obtained requisite consent that may be required from any governmental authority or other person (including any entity) in relation to any information used by us in the Report. We further confirm that the above information in relation to us is true, fair and correct and there is no untrue statement or omission which would render the contents of this consent letter misleading in its

form or context. The Report is not a recommendation to invest/disinvest in any entity covered in the Report and the Report should not be construed as investment advice within the meaning of any law or regulation. RedSeer has prepared this report in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. The Report represents a fair and true view based on available information; We have taken reasonable care to ensure that the same is neither exaggerated nor any underlying assumptions have or will be wilfully omitted.

We represent that our execution, delivery and performance of this consent letter have been duly authorized by all necessary actions (corporate or otherwise).

We confirm that we will immediately communicate any changes in writing in the above information to the Company, BRLMs until the date when the Equity Shares that are allotted and/ or transferred in the Offer, commence trading on the Stock Exchanges. In the absence of any such communication from us, BRLMs and the legal counsels, each to the Company and the BRLMs, can assume that there is no change to the above information until the Equity Shares commence trading on the Stock Exchanges pursuant to the Offer.

For the sake of clarity, this consent letter does not provide the right to the Company to name us as an expert on the Offer Documents.

Please ensure that wherever information from the Report is used in the Offer Materials or such other presentations, (i) proper reference of the Report as the source of such information is cited along with; and (ii) the Company should ensure that the information is presented in the same context as that in the Report and should not be selectively extracted and used in a manner that distorts the views expressed by us in the Report.

This consent letter can be relied on by the Company, the BRLMs and the legal advisors to each of the Company and the BRLMs. We hereby consent to the submission and disclosure of this consent letter and the Report, or any extract thereof, as may be necessary to the SEBI, the Stock Exchanges, and any other legal, governmental, regulatory or judicial authorities and/or for any other litigation as may be required under applicable law, or regulation in relation to the Offer or pursuant to an order or request from such authority.

We confirm that the above information in relation to us is true, fair and correct, and there is no untrue statement or omission which would render the contents of this letter misleading in its form or context. We further consent to this letter being included for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

We agree to keep strictly confidential the information regarding the Offer, your request and this consent relating to the Offer.

This consent letter, including any annexures hereto, is for information and for inclusion (in part or full) in the Offer Documents or any other Offer-related material, and may be relied upon by the Company, BRLMs and the legal counsel to each of the Company and the BRLMs in relation to the Offer.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents, as the case may be.

Yours faithfully,

For Redseer Strategy Consultants Pvt Ltd



Authorised Signatory

Name: Rohan Agarwal

Designation: Partner

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,
Gautam Buddha Nagar, Noida – 201 301,
Uttar Pradesh, India

International Legal Counsel to the Book Running Lead Managers

White & Case
White & Case Pte Ltd.
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Singapore 048948

Domestic Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co

Amarchand Towers 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 A

SECTION IV: ABOUT OUR COMPANY INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled 'Industry Report for Appliances and Electronics Market in India' dated September 2, 2025 (the "**Redseer Report**") prepared and issued by Redseer Strategy Consultants Private Limited ("**Redseer**"), which has been commissioned by and paid for by our Company exclusively in connection with the Offer for the purposes of confirming our understanding of the industry in which we operate. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the Redseer Report.*

*Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. The data included herein includes excerpts from the Redseer Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the Redseer Report, see "**Risk Factors – Internal Risks – We have used information from the Redseer Report which has been commissioned and paid for by our Company for industry related data in this Red Herring Prospectus and any reliance on such information is subject to inherent risks.**" on page [■]. The Redseer Report will form part of the material documents for inspection and will be available on the website of our Company at [■] from the date of filing of this Red Herring Prospectus until the Bid/Offer Closing Date.*

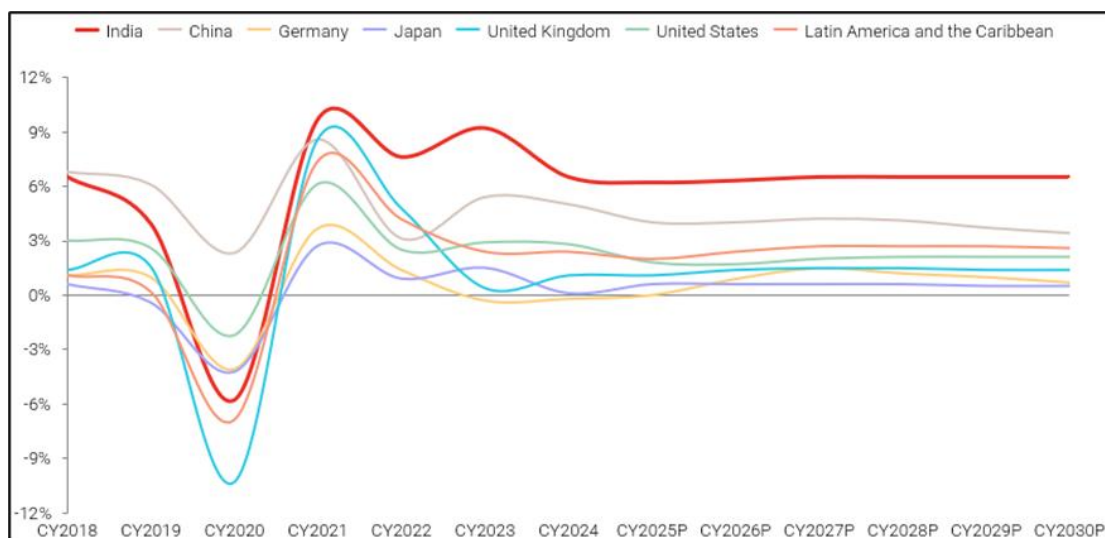
The Global Economy is Projected to See Steady Growth Across Key Regions in CY2025P and Beyond, with India's Economy Standing Out as a Bright Spot Amidst Steady Growth Prospects.

The world economy has shown resilience despite ongoing challenges, with key indicators such as GDP growth, inflation rates, and private consumption reflecting varied regional dynamics. The outlook for CY2025P and beyond reflects a cautious optimism, with growth anticipated to remain steady across major developed markets, while emerging markets such as India display robust expansion. India emerges as a significant player in the global economic arena, demonstrating strengths in growth and consumption relative to its international counterparts. India's economic performance remains robust, underpinned by strong consumption growth, urbanization and technological advancements that support long-term expansion across sectors.

Global and India macroeconomic overview

Global Gross Domestic Product ("GDP") growth: Global real GDP growth, while stabilizing after pandemic-induced disruptions, is projected to continue at a moderate pace in CY2025P, with projections indicating a compounded annual growth rate ("CAGR") of approximately 3.1% over the next 3-5 years. Key regions including North America and European nations are anticipated to exhibit modest growth due to tightening monetary policies, while emerging economies are positioned for relatively higher growth rates driven by robust domestic demand.

Real GDP growth – India and Global Benchmarks CY2018 to CY2030P, in %



Source(s): IMF

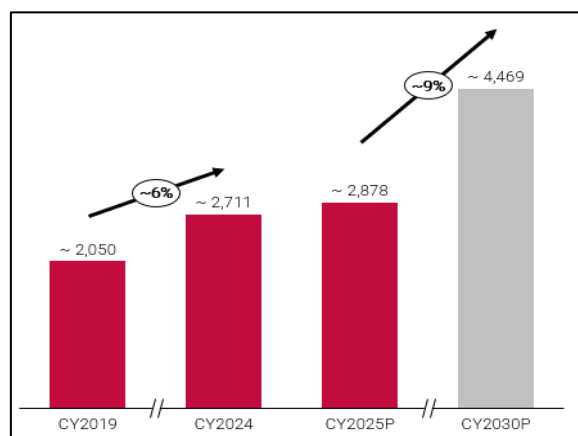
India's GDP growth: As per the data from International Monetary Fund's ("IMF") World Economic Outlook (April 2025), India stands to be the world's fourth-largest economy by CY2025P, with the IMF projecting India's GDP at current prices to reach approximately ₹356 trillion (US\$4.2 trillion) in CY2025P. In CY2024 India's real GDP saw robust growth at ~6.5% and is projected to grow by ~6.2% in CY2025P, fuelled by strong domestic consumption and investment growth. Despite global disruptions from COVID-19 and the challenges posed by a much more severe second wave of COVID-19 at the start of FY2022, India's economy demonstrated remarkable resilience, maintaining its growth momentum and outpacing many other major economies. This growth underscores India's emergence as a key player on the global economic stage, with steady contributions from manufacturing and services sectors.

Looking forward, India's real GDP is projected to grow by 6.3% in CY2026P and 6.5% during CY2027P-CY2030P, positioning it as the fastest-growing major economy globally. According to IMF projections, India is expected to surpass Germany by CY2028P to become the world's third-largest economy. During this period, India is projected to outpace major economies such as the United States and China, growing at ~2% and ~4%, respectively, in real terms. This growth trajectory reflects India's rapidly expanding economic influence and resilience in the global landscape.

This robust growth outlook for India is underpinned by several structural and economic factors that are expected to drive sustained expansion and elevate the nation's position in the global economy. Key factors contributing to India's trajectory include:

India's GDP per capita at an inflection point: India's GDP per capita is currently projected to be ₹ ~2,44,669 (~US\$ 2,878) in CY2025P by the IMF. The critical threshold of US\$ ~2,000 to ~3000 GDP per capita mark is historically associated with accelerated private consumption growth, especially for Fast-Moving Electrical Goods ("FMEG"). Analysis of economies that previously crossed this benchmark such as the United States, China, Japan, Russia, and Brazil, reveals that once per capita GDP surpasses the threshold, consumer demand for appliances and electronics typically surges. Projections for CY2030P suggest India will reach ₹ ~3,79,826 (~US\$ 4,469) per capita, positioning it to follow a similar high-growth trajectory as seen in other comparable economies.

India's GDP per capita
 CY2019, CY2024, CY2025P, CY2030P, in USD



Source(s): IMF

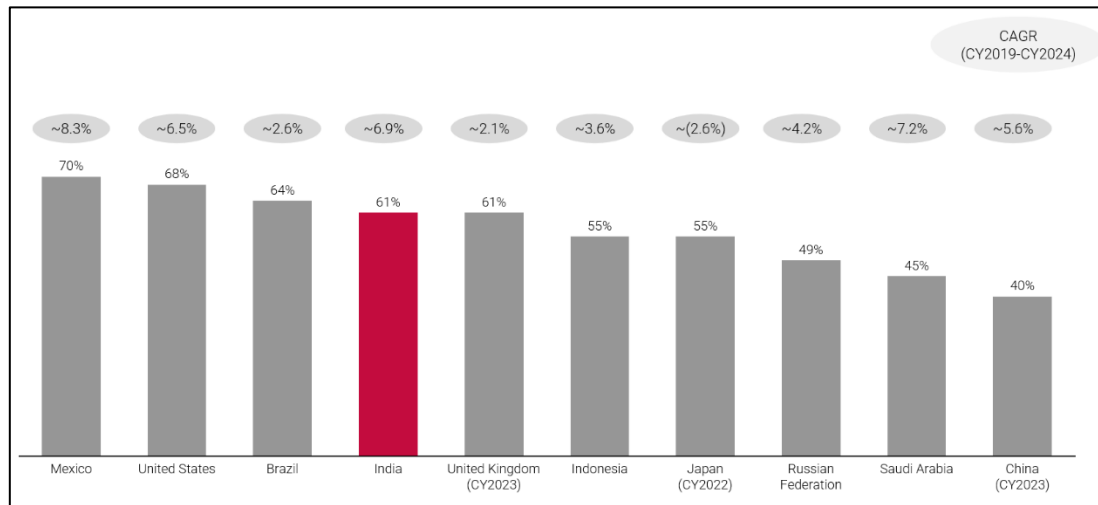
Manufacturing to gain prominence: India's Gross Value Added ("GVA") has shown a consistent upward trend, growing from ₹ ~132 trillion (US\$ ~1.6 trillion) in FY2020 to ₹ ~172 trillion (US\$ ~2 trillion) in FY2025. In FY2025, the economy's sectoral distribution to GDP reflects strong contributions from services (~50%), manufacturing (~16%), and agriculture (~13%). Manufacturing GVA, in particular, has expanded significantly, driven by policies such as 'Make in India' and the Production-Linked Incentive ("PLI") scheme, which collectively bolster domestic manufacturing and export competitiveness. Looking forward, the manufacturing sector is expected to continue its robust growth trajectory, outpacing other sectors over the next five years. This is in line with India's strategic push to increase its manufacturing share in GDP, aiming to contribute ~22% by FY2028P, positioning it as a key growth driver for the broader economy.

Purchasing Managers' Index ("PMI"): India's manufacturing PMI of 59.1 in July 2025 signals strong manufacturing growth, contrasting with the United States at 49.8 and China at 49.5, both of which declined. The Eurozone at 49.8 showed a slight increase, while Brazil's PMI at 48.2 showed a decline.

Relatively stable inflation: India's inflation rate of ~4.1% for CY2025P based on the Consumer Price Index ("CPI") is relatively higher compared to regions such as United States at ~1.9%, Eurozone countries at ~1.6% to ~2.8% (except Slovak Republic at ~5.1%), and China at 1.7%, but it remains moderate compared to economies such as Brazil at ~3.6% where inflation is more volatile, having reached over 9.0% in CY2015 and again in CY2022. India's relatively stable inflation can be attributed to effective government policies, including the Reserve Bank of India's inflation-targeting framework, enabling proactive monetary policies including timely interest rate hikes to curb price rises. The government's strategic fiscal measures such as direct benefit transfers and targeted subsidies have shielded vulnerable populations. Additionally, India's diverse agricultural base and improvements in supply chain logistics have helped mitigate inflationary pressures on essential goods. While global inflation surged post COVID, India's inflation remained comparatively stable and is supported by strong domestic production, import diversification, and effective monetary and fiscal policy coordination.

Rising private consumption: In terms of Private Final Consumption Expenditure ("PFCE") at current prices, India exhibited strong growth of ~6.9% from CY2019 to CY2024, outpacing the United States at ~6.5% and the Eurozone at ~2.0% (CY2018 to CY2023). This upward trend in PFCE reflects India's gradual shift towards a consumption-driven model, supported by a vibrant domestic landscape and an expanding middle class. As India's PFCE as a percentage of GDP continues to increase, it remains lower than that of developed nations, highlighting significant headroom for further growth. Moreover, the increasing availability of consumer credit has facilitated higher spending, empowering a broader demographic to access goods and services that were previously out of reach. This trend, coupled with rising disposable incomes and increased urbanization, is driving demand across both basic and discretionary sectors. India's PFCE is poised for sustained expansion, contributing to the country's shift towards a consumption-driven economic model.

PFCE as % of GDP – India and Global Benchmarks CY2024, in %



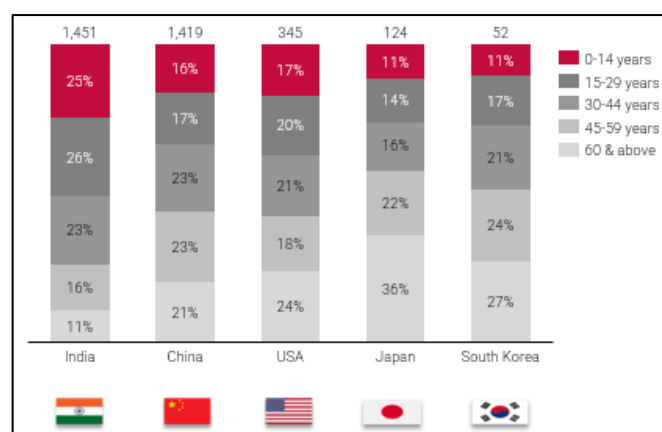
Note: For Japan, data is available only up to CY2022, and the CAGR is calculated over CY2017–CY2022. For United Kingdom and China, data is available only up to CY2023, and the CAGR is calculated over CY2018–CY2023. For all other countries, the data is up to CY2024 and the CAGR is for CY2019–CY2024

Source(s): World Bank

The following trends are pivotal in shaping robust growth in PFCE:

1. **Young and aspirational consumers are driving aspirational demand:** India is the world's most populous nation with a population of ~1.45 billion as of CY2024P, as per the United Nations' World Population Prospects, 2024. India's youthful population, one of the largest in the world, is driving an expanding labor force and accelerating economic growth. This demographic advantage, with a rising proportion of working-age individuals, is fueling higher incomes and increased consumption across a broad range of sectors. As young and aspirational consumers, this group is particularly influential in driving demand for technology, home appliances, and other consumer goods, positioning India as a significant market.

India's Population Segmentation by Age Group CY2024P, in Mn

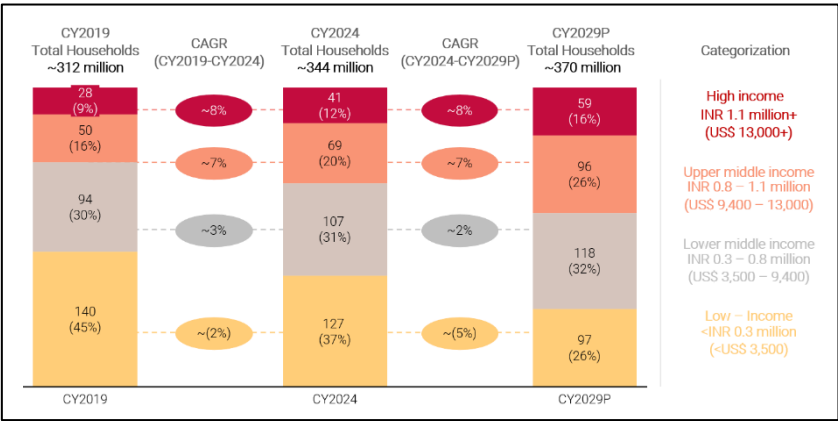


Source(s): World Population Prospects 2024, United Nations, July 2024

2. **Rising incomes and prosperity:** The share of households classified as middle-income has been steadily increasing, with notable growth in recent years, driven by rapid economic development, urbanization, formalization of employment, and a shift from agriculture to services. By CY2029P, the middle-income demographic is projected to comprise approximately ~58% of total households, up from ~51% in CY2024, reflecting a significant shift toward higher standards of living and increased discretionary spending. Middle-class households' retail spending per capita is more than three times that of low-income households, further

emphasizing their growing purchasing power. This affluence is set to disproportionately drive growth in retail categories, leading to heightened demand for higher-quality products and services. Labour Force Participation Rate among women aged 15 years and above has increased from 30.0% between July 2019 and June 2020, to 41.7% between July 2023 and June 2024, and is bolstering household incomes, further supporting retail growth, particularly in segments such as home appliances, personal care devices, and fashion.

India's Share of Households by Annual Income
CY2019, CY2024, CY2029P, in Mn



Note: Incomes are calculated based on real wage growth and account for wage inflation
Source(s): Redseer research and analysis

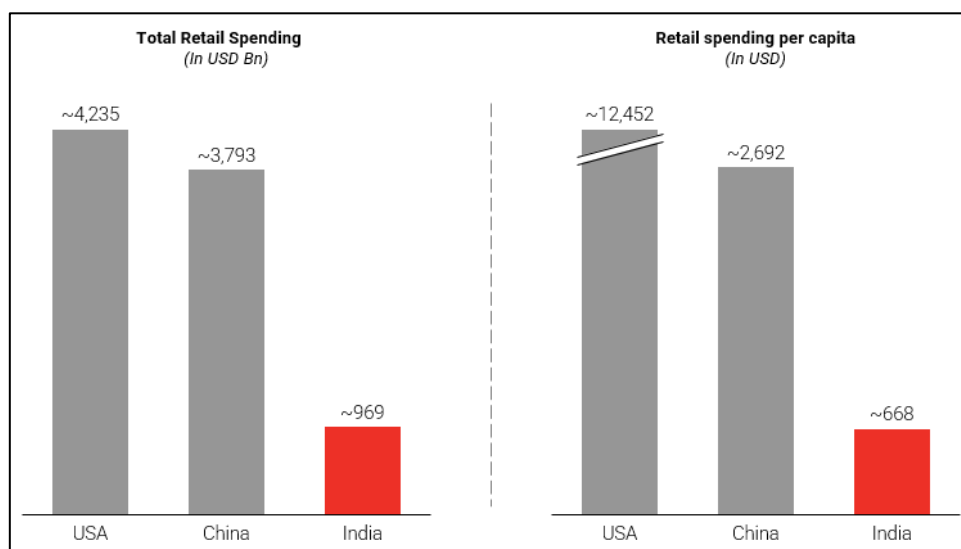
India's per capita net national income at constant prices has seen substantial growth, marking an increase from ₹ ~94,270 (US\$ ~1,109) in FY2020 to ₹ ~1,14,710 (US\$ ~1,350) in FY2025 and is projected to reach ₹ ~1,39,582 (US\$ ~1,642) by FY2030P.

This consistent rise highlights increasing economic well-being resilience to inflationary pressures, and reflects a broadening middle class with enhanced purchasing power. This growth trajectory is particularly promising for consumer sectors, with increasing disposable incomes expected to drive demand for categories such as durables, appliances, and electronics.

3. *Rapid urbanization*: Urbanization is a principal element in India's economic expansion, with the urban population increasing from ~479 million in CY2019 to ~535 million in CY2024, well over the total population of the United States at ~345 million. Urbanization is fuelled by rural-to-urban migration for better opportunities, and this shift will drive demand for organized retail, as urban centres increasingly attract consumers seeking enhanced purchase experiences. Additionally, Indian households are becoming more nuclear, further expanding the addressable number of households and increasing demand for consumer goods and services. By 2050, over 50% of India's total population is expected to reside in urban areas. The contribution of cities to the national GDP is projected to increase to 80% by 2050, according to the Ministry of Housing & Urban Affairs. Investments in infrastructure are reshaping the physical retail landscape, with enhanced store experiences and improved logistics. These investments support organized retail growth and boost consumer conveniences.
4. *Increasing digital adoption and technological advancements*: The Digital India initiative is driving significant digital penetration, transforming business models and consumer behaviour. The rise of digital connectivity and payment solutions such as UPI is fuelling e-commerce growth across metros and Tier 1 and Tier 2+ cities, making a wider range of products accessible, even to rural consumers engaging more in online shopping. Technological advancements in AI, automation, and data analytics are further enhancing productivity and operational efficiency. These shifts are not only transforming industries but are also driving the growth in private consumption, positioning India as a key player in the global digital economy.
5. *Increased spending on discretionary items*: Improving economic conditions and accelerating urbanization are driving a notable rise in discretionary spending across India. As disposable incomes grow, particularly within urban and middle-class segments, consumers are increasingly allocating funds toward lifestyle-enhancing products, modern appliances, and electronics. For a significant and expanding segment of the population, essential needs are now comfortably met, allowing a shift toward premium and aspirational purchases. Additionally, the increase in nuclear households has boosted the number of residences, further fuelling demand for home appliances and consumer electronics. This trend is also supported by the widespread adoption of flexible financing options, making high-value products more accessible to a broader consumer base.
6. *Preference for convenience*: Consumer preferences are increasingly driven by the demand for convenience. This shift is being shaped by:
 - a. *Time constraints*: With a growing number of working professionals and urban dwellers, time-saving products and services, such as ready-to-use food items and home delivery services, are becoming more popular.
 - b. *Digital payments and financing solutions*: The widespread adoption of digital payment systems such as UPI is streamlining the purchasing process to make transactions faster and more convenient for consumers.
7. *Rise in retail consumption*: The expansion of retail consumption in India is a natural outcome of several intersecting trends, including higher disposable incomes, urbanization, and evolving lifestyles. As consumers increasingly seek products that enhance their quality of life—from appliances and electronics to lifestyle goods—retail consumption has gained momentum across physical and digital channels. This growth reflects broader accessibility and exposure to a wide array of products, allowing for increased consumer participation in the economy. Together, these factors are shaping a more dynamic and resilient retail landscape in India.

Retail spending comparison-USA, China, India

CY2024, LHS - in USD Bn, RHS - in USD

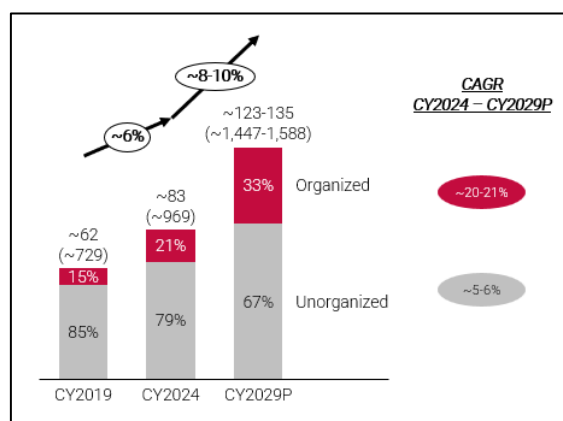


Sources: United Nations, Redseer research and analysis

8. **India's retail sector:** India's retail sector is undergoing rapid expansion and has grown at a CAGR of ~6% from CY2019 to CY2024. It is projected to grow at ~9% to reach US\$ ~1,447-1,588 billion by CY2029P, fueled by increased disposable incomes, a shift toward organized retail, and robust growth in e-commerce. Despite India's current per-capita retail spending being modest compared to other markets, the low base offers significant room for further growth.

Overall retail market – India

CY2019, CY2024, CY2029P, INR Tn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹85

Source(s): Redseer research and analysis

Within this expanding retail landscape, organized retail is capturing an increasing share of the market. Offering a refined shopping experience, diverse product ranges, and competitive pricing, organized retail channels align well with consumer preferences for quality, reliability, and brand authenticity.

This dramatic shift is propelled by a range of factors:

- Awareness driven by social media:** Social media is increasingly influential and is driving awareness and discovery, educating consumers on new products, brands, and trends. The reach of platforms such as

Instagram and YouTube are cultivating an informed consumer base with higher awareness and a preference for trendy and premium products.

- b. *Better selection at competitive prices:* Consumers are attracted to organized retail platforms that offer a wide range of products at competitive prices, facilitating value-driven purchasing decisions.
- c. *Improved consumer experience:* The enhanced shopping experience, from better store layouts to knowledgeable staff, is attracting more consumers towards organized retail formats.
- d. *Greater degree of agility:* Organized retail is becoming more agile, responding faster to changing consumer demands, thus ensuring a seamless shopping experience across both physical and online channels.
- e. *Investments in infrastructure to enhance stores:* The rapid expansion of modern retail infrastructure, such as shopping malls and high-end outlets, is improving accessibility and encouraging higher foot traffic.
- f. *Shift towards e-commerce:* With the rise of digital platforms, e-commerce is rapidly gaining traction, offering consumers the convenience of online shopping with doorstep delivery, further accelerating the shift from traditional to organized retail.

The Global Appliances & Electronics Market Has Grown at ~2.0% Between CY2019 and CY2024, and Has Reached ₹ ~122 Trillion (US\$ ~1.44 Trillion) by H1CY2025 (Annualized), Driven by Various Consumer and Market Dynamics.

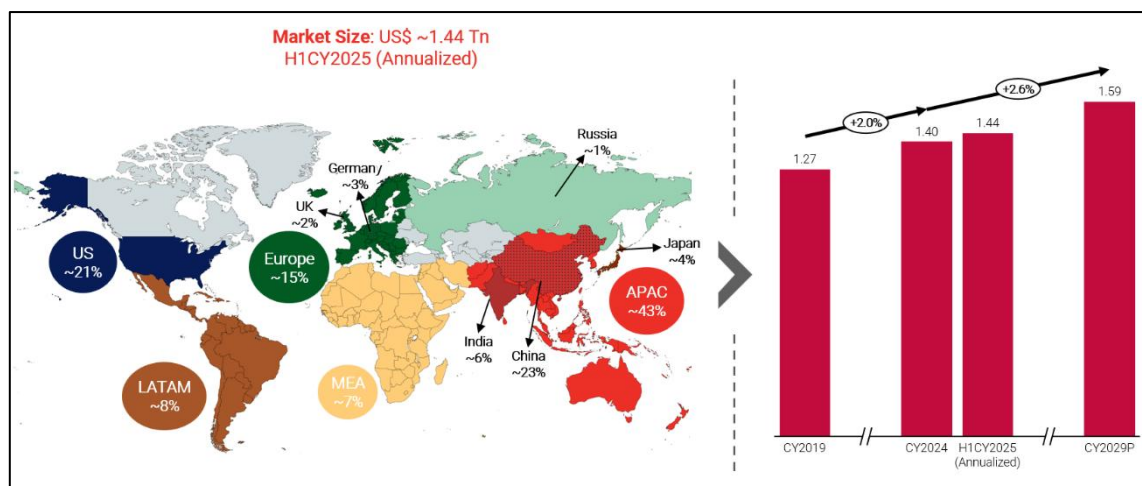
The global appliances & electronics market is a dynamic and rapidly evolving sector, fueled by strong demand across both consumer and business segments. Growth is underpinned by rising penetration in emerging economies, the adoption of smart home technologies, a focus on energy-efficient solutions, and the expansion of e-commerce channels. Technological advancements are shifting consumer preferences and reshaping the landscape, positioning the market for a sustained expansion in the medium to long term.

The market encompasses a wide array of products across home appliances and consumer electronics segments. The market has grown at a CAGR of ~2.0% from CY2019 to CY2024 owing to factors such as a COVID-induced slowdown and is currently sized at ₹ ~122 trillion (US\$ ~1.44 trillion) in H1CY2025 (Annualized). Growth during this period was tempered by various factors including the COVID-19 pandemic which disrupted supply chains, reduced discretionary spending, and delayed new product launches. By CY2029P, the market is expected to reach ₹ ~135 trillion (US\$ ~1.59 trillion) at an expected CAGR of ~2.6%. The market is composed of over 60% consumer electronics (with TVs, mobiles, computers & peripherals as prominent segments), ~20% major home appliances (such as refrigerators, washing machines, dishwashers, air conditioners and microwaves), and ~20% small appliances.

In terms of regional distribution, the global appliances and electronics market shows a marked regional concentration with the Asia-Pacific (“APAC”) region dominating at ~43% of the total market share. Within APAC, China is the largest contributor, holding ~23% of overall value due to its high production capabilities and strong domestic consumption. India follows, representing ~6% of overall global value (expected to expand to ~8% by CY2029P as one of the fastest growing markets) driven by rapid urbanization and increasing disposable incomes, while Japan accounts for ~4%, reflecting steady demand for premium and energy-efficient appliances. The United States holds a substantial ~21% share, underpinned by high per-capita spending and technology adoption. Europe contributes ~15%, led by Germany at ~3%, with its focus on quality manufacturing, and the United Kingdom at ~2%, supported by robust demand for smart home technology. The Middle East and Africa (“MEA”) contribute ~7% fuelled by rising infrastructure investments, while Latin America with ~8% benefits from a growing middle class and urbanization. Australasia and Russia each hold ~1%, reflecting smaller yet stable markets with selective demand growth. The market comprises a diverse range of players, each varying in scale and level of innovation. LG Electronics is a pioneer of innovative technologies globally and is the leading single-brand global home appliances player in terms of market share by revenue in CY2024.

Global Appliances & Electronics Market Size

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, USD Tn



Source(s): Redseer research and analysis

The global appliances & electronics market is poised for continued expansion, driven by several trends reshaping the sector. These trends reflect the intersection of technological advancement, consumer behavior shifts, and regulatory frameworks, all of which are contributing to sustained market growth. Major trends driving this growth include the following:

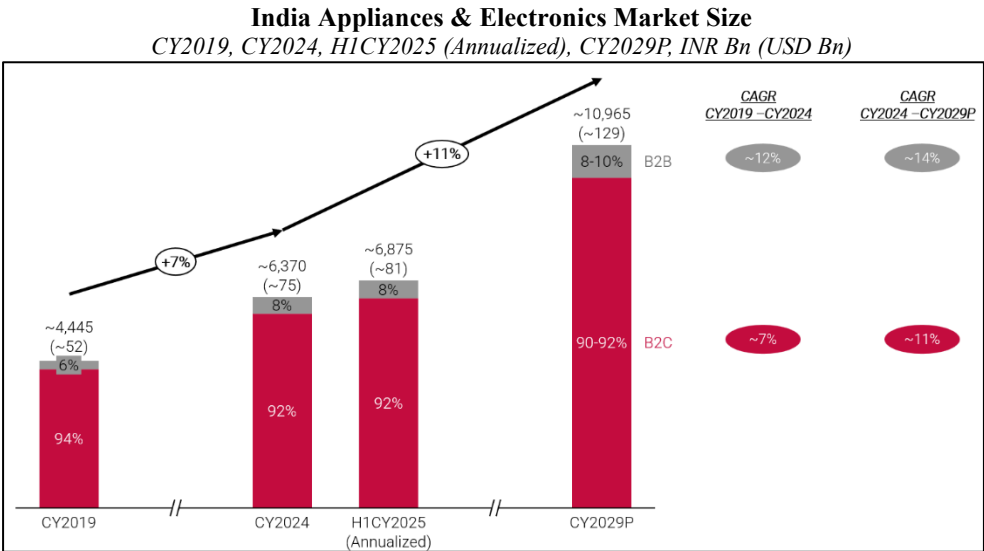
- Urbanization and expanding middle-class populations:** Emerging geographies such as India, Brazil, and Indonesia are experiencing rapid urbanization and rise in various consumption indicators such as disposable incomes and discretionary spends. This is driving increased demand through higher penetration and premiumization for both large and small home appliances as consumers increasingly seek to upgrade their living standards.
- Shift towards digital channels:** The ongoing growth of e-commerce platforms is transforming how appliances and electronics are marketed and sold. Digital channels provide consumers with greater discoverability and access to a wider range of products, fostering higher market penetration across categories.
- Energy efficiency and regulatory pressures:** Stricter global energy standards and growing consumer awareness around sustainability are spurring demand for energy-efficient appliances. Governments worldwide are incentivizing the adoption of products that minimize environmental impact, resulting in accelerated innovation in energy-saving technologies and higher replacement demand.
- Consumer preference for convenience:** As lifestyles become more fast-paced, there is increasing demand for appliances that offer greater convenience and automation. Features such as voice control, self-clean technologies, and connectivity integrations are becoming standard expectations in premium product offerings. Consumers are increasingly adopting smart home devices that offer enhanced control, automation, and efficiency.
- Reduction in barriers for international expansion:** The decreasing barriers for international expansion are enabling companies to increase their global reach and awareness of their products. As trade regulations ease and distribution networks expand, consumers in diverse markets are being introduced to a broader range of tech-savvy, innovative appliances. This increased product exposure is driving higher demand, particularly for advanced electronics and smart appliances, as consumers worldwide are becoming more tech-oriented and discerning in their purchasing decisions.

The Appliances & Electronics Market in India is Projected to be ₹ ~11 Trillion (US\$ ~129 Billion) by CY2029P, Driven by Multiple Vectors and Macroeconomic Tailwinds.

India's appliances and electronics market has grown at ~7% from CY2019 to CY2024 and this growth is expected to accelerate to ~11% from CY2024 to CY2029 driven by rising disposable incomes, growing urbanization, and increasing penetration of appliances and electronics in both urban and rural areas. The market is segmented into B2C and B2B segments, with the B2C segment characterized by expansive distribution across organized and unorganized retail, e-commerce, and exclusive brand outlets. The B2C market is witnessing significant transformation as consumers shift from basic utility devices to more premium, technology-driven products across categories such as major kitchen appliances, home entertainment and consumer electronics, and new-age services such as appliance subscriptions. On the other hand, the B2B segment is also vibrant and growing rapidly, driven by institutional demand across sectors such as hospitality, healthcare, retail, and commercial establishments.

Market size and segmentation

As of H1CY2025 (Annualized), India’s appliances & electronics market stands at ₹ ~6,875 billion (US\$ ~81 billion), and as of CY2024 it was ₹ ~6,370 billion (US\$ ~75 billion), having grown at a CAGR of ~7% from CY2019 to CY2024. The market is projected to reach ₹ ~10,965 billion (US\$ ~129 billion) by CY2029P, growing at an accelerated 5-year CAGR of ~11%. In terms of volume (B2C), the industry sold ~495 million units across categories in CY2024, which is expected to reach close to ~660 million units by CY2029P at a CAGR of ~6%. This growth will be fueled by rising disposable incomes, urbanization, increased appliance penetration, government support for local manufacturing, and a shift toward premium, energy-efficient products. The expansion of organized retail and e-commerce will further drive accessibility and affordability. The market comprises of a diverse range of players. LGEIL has been the #1 player in major home appliances and consumer electronics (excluding mobile phones) in India for H1CY2025, CY2024, CY2023 and CY2022, as per the market share (in terms of value) in the offline channel as per GfKⁱ. LGEIL is the only home appliances and consumer electronics company in India to hold the #1 market share across major home appliances and consumer electronics (excluding mobile phones), based on the market share (in terms of value) in the offline channel as per GfKⁱ for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025. LGEIL is the market leader in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter ACs, and microwaves, based on the market share (in terms of value) in the offline channel as per GfKⁱ for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025. The offline channel contributed ~78% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the 12-month period ending December 31, 2024, and ~77% in the 6-



Note(s): Conversion rate: 1 US\$ = ₹ 85
Source(s): Redseer research and analysis

month period ending June 30, 2025. Approximately eight out of ten air conditioners sold in India are based on inverter technology as of the 12-months ending June 30, 2025.

India Appliances & Electronics Market Summary
CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn

| Categories | CY2019 | CY2024 | H1CY2025 (Annualized) | CY2029P | CAGR (CY2019- CY2024) | CAGR (CY2024- CY2029P) |
|---|--------|--------|--------------------------|---------|-----------------------------|------------------------------|
| <i>India Appliances & Electronics (A+B+C+D)</i> | ~4,445 | ~6,370 | ~6,875 | ~10,965 | ~7% | ~11% |
| <i>India Appliances & Electronics excl. Mobile phones (A+B+C+D-M)</i> | ~1,815 | ~3,245 | ~3,505 | ~6,190 | ~12% | ~14% |
| <i>India Appliances & Electronics (B2C) (A+B+C)</i> | ~4,160 | ~5,860 | ~6,330 | ~9,990 | ~7% | ~11% |
| <i>Major Home Appliances and Consumer Electronics (excl. mobile phones)¹</i> | ~820 | ~1,315 | ~1,410 | ~2,500 | ~10% | ~14% |
| <i>Home Appliances (A)</i> | ~790 | ~1,215 | ~1,305 | ~2,255 | ~9% | ~13% |
| Refrigerators | ~225 | ~315 | ~325 | ~620 | ~7% | ~15% |
| Washing machines | ~145 | ~245 | ~265 | ~380 | ~11% | ~9% |
| Air conditioners (RACs) | ~155 | ~320 | ~360 | ~710 | ~16% | ~17% |
| Major kitchen appliances ² | ~45 | ~85 | ~90 | ~150 | ~14% | ~13% |
| Other small appliances ³ | ~230 | ~250 | ~260 | ~390 | ~2% | ~9% |
| <i>Consumer Electronics (B)</i> | ~3,250 | ~4,410 | ~4,750 | ~7,220 | ~6% | ~10% |
| Home entertainment ⁴ | ~370 | ~895 | ~960 | ~1,725 | ~19% | ~14% |
| Computers & peripherals ⁵ | ~150 | ~180 | ~190 | ~320 | ~3% | ~12% |
| Mobile phones (M) | ~2,635 | ~3,125 | ~3,370 | ~4,775 | ~3% | ~9% |
| Personal care devices ⁶ | ~25 | ~40 | ~40 | ~60 | ~9% | ~9% |
| Other personal devices ⁷ | ~75 | ~170 | ~190 | ~340 | ~19% | ~15% |
| <i>Services (C)</i> | ~115 | ~235 | ~270 | ~520 | ~15% | ~17% |
| Laundromat | ~45 | ~60 | ~70 | ~95 | ~7% | ~9% |
| Appliance Rentals & Subscriptions | ~40 | ~120 | ~145 | ~320 | ~26% | ~22% |
| AMCs | ~35 | ~55 | ~60 | ~105 | ~10% | ~14% |
| <i>B2B Devices & Systems (D)</i> | ~290 | ~515 | ~550 | ~970 | ~12% | ~14% |
| Commercial Air Conditioning Systems | ~30 | ~65 | ~75 | ~145 | ~16% | ~17% |
| Commercial IT | ~205 | ~355 | ~380 | ~660 | ~12% | ~13% |
| Commercial displays & signages | ~10 | ~30 | ~30 | ~55 | ~19% | ~14% |
| Other B2B devices and systems | ~40 | ~60 | ~65 | ~110 | ~9% | ~13% |

Notes: 1. Major home appliances and consumer electronics (excl. mobile phones) includes B2C market for refrigerators, washing machines, televisions, room air conditioners (RACs), and microwaves [the market for which is sized at INR ~12.1 Bn, ~16.4 Bn, ~18.8 Bn in CY2019, CY2024, H1CY2025 (Annualized), respectively, and is projected to be INR ~27 Bn by CY2029P]. 2. Major kitchen appliances include B2C market for dishwashers, microwaves, water purifiers, chimneys, hobs, and built-in kitchens; 3. Other small appliances includes B2C market for water heaters, vacuum cleaners, air purifiers, and other minor appliances such as ironing and heating appliances; 4. Home entertainment includes B2C market for TV and audio systems; 5. Computer peripherals include B2C market for monitors and projectors; 6. Personal care devices include B2C market for shavers, trimmers, and hair styling gadgets, among others; 7. Other personal devices include B2C market for imaging devices, wearables, e-readers and portable players

The India appliances and electronics market comprises both business-to-consumer (“B2C”) and business-to-business (“B2B”) segments. This segmentation reflects distinct consumer behaviors, purchasing dynamics, and product applications, each contributing to the market’s overall growth trajectory.

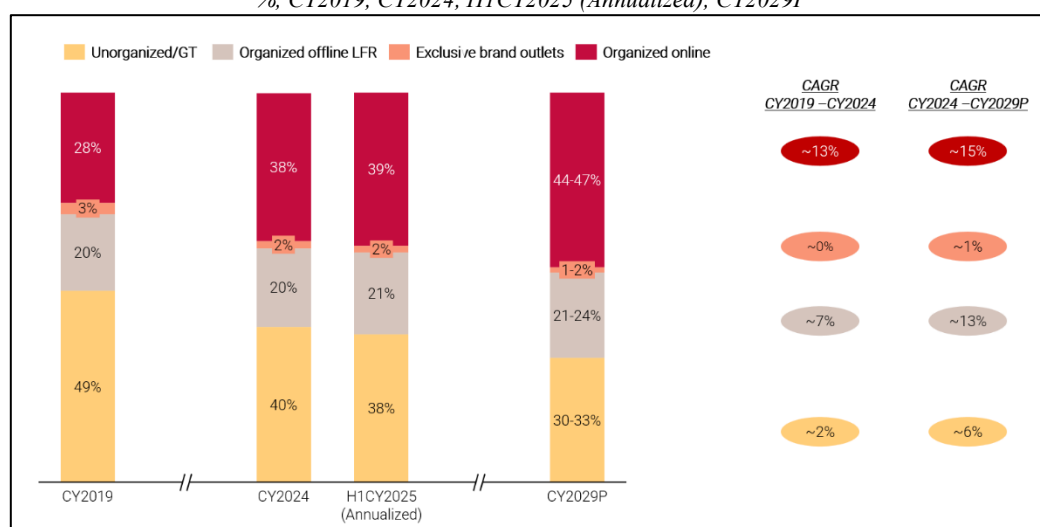
- i. **B2C:** Representing ~92% of the overall market as of H1CY2025 (Annualized), the B2C or consumer segment thrives on robust household consumption driven by premiumization, penetration, and replacement, particularly in urban and semi-urban regions. This segment encompasses a diverse range of home appliances and consumer electronics products, including refrigerators, washing machines, televisions, mobile phones, and various smaller household gadgets. Key buying factors are heavily influenced by design, functionality, and after-sales service, where warranties and customer support play pivotal roles in the purchasing decisions.
- ii. **B2B:** Accounting for ~8% of the market in H1CY2025 (Annualized), the B2B segment caters to commercial and institutional users, providing products such as commercial air conditioners, computers & peripherals, and specialized displays for offices, hospitals, commercial & retail spaces, and government facilities. In this domain, buyers prioritize factors such as product reliability, energy efficiency, and long-

term cost savings, underscoring the need for solutions tailored to meet the operational demands of businesses.

The market is undergoing a significant transformation as distribution channels evolve to align with changing consumer preferences and the dynamic retail landscape. A robust distribution network is a critical factor in ensuring market reach and operational efficiency. LGEIL operates the largest distribution network among leading home appliances and consumer electronics players in India as of June 30, 2025. LG BrandShops are 1.4x the exclusive brand outlet network of the next largest leading home appliances and consumer electronics player in India and its distributor base is 1.2x of the next largest leading home appliance and consumer electronics player in India as of June 30, 2025. Additionally, complementing their distribution network, LGEIL operates one of the largest after-sales service networks in terms of number of after-sales service center touchpointsⁱⁱⁱ among leading home appliances and consumer electronics players in India as of June 30, 2025.

In-house manufacturing capacity enables players to meet diverse market needs. LGEIL had one of the largest in-house production capacities excluding mobile phones amongst leading home appliances and consumer electronics players in India as of June 30, 2025. In Fiscal 2025, 90% of LGEIL's deliveries to trade partners' warehouses were made within an average of 6-7 days as compared to the average of 10-12 days across leading home appliances and consumer electronics players in India.

India Appliances & Electronics Market – by Channel (B2C excl. services)
%, CY2019, CY2024, H1CY2025 (Annualized), CY2029P



Source(s): Redseer research and analysis

The following key channels and their respective growth drivers are shaping this shift:

- Unorganized trade channel:** Representing ~38% of the market as of H1CY2025 (Annualized), the unorganized or general trade (“GT”) channel includes independent retail stores, local dealers or “mom-and-pop” stores and regional specialty stores. GT stores thrive in semi-urban and rural regions due to accessibility and price sensitivity. While other channels gain prominence, GT stores are expected to continue to hold a sizeable share of the market.
- Organized offline channel:** Large-format retail (“LFR”) stores include structured and centrally managed large retail chains that sell appliances & electronics in a standardized format. These Multi-Brand Outlets (“MBOs”) are part of Modern Trade (“MT”) and account for ~21% of the market as of H1CY2025 (Annualized), preferred for their variety and hands-on experiences. Factors such as product comparison, expert advice, and superior customer service drive growth. LFRs are poised to gain further market share, especially in urban centers.
- Organized online channel:** The online channel constitutes a significant share of the market at ~39% as of H1CY2025 (Annualized) and has significant share in electronics categories such as mobile phones. Growth is expected to be robust, driven by increased internet penetration and a rising demand for convenience. Competitive pricing and exclusive online promotions are transforming consumer purchasing habits, while festive & seasonal sales and targeted offers are significantly accelerating e-commerce expansion.
- Exclusive brand stores:** Brand shops / exclusive brand outlets (“EBOs”) and company-owned stores represent ~2% of the market and are expected to maintain share.

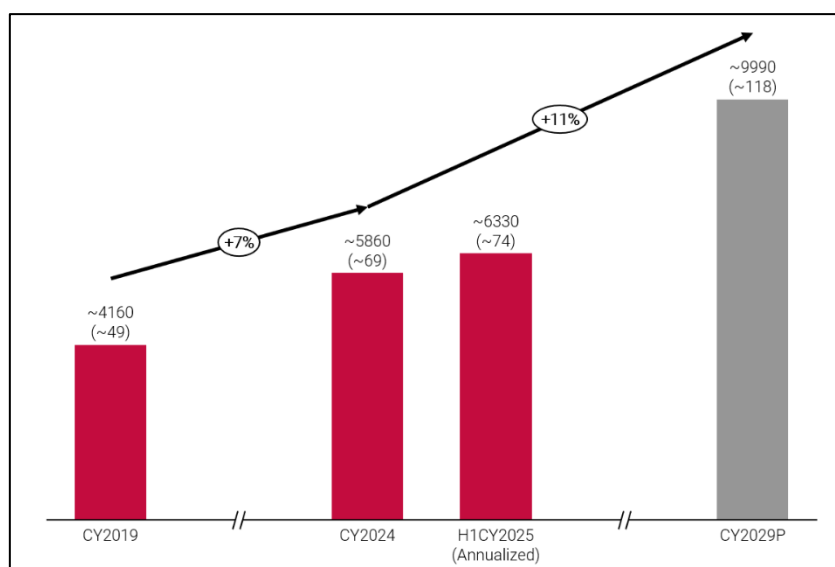
- v. *Omnichannel strategies:* The integration of online and offline experiences is becoming essential for retailers. Companies utilizing omnichannel strategies—such as click-and-collect, seamless transitions between online and offline, and personalized customer journeys—are experiencing increased consumer engagement and retention. This reflects a growing preference for flexible shopping experiences.

B2C market deep dive

The B2C segment of the India appliances and electronics market is a multifaceted landscape, encompassing a variety of products that cater to consumer needs. As of H1CY2025 (Annualized), B2C segment stands at ₹ ~6,330 billion (US\$ ~74 billion), and as of CY2024 it was ₹ ~5,860 billion (US\$ ~69 billion), having grown at a CAGR of ~7% from CY2019 to CY2024. The segment is projected to achieve a market size of ₹ 9,990 billion (US\$ ~118 billion) by CY2029P, growing at a 5-year CAGR of ~11%.

When mobile phones are excluded, the B2C segment is valued at ₹ 2,955 billion (US\$ ~35 billion) as of H1CY2025 (Annualized), and as of CY2024 it was ₹ 2,735 billion (US\$ ~32 billion), having grown at a CAGR of ~12% from CY2019 to CY2024. It is projected to grow to ₹ ~5,215 billion (US\$ ~61 billion) by CY2029P at a 5-year CAGR of ~14%.

India Appliances & Electronics Market (B2C)
 CY2019, CY2024, H1CY2025 (Annualized), CY2029P, in INR Bn (USD Bn)

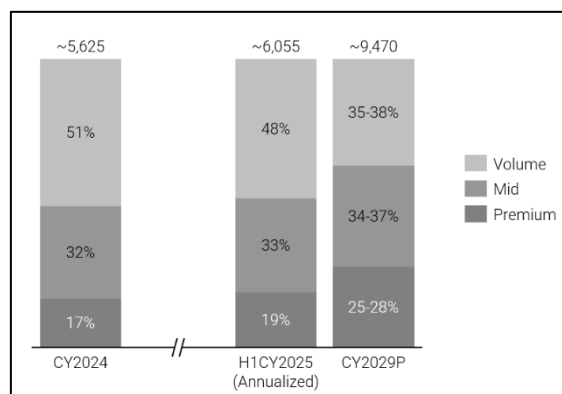


Note(s): Conversion rate: 1 US\$ = ₹ 85
 Source(s): Redseer research and analysis

The B2C segment is evolving rapidly and is shaped by a multitude of interrelated factors:

1. *Rising incomes leading to the increasing demand for premium products:* India's growing middle class, coupled with rising disposable incomes, is driving strong demand for premium appliances and electronics. Consumers increasingly seek products with advanced features, energy efficiency, and larger capacities, reflecting a preference for higher-quality and longer-lasting goods. This demand is also supporting a market for value-added services such as appliance subscriptions and premium maintenance plans, providing convenience and support tailored to premium product users. The shift toward premiumization in the Indian market also faces friction. While consumers expect cutting-edge technology and superior design, the affordability gap for mid-income consumers remains a barrier. Additionally, the price-sensitive nature of the market poses the risk of slower adoption for premium-priced appliances, making it essential for brands to strike a balance between innovation and accessibility. Consumer discretionary spending in India has increased at a CAGR of 7-8% from CY2019 to CY2024, and the average selling price and product volumes have increased for major home appliances and consumer electronics owing to a higher propensity to opt for more premium and aspirational products. LGEIL's market leadership also extends across the volume and premium segmentsⁱⁱ across washing machines, panel televisions, and microwaves in India as per the market share (in terms of value) in the offline channel for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025, as per GfKⁱ.

India Appliances & Electronics Market (B2C²) – Tier Segmentation %, CY2024, H1CY2025 (Annualized), CY2029P



Notes: 1. Volume, Mid and Premium shares have been obtained by aggregating pareto segments across product categories; 2. B2C market excludes services

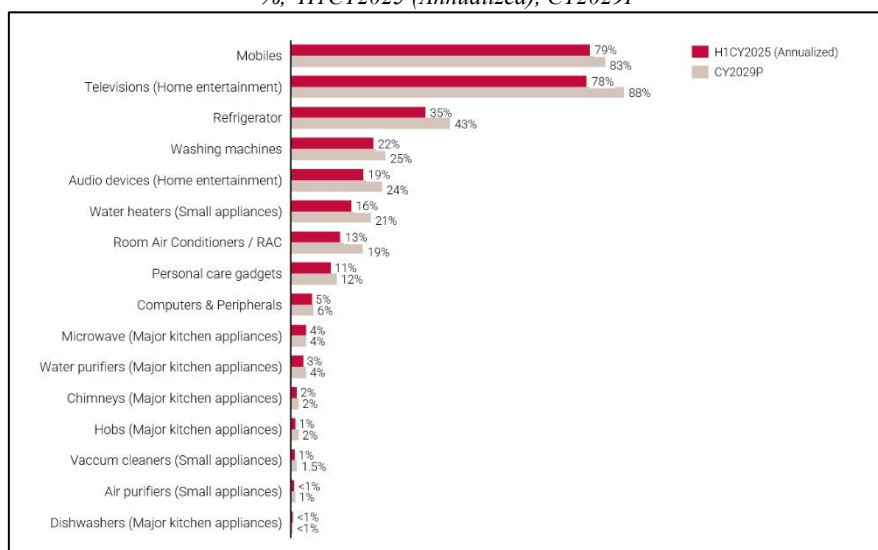
Source(s): Redseer research and analysis

- Market expansion through urbanization and nuclearization of families:** Rapid urbanization particularly in Tier 1 and Tier 2+ cities has expanded the market's geographic footprint and brought modern consumer expectations to previously underserved areas. This is coupled with increasing nuclearization of households in Metro and Tier 1 cities, spurring demand not only for essential consumer and home appliances but also for service models that meet the lifestyle needs of newly urbanized regions. These offerings allow consumers to access modern appliances without upfront costs, further driving B2C market penetration. With a growing middle-class population, an increase in preference for premium products and rapid urbanization and infrastructure development, there is an increase in demand for high-quality and technologically enabled consumer and electronics products in India.
- Increasing penetration:** Penetration for each category is measured as a percentage of total households at a specified number of units per household, providing an indication of market potential. The home appliances and consumer electronics market in India is highly underpenetrated (in terms of HH penetration compared to other G20 nations) as of June 30, 2025. India's appliance penetration rates are low but are steadily advancing toward global benchmarks, driven by macroeconomic growth, improved affordability, and expanded distribution networks. Despite notable progress in recent years, India remains significantly underpenetrated compared to global averages, signalling considerable room for growth. As penetration increases, the target addressable market will expand, mirroring patterns seen in other emerging economies such as China. Enhanced accessibility through digital channels and innovative ownership models, such as flexible financing options, are further enabling Indian households to adopt a wider range of appliances and electronics, fuelling sustained growth in the B2C market.

Penetration of Key Appliances: India vs Global Benchmarks H1CY2025 (Annualized), %

| | Refrigerators | Washing Machines | TVs | Microwaves |
|---------------|---------------|------------------|------|------------|
| India | ~35% | ~22% | ~78% | ~4% |
| United States | >80% | >80% | >95% | >80% |
| China | 99% | >70% | >85% | >20% |

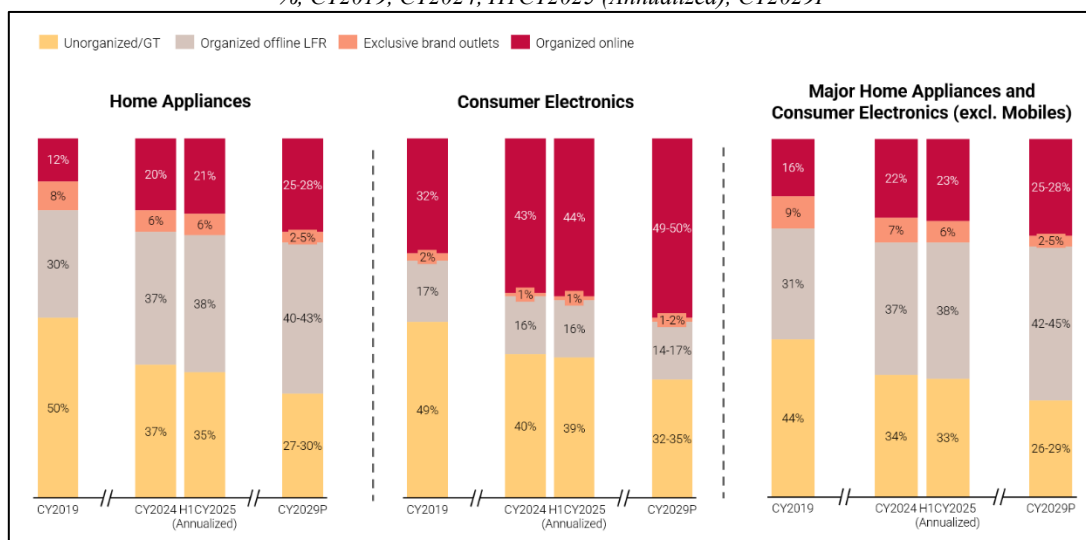
India Appliance & Electronics Market (B2C) – Penetration by Category %, H1CY2025 (Annualized), CY2029P



Source(s): Redseer research and analysis

4. **Change in buying behavior:** The growth of organized retail and e-commerce channels has significantly increased demand for appliances and electronics, driven by changes in consumer buying behaviour. These platforms offer a wide range of affordable options, enhanced by the convenience of online shopping, which encourages more frequent purchases. Consumers now have easier access to product comparisons, promotions, and streamlined delivery options, which has not only reshaped how they shop but also fuelled greater demand in the B2C segment. With an expanding urban, young, and affluent customer base, there is increasing awareness and preference for value-added features, digital connectivity, and aesthetics, in addition to price and quality considerations. The organized online, organized offline LFR, and unorganized/GT channels contributed to ~23%, ~38%, and ~33% of the major home appliances and consumer electronics (excl. mobiles) market, respectively, in H1CY2025 (Annualized).

India Appliances & Electronics Market (B2C) – Key Channels %, CY2019, CY2024, H1CY2025 (Annualized), CY2029P



Note: 1. Major home appliances and consumer electronics (excl. Mobiles) includes B2C market for refrigerators, washing machines, inverter ACs, Microwaves, and Televisions

Source(s): Redseer research and analysis

As of H1CY2025 (Annualized), the online segment of the Indian B2C major home appliances and consumer electronics market (excl. mobiles) stands at ₹ ~324 billion (US\$ ~3.8 billion), and as of CY2024 it was ₹ ~290 billion (US\$ ~3.4 billion), having grown at a CAGR of ~18% from CY2019 to CY2024. The market is projected to reach ₹ ~670 billion (US\$ ~7.9 billion) by CY2029P, growing at a 5-year CAGR of ~18%.

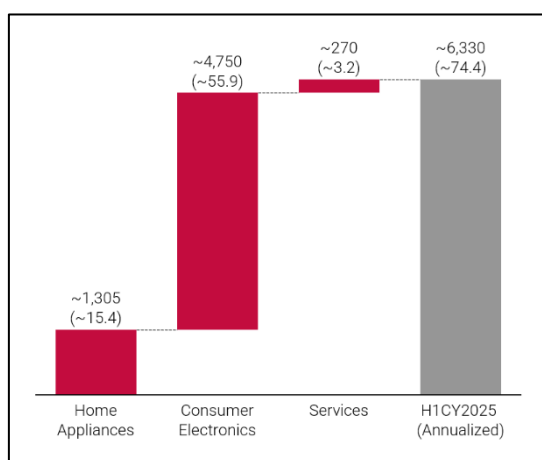
LGEIL was among the top 2 players in India in major home appliances and consumer electronics (excluding mobile phones), based on the market share by Gross Merchandise Value (“GMV”) (defined as total value of orders placed, based on listing prices post discounts, excluding cancellations and returns) in the online channel for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025.

5. *Improved infrastructure:* Enhanced electricity supply and infrastructure in rural areas are increasing demand for large home appliances such as refrigerators, washing machines, and air conditioners. However, the market penetration of appliances and electronics in rural areas remains low compared to urban areas. Reliable power access now allows brands to reach rural consumers, supported by localized services such as affordable maintenance plans and financing options.

The B2C market for appliances and electronics is composed of both products and services with products accounting for ~96% and services accounting for ~4% of the market in H1CY2025 (Annualized).

India Appliances & Electronics Market (B2C) – Split by Key Segments

H1CY2025 (Annualized), in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85

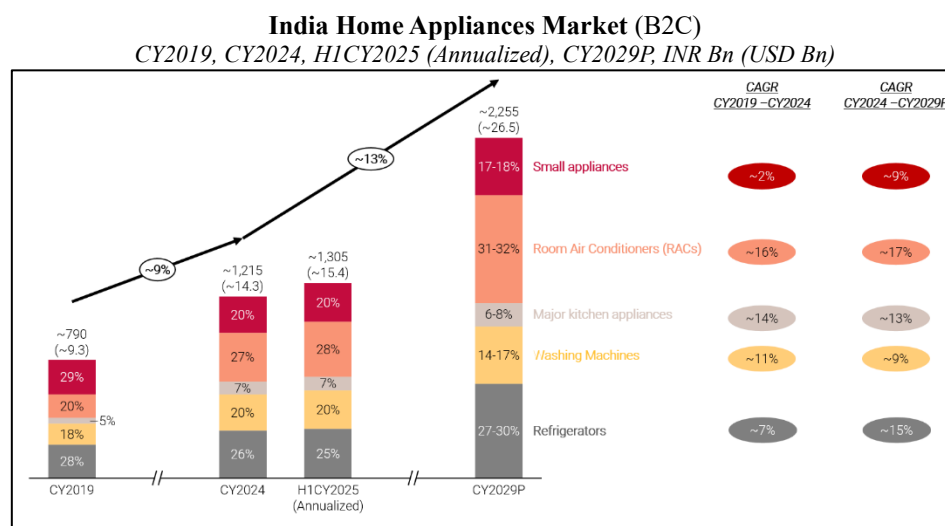
Source(s): Redseer research and analysis

In India’s B2C market, players are distinguished by their expansive range of product offerings across categories. LGEIL offered one of the widest product portfolios amongst leading home appliances and consumer electronics players in India excluding mobile phones as of June 30, 2025. Additionally, LGEIL was the first to introduce several global technologies among leading home appliances & consumer electronics players in India.

The appliances and electronics products market is broadly segmented into home appliances and consumer electronics, while services—including maintenance, subscriptions, and repairs—forms an additional segment within the B2C market in India.

Home Appliances

The Home Appliances (“HA”) market in India is projected to grow steadily, driven by macroeconomic tailwinds and a growing preference for premium and energy-efficient products. The segment formed ~21% of the overall B2C appliances & electronics market in H1CY2025 (Annualized) and is expected to reach ₹ ~2,255 billion (US\$ ~26.5 billion) by CY2029P, growing at a CAGR of ~13% between CY2024 and CY2029. Key product categories, including refrigerators, washing machines, major kitchen appliances (including dishwashers, microwaves, water purifiers, chimneys, hobs, and built-in kitchens), air conditioners, and other small appliances (including water heaters, vacuum cleaners, air purifiers, and other minor appliances such as ironing and heating appliances) are witnessing significant demand uptake. With the organized sector accounting for ~65% of sales as of H1CY2025 (Annualized), the shift towards online and large-format retail channels is becoming more pronounced.



Note(s): Conversion rate: 1 US\$ = ₹ 85

Source(s): Redseer research and analysis

The home appliances market in India is driven by key growth factors that influence various product categories and play a crucial role in shaping consumer demand and market dynamics

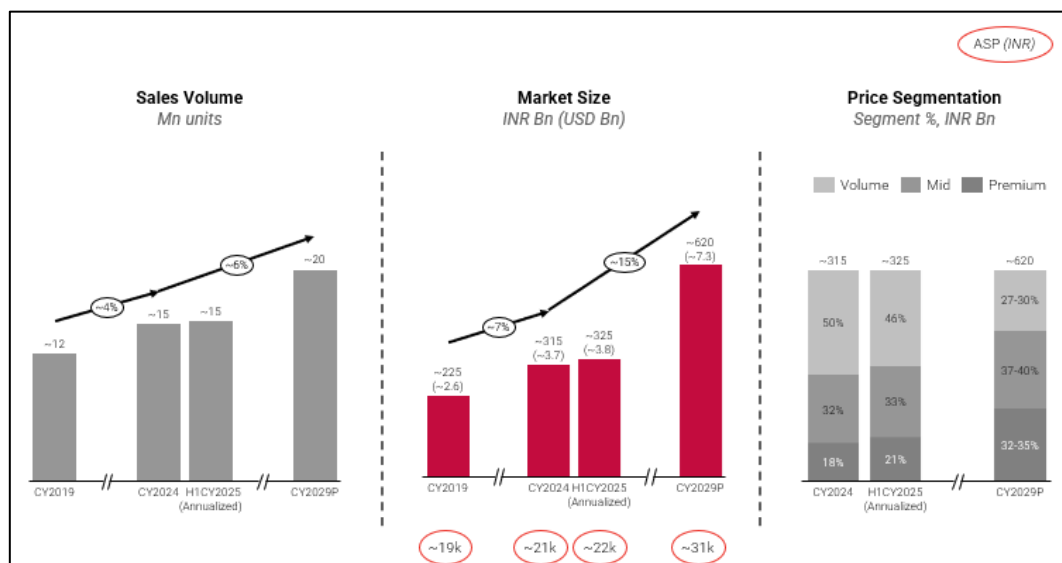
- Increasing penetration:** The broadening reach and affordability of home appliances are driving penetration rates, particularly in urban and semi-urban areas. Shifting climate conditions are sharply increasing demand for categories such as air conditioners and refrigerators.
- Replacement cycle:** Rise in living standards, increases in consumer expectations, and new innovations in home appliances are prompting consumers to invest in newer models that are more functional and efficient models. This replacement trend is particularly evident in categories such as refrigerators and washing machines where older models are less efficient and reliable.
- Premiumization:** While increasing penetration drives demand for volume and mid-tier products, as disposable incomes rise, consumers are also increasingly drawn to premium, feature-rich appliances that offer superior energy efficiency and advanced functionalities. This shift not only reflects a preference for high-quality products but also drives replacement demand, as consumers upgrade to more sophisticated models that align with evolving lifestyle expectations. LGEIL's products listed on leading e-commerce marketplaces were the most energy efficient (in terms of % product line rated 5-star by BEE) across the aggregate of Room Air Conditioners ("RAC"), Refrigerators, and Washing Machine categories, among leading home appliances and consumer electronics players in India as of June 30, 2025.
- Urbanization and lifestyle changes:** Rapid urbanization is changing consumer lifestyles, leading to increased demand for compact and multifunctional appliances suited for smaller living spaces, particularly in Metro cities.
- Technological advancements:** Innovations such as smart appliances and IoT integration are elevating consumer convenience with connectivity and preventive maintenance among other novel features, driving demand across categories. Consumers are increasingly seeking products that offer connectivity, automation, and a wide range of features.
- Access to credit:** Increased access to consumer financing and instalment-based purchase options are enabling more consumers to afford more and premium home appliances, boosting overall demand across categories.

The home appliances market in India comprises of the following categories:

- Refrigerators:** The refrigerator segment in India is poised for substantial growth, being valued at ₹ ~315 billion (US\$ ~3.7 billion) in CY2024, with projections indicating a robust CAGR of ~15% that will elevate the market to ₹ ~620 billion (US\$ ~7.3 billion) by CY2029P. The segment has reached ₹ ~325 billion (US\$ ~3.8 billion) in H1CY2025 (Annualized), having been impacted by the unseasonably cool summer across several states in India. The market is becoming increasingly organized with 65% of sales in H1CY2025 (Annualized) occurring through established channels. In H1CY2025 (Annualized), large-format retail stores contributed to ~40% of the market while the online segment contributed to ~19% of the market. Samsung India Electronics Pvt Ltd is a key competitor to LGEIL in the refrigerators segment within the India appliances and electronics market.

India Refrigerators Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume includes products such as direct-cool models, Mid includes frost-free models, and Premium includes French door/SBS models

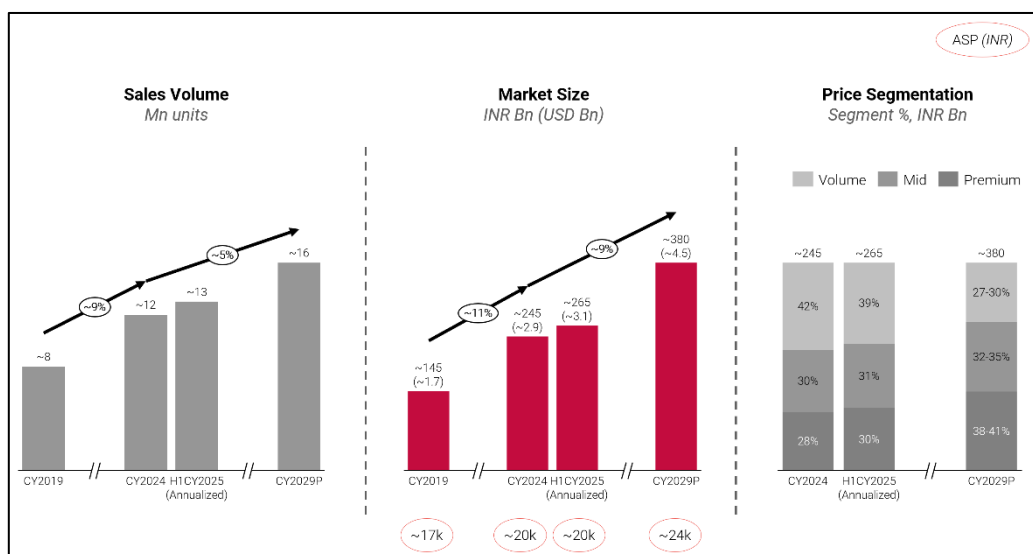
Source(s): Redseer research and analysis

Growth Drivers:

- Rising penetration:** The refrigerator market is experiencing significant growth due to increasing penetration into previously under-served and untapped segments. With enhanced distribution networks and improved affordability, the penetration of refrigerators is expected to rise from ~35% as of H1CY2025 (Annualized), to ~43% in CY2029P.
 - Channel evolution:** The increase in share of organized large-format retail and online channels is reshaping distribution and boosting the refrigerators market across price segments, with large-format stores at ~40% in H1CY2025 (Annualized) and projected to capture 44-46% of sales by CY2029P. E-commerce contributed to ~19% of sales in H1CY2025 (Annualized), and is set to account for 24-26% of sales by CY2029P, transforming access for a wider range of consumers.
 - Premium demand:** There is growing demand for refrigerators across volume, mid, and premium segments, with penetration driving the volume and mid segments including direct cool and frost-free models and premiumization driving side-by-side and French-door models. Rising incomes, aspirational buying, and the need for space optimization are fueling this trend, with consumers valuing design and functionality.
 - Market innovation:** The refrigerator market has seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics players in India to launch PowerCut EverCool technology in 2013 and smart diagnosis technologies in 2014. Further, LGEIL was amongst the first leading home appliances and consumer electronics players in India to launch single door refrigerators with smart inverter compressors in 2016 and hygiene fresh technology in 2016.
- Washing machines:** As of H1CY2025 (Annualized), washing machines market stands at ₹ ~265 billion (US\$ ~3.1 billion), and as of CY2024 it was ₹ ~245 billion (US\$ ~2.9 billion), having grown at a CAGR of ~11% from CY2019 to CY2024, continuing to grow steadily due to growing need for convenience in daily routines. It is projected to grow at a 5-year CAGR of ~9%, reaching ₹ ~380 billion (US\$ ~4.5 billion) by CY2029P. ~65% of the market is organized. In H1CY2025 (Annualized), large-format retail contributed ~37% of sales, while the online segment contributed ~23% of sales.

India Washing Machines Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, in INR Bn (USD Bn)



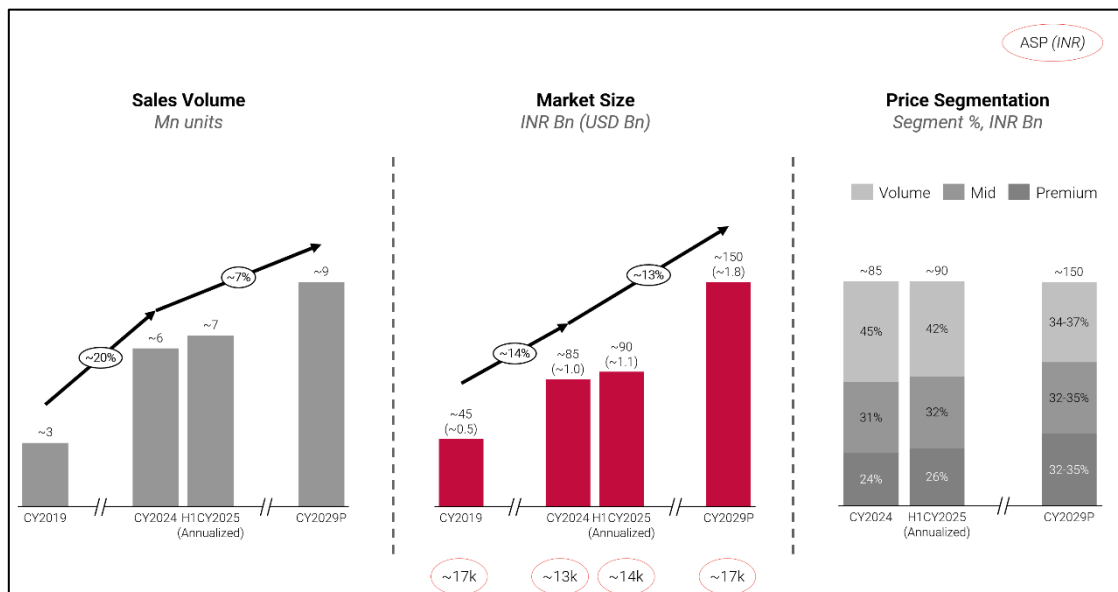
Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume includes products such as semi-automatic machines, Mid includes top and front load machines with capacity up to 8.5 kg and 8 kg respectively, and Premium includes front and top load machines with greater than 9 kg and 8 kg capacity respectively, washer-dryers and other niche formats

Source(s): Redseer research and analysis

Growth Drivers:

- i. **Rising penetration:** The washing machine market's expansion is being driven by rising penetration into underserved regions, with penetration rates projected to increase from ~22% as of H1CY2025 (Annualized) to ~25-26% by CY2029P. This growth is fueled by enhanced distribution networks, growing affordability, and an increasing need for convenience in semi-urban and rural areas.
 - ii. **Channel evolution:** The evolution of distribution channels is reshaping the market with the rapid growth of organized retail and e-commerce, driven by consumer preference for omnichannel experiences offered by large-format retailers, better access to product choices, and competitive pricing. In H1CY2025 (Annualized), large-format retail contributed ~37% of sales, while the online segment contributed to ~23% of sales.
 - iii. **Premiumization:** While demand for semi-automatic washing machines shrinks, there is a rise in demand for premium washing machines, particularly larger-capacity models (above 8 kg in both front-load and top-load washing machines) and washer-dryers. This shift reflects growing interest in advanced features, greater efficiency, and more convenience, as consumers prioritize quality and performance in their purchasing decisions.
 - iv. **Market innovation:** The washing machine market has also seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics players in India to introduce direct drive technology enabled washing machines in 1998, smart inverter technology enabled washing machines in 2017, and their wash tower range in 2023. Further, LGEIL was amongst the first leading home appliances and consumer electronics players in India to launch 5-star rated washing machines in India in 2019.
3. **Major kitchen appliances:** The major kitchen appliances segment in India, encompassing dishwashers (~8%), microwaves (~20%), water purifiers (~26%), chimneys and hobs (~15%), and built-in-kitchens (~31%), is valued at ₹ ~90 billion (US\$ ~1.1 billion) in H1CY2025 (Annualized) and is projected to grow at a CAGR of ~13% between CY2024 and CY2029P, reaching ₹ ~150 billion (US\$ ~1.8 billion) by CY2029P. Penetration remains low at <5% as of H1CY2025 (Annualized), however robust growth is expected. In H1CY2025 (Annualized), ~81% of the market is organized, with e-commerce and large-format retail contributing ~26% and ~48% of sales respectively. For microwaves in H1CY2025 (Annualized), large-format retail contributed to ~30% of sales, while the online segment also contributed to ~30% of sales.

India Major Kitchen Appliances Market (B2C)
CY2019, CY2024, H1CY2025 (Annualized), CY2029P, in INR Bn (USD Bn)



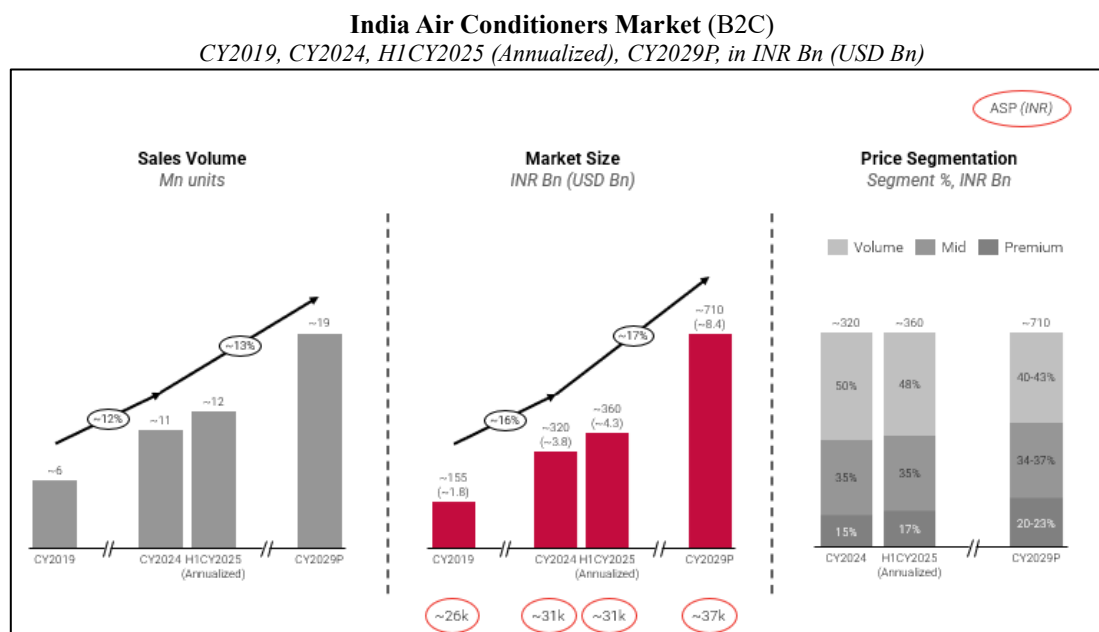
Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume and premium dishwashers include models priced below INR 40,000 and above INR 55,000 respectively; volume and premium water purifiers include models priced below INR 5,000 and models with stainless steel tanks respectively; volume and premium chimneys include models priced below INR 7,500 and above INR 15,000 respectively; volume and premium segments for built-in-kitchens are based on aggregation of price segmentation across each sub-segment

Source(s): Redseer research and analysis

Growth Drivers:

- i. **Convenience and efficiency:** The growing need for time-saving solutions in households is driving demand for kitchen appliances that offer convenience and efficiency in cooking and cleaning. Consumers are increasingly drawn to kitchen appliances such as microwaves, dishwashers, and smart gadgets that automate or simplify tasks.
 - ii. **Urbanization:** With rapid urbanization, more people are living in space-constrained environments, particularly in metropolitan areas, enabling the need for space-efficient and multifunctional kitchen solutions, encouraging adoption among urban consumers.
 - iii. **Health awareness:** Heightened awareness of health and hygiene is prompting consumers to invest in advanced kitchen appliances that support healthier lifestyles. Products such as premium water purifiers and dishwashers with sanitizing capabilities are gaining popularity. In 2013, LGEIL was the first player amongst leading home appliances and consumer electronics players in India to transition from using plastic tanks in water purifiers to stainless steel tanks and also launched India's first RO glass water purifier in 2024. LGEIL held a 42.9% and a 40.5% market share (in terms of value) in the offline channel in premium water purifiers (with stainless steel tanks) in India for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025, respectively, as per GfK¹.
 - iv. **Technological advancements:** Continuous innovation in appliance technology is making kitchen equipment smarter and more efficient. Features such as IoT connectivity, energy-saving designs, and automated cooking settings are attracting consumers who seek greater convenience, personalization, and utility. LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics players in India to introduce microwaves in 1999, India's first charcoal lighting heater microwaves in 2013, scan-to-cook Wi-Fi enabled microwaves in 2023, and 401 auto-cook menus for microwaves in 2019.
 - v. **Premiumization:** There is a growing shift towards premium kitchen appliances as consumers are more willing and able to invest in quality, while other attributes include functionality, aesthetic design, advanced features, and superior performance in high-end appliances.
4. **Air Conditioners:** As of H1CY2025 (Annualized), the consumer air conditioner/RAC segment stands at ₹ ~360 billion (US\$ ~4.3 billion), and as of CY2024 it was ₹ ~320 billion (US\$ ~3.8 billion), having grown at

a CAGR of ~16% from CY2019 to CY2024, with the relatively slower growth rate due to a milder summer season and untimely pre-monsoon showers this year, which reduced the urgency for cooling solutions. It is projected to grow at a 5-year CAGR of ~17%, reaching ₹ ~710 billion (US\$ ~8.4 billion) by CY2029P. Inverter ACs dominate the market with a ~75% share, while fixed-frequency models account for ~25%. Share of window air conditioners has declined in India between CY2019 and H1CY2025 (Annualized). Window ACs now form ~10% and are expected to decline further. The RAC segment is expected to see a marked increase in penetration, forecasted to rise from ~13% in CY2024 to ~19% in CY2029P. The market experiences seasonal fluctuations, with higher sales during summer months. In H1CY2025 (Annualized), ~64% of the market was organized. Large-format retail contributed ~38% of sales, while the online segment contributed ~20% of sales.



Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume includes window ACs and ACs with less than 2-ton capacity, Mid includes ACs with 4-star rating on energy efficiency and with 2-ton capacity, Premium includes ACs with 5-star rating on energy efficiency and with features such as Wi-Fi connectivity

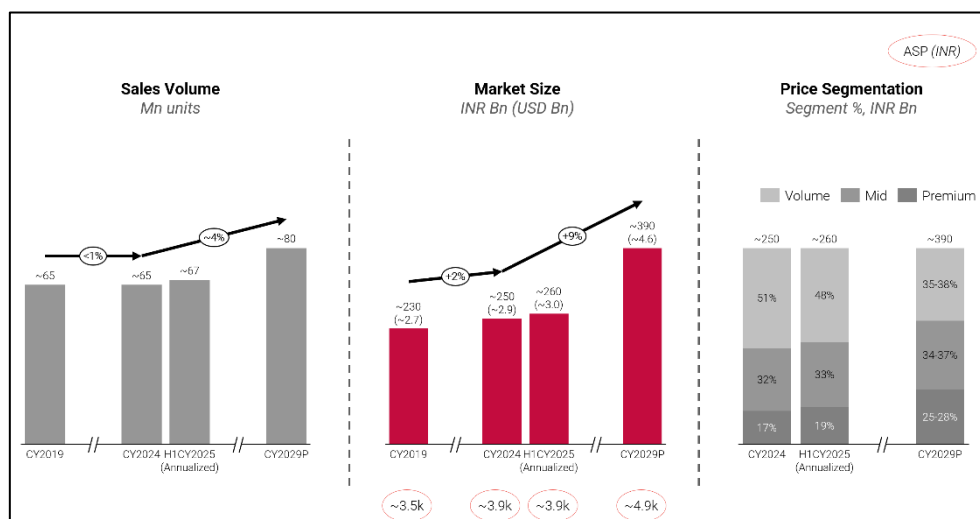
Source(s): Redseer research and analysis

Growth Drivers:

- Sharp increase in penetration:** Only ~13% of Indian households have installed air conditioners as of H1CY2025 (Annualized). However, changing climate patterns such as rising heatwaves, coupled with rising affluence, growing disposable incomes, rapid urbanization and improved infrastructure, including better electricity supply, are driving significant growth in air conditioner penetration. As rising temperatures and more frequent heatwaves affect previously underserved markets, adoption rates are projected to increase from ~13% in H1CY2025 (Annualized) to ~19% by CY2029P. Enhanced availability of affordable models and financing options is further supporting this trend.
- Premiumization:** There is a notable shift towards inverter air conditioners (~75% of RAC market), driven by consumer preferences for models that provide superior cooling performance and quieter operation. Inverter units are expected to capture a significant market share due to their long-term cost savings and advanced technology, appealing to consumers looking for higher-quality appliances.
- Energy efficiency:** With increasing awareness of energy consumption and rising electricity costs, demand is growing for 5-star rated, energy-efficient air conditioners, including advanced inverter units, especially given the environmental impacts of air conditioners which contribute approximately 4% of global GHG emissions and with cooling demand making up approximately 20% of energy consumption requirements for buildings. Government initiatives such as subsidies on energy-efficient appliances and regulations around minimum energy performance standards (MEPS) have also amplified this trend, making energy efficiency a priority for consumers who seek to reduce utility costs and environmental impact.

- iv. *Reduction of seasonality:* Traditionally, the air conditioner market in India experiences pronounced seasonality, with demand spiking during the summer months. There is a growing demand for multifunctional, year-round cooling and heating solutions that provide versatility across India's diverse climate zones. Consumers prioritize air conditioners with advanced features such as customizable cooling modes, allowing them to maintain comfort across the year.
 - v. *Market innovation:* The RAC market has seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-first technologies in India. For example, LGEIL was amongst the first leading home appliances and consumer electronics players in India to launch Smart Connectivity ACs integrated with the LG ThinQ app, and to introduce the Energy Manager feature in air conditioners in India which allows users to monitor the energy consumption of their products through the LG ThinQ app. For example, LGEIL was one of the first among leading players to introduce inverter air conditioners in India in 2014 and was the first and only player in India to move 100% to inverter technology in 2017. As of June 30, 2025, approximately eight out of ten air conditioners sold in India are based on inverter technology.
5. *Small appliances:* In H1CY2025 (Annualized), the other small appliances segment, including water heaters (15%), vacuum cleaners (1%), air purifiers (3%), and other minor appliances such as irons and heating appliances, is valued at ₹ ~260 billion (US\$ ~3.0 billion), and as of CY2024 it was ₹ ~250 billion (US\$ ~2.9 billion), having grown at a CAGR of ~2% from CY2019 to CY2024. It is projected to grow at a 5-year CAGR of ~9%, reaching ₹ ~390 billion (US\$ ~4.6 billion) by CY2029P. In H1CY2025 (Annualized), ~50% of the market is organized, with significant contributions from online channels and large-format retail at ~31% and ~19% respectively.

India Small appliances Market (B2C)
CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



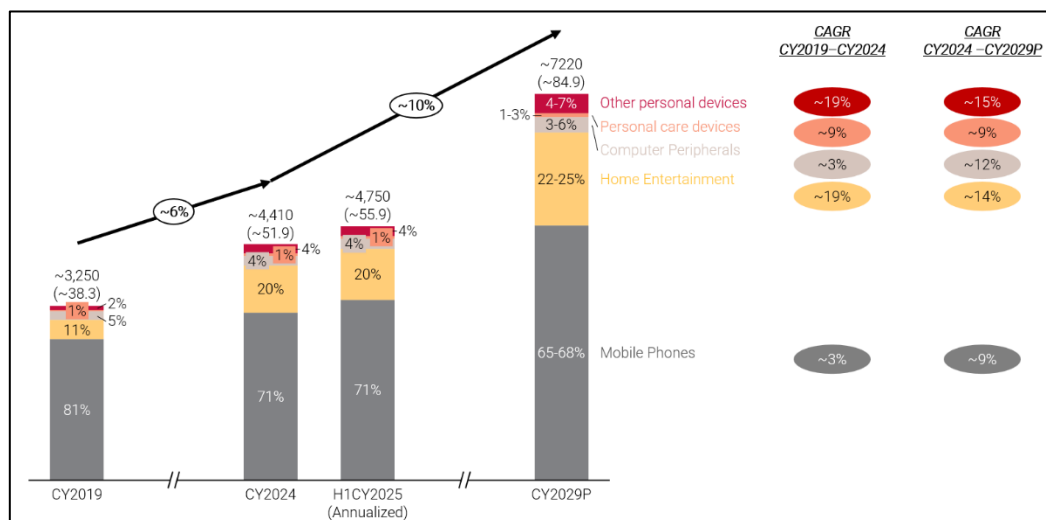
Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume and premium water heaters include models priced below INR 5,000 and above INR 10,000 respectively; volume and premium vacuum cleaners include models priced below INR 5,000 and above INR 20,000 respectively; volume and premium air purifiers include models priced below INR 7,500 and above INR 20,000 respectively; volume and premium segments for other minor appliances are based on aggregation of price segmentation across each sub-segment

Source(s): Redseer research and analysis

Consumer Electronics

The Consumer Electronics (“CE”) market in India accounts for ~75% of the overall appliances & electronics (B2C) market and is projected to reach ₹ ~7,220 billion (US\$ ~84.9 billion) by CY2029P, growing at a 5-year CAGR of ~10%. This segment encompasses key categories such as home entertainment (including TVs and audio), computers & peripherals (including monitors), personal care gadgets (such as shavers, trimmers, and hair styling gadgets), other personal devices (such as imaging devices, wearables, e-readers and portable players), and mobile phones. The market is witnessing significant demand, with the organized sector contributing ~61% of total sales in H1CY2025 (Annualized). E-commerce and large-format retail channels continue to drive growth as they capture a greater share of the market.

India Consumer Electronics Market (B2C)
CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85
Source(s): Redseer research and analysis

The consumer electronics market in India is propelled by several growth drivers that are essential in shaping consumer demand and market dynamics.

- Wider availability:** Increasing affordability, rising awareness, and the improved distribution of consumer electronics products have led to expanding penetration rates across various categories, particularly in rural and semi-urban areas.
- Technological innovation:** The rapid pace of technological advancements in consumer electronics is a key growth driver. The demand for newer, faster, and feature-rich models is expected to drive repeat purchases, fueling growth across the segment.
- Uptake in premium offerings:** With rising disposable incomes, consumers are increasingly shifting towards high-end, premium electronics that offer superior features and design. This trend is particularly evident in the home entertainment segment.
- Shift in lifestyle and preferences:** Urbanization, along with a growing tech-savvy population, is driving demand for multifunctional and compact electronic devices. Lifestyles are shifting towards convenience and connectivity, with a surge in demand for wearable devices and smart home products.
- Gaming demand:** Gaming demand is a major catalyst in driving growth across multiple consumer electronics categories in India. The rise in eSports and competitive gaming, coupled with the growing gaming community, has increased demand for high-performance gaming PCs, accessories, and entertainment devices. Gaming monitors with their high refresh rates, higher resolutions, and adaptive sync technologies are experiencing strong sales as gamers seek performance-driven products. The popularity of console gaming is also propelling demand for large-screen TVs with low latency and 4K HDR capabilities, enhancing the immersive experience of gaming at home. Furthermore, the expanding role of virtual reality and multiplayer online games is pushing the need for specialized audio devices such as gaming headsets and soundbars that deliver immersive sound and communication clarity, which are essential for gamers. As the gaming culture continues to evolve, products in this category are becoming increasingly premium and feature-rich, driving both volume and value growth in the market.

The consumer electronics market in India comprises of the following categories:

- Home entertainment:** As of H1CY2025 (Annualized), the home entertainment segment, encompassing televisions and audio devices stands at ₹ ~960 billion (US\$ ~11.3 billion), and as of CY2024 it was ₹ ~895 billion (US\$ ~10.5 billion), having grown at a CAGR of ~19% from CY2019 to CY2024. The relatively slower growth in H1CY2025 (Annualized) is primarily due to the high base effect (driven by marquee sporting events in CY2024), and decline in Average Selling Prices. It is expected to grow at a 5-year CAGR of ~14%, reaching ₹ ~1,725 billion (US\$ ~20.3 billion) by CY2029P. In H1CY2025 (Annualized),

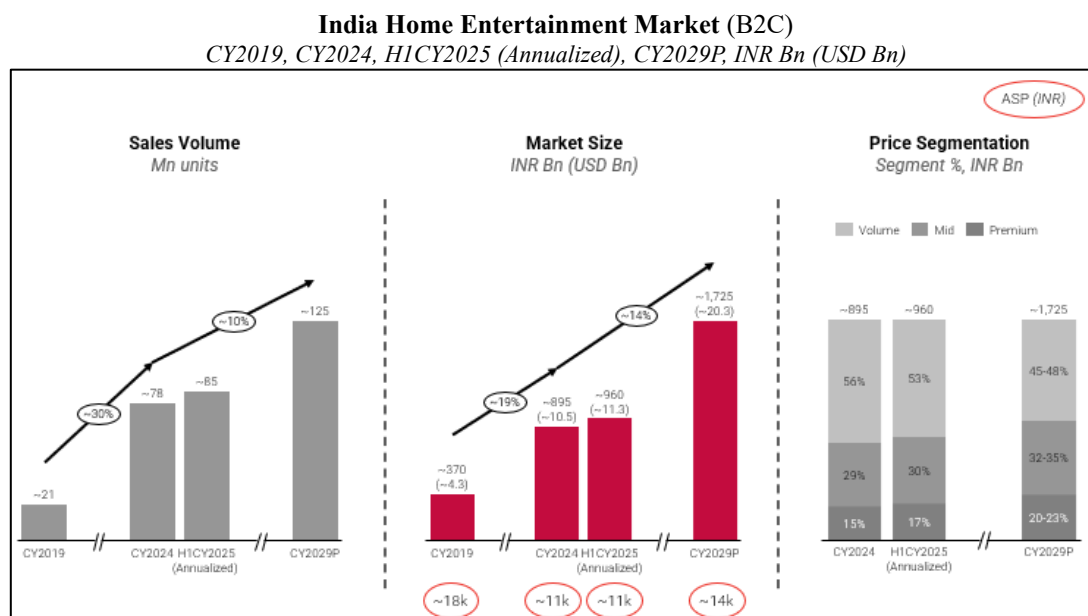
Televisions account for ~45% of this market, with audio devices (personal audio and home audio systems) making up the remaining ~55%.

As of H1CY2025 (Annualized), television market stands at ₹ ~435 billion (US\$ ~5.1 billion), and as of CY2024 it was ₹ ~415 billion (US\$ ~4.9 billion), having grown at a CAGR of ~8% from CY2019 to CY2024. It is projected to grow at a 5-year CAGR of ~13%, reaching ₹ ~760 billion (US\$ ~9.0 billion) by CY2029P. Within televisions, in H1CY2025 (Annualized), large (>55 inch) screen sizes are increasing in popularity and now account for ~27% of sales, alongside premium models such as OLED/QLED/QLED+ which make up ~22% of the market. Other UHD/Smart models make up ~59% of the market, while LED/Full HD TVs form the remaining ~19%. 4K resolution and smart connectivity have become a minimum expectation, with viewing experience, feature sets, and larger screen sizes becoming consumer priorities. In H1CY2025 (Annualized), large-format retail contributed ~38% of sales, while the online segment contributed ~28% of sales.

In CY2024, and in H1CY2025 (Annualized), more than 80% of TVs sold in India had 4K picture quality, and more than 90% of all TVs sold in India were Smart TVs. LGEIL had a market share (in terms of value) of 29.4% and 27.2% in 4K TVs and Smart TVs, respectively in the offline channel in the 12-month period ending December 31, 2024, and 29.9% and 27.9% in 4K TVs and Smart TVs, respectively in the offline channel in the 6-month period ending June 30, 2025, as per GfKⁱ.

Further, sales of OLED TVs grew from 1% of TVs sold in India in CY2019 to 5% in the 12-month period ending December 31, 2024, and to 6% in the 6-month period ending June 30, 2025, and LGEIL had a market share (in terms of value) of 59.8% and 62.9% in the offline channel for the 12-month period ending December 31, 2024, and the 6-month period ending June 30, 2025, respectively, as per GfKⁱ. Further, LGEIL was the first to introduce OLED TVs in India in 2015. Samsung India Electronics Pvt Ltd is a key competitor to LGEIL in the televisions segment within the India appliances and electronics market.

LGEIL has a broader range of product offerings than most other leading home appliances and consumer electronics players in India in several product categories. For example, LGEIL's range of televisions spans across Organic Light-emitting Diode ("OLED"), Quantum Nano-Emitting Diode ("QNED"), NanoCell (technology that uses nanoparticles to display rich images), Ultra High Definition ("UHD"), and Light Emitting Diode ("LED") models, while other leading players only offer fewer types/categories on average.



Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume segment for television includes UHD/FHD/HD models, Mid includes models such as QNED/Nano cell and premium includes OLED/Mini LED. Volume for audio devices includes wireless speakers, Mid includes models such as XBOOM/ portable party speakers and premium includes sound bars.

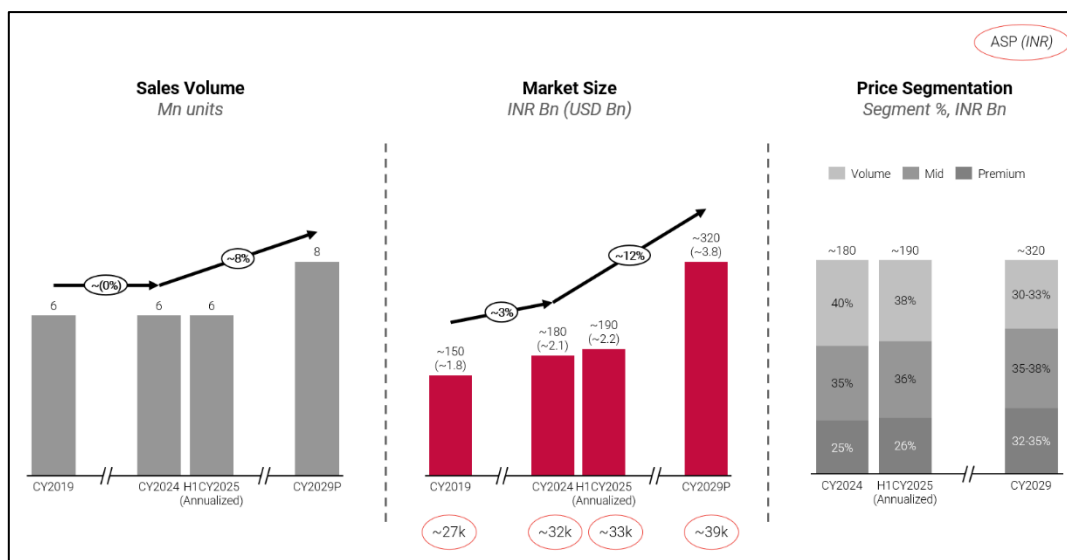
Source(s): Redseer research and analysis

Growth Drivers:

- i. *Increasing penetration:* The television and audio segments are witnessing expanding penetration into previously underserved rural markets, fueled by improved connectivity and access to affordable technology. As distribution improves, consumers are gaining access to televisions and audio devices, leading to a projected increase in market penetration, particularly among budget-friendly and mid-range models.
 - ii. *Replacement demand:* There is a significant trend in consumers upgrading from HD models to 4K and OLED/QLED televisions. Replacement demand is driven by the rapid advancement of display technology, alongside enhanced features such as better color accuracy. This is enabling consumers to invest in higher quality products that enhance viewing experience. LGEIL has a demonstrated track-record of introducing several industry-firsts in this category. LGEIL was the first leading home appliances and consumer electronics player in India to introduce OLED TVs in India in 2015 and was amongst the first players to launch 4K TVs and Smart TVs in 2011. Additionally, the company was the first amongst leading home appliances and consumer electronics players in India to launch India's first 4K OLED TV in 2015, the WebOS platform in 2014, world's first 8K OLED TV in 2020, and India's first rollable OLED TV in 2022.
 - iii. *Premiumization:* Growing consumer interest in larger screen sizes (55 inches and above) and advanced display technologies such as OLED and QLED are fueling demand in the premium segment. This segment is characterized by various technological advancements.
 - iv. Additionally, smart features that integrate with streaming services and home automation systems that provide superior performance and versatility are increasingly becoming essential.
 - v. *E-commerce surge:* The shift towards online shopping is significantly bolstering sales in the home entertainment sector. E-commerce channels are projected to capture approximately 30-33% of total sales for televisions and a remarkable 70-73% for audio devices by CY2029P. This transformation is largely attributed to the convenience of online shopping, competitive pricing, and extensive product variety available to consumers.
 - vi. *Content demand:* The increasing availability of high-definition streaming content is a key driver of demand for smart TVs and advanced audio systems. As consumers seek immersive entertainment experiences, there is a growing need for compatible devices including systems equipped with surround sound and enhanced connectivity options that can support multiple streaming services.
2. *Computers & Peripherals:* As of H1CY2025 (Annualized), the computers & peripherals market, including monitors, stands at ₹ ~190 billion (US\$ ~2.2 billion), and as of CY2024 it was ₹ ~180 billion (US\$ ~2.1 billion), having grown at a CAGR of ~3% from CY2019 to CY2024. It is projected to grow at a 5-year CAGR of ~12%, reaching ₹ ~320 billion (US\$ ~3.8 billion) by CY2029P. Driven by remote work, online education, and the gaming boom, this category has seen significant growth in recent years. Organized retail including e-commerce is a key channel and contributes ~93% of total sales of computers & peripherals in H1CY2025 (Annualized).

Monitors make up ~37% of the computers & peripherals market. As of H1CY2025 (Annualized), the segment stands at ₹ ~ 70 billion (US\$ ~0.8 billion), and as of CY2024 it was ₹ ~65 billion (US\$ ~0.8 billion), with a CAGR of ~(1%) from CY2019 to CY2024. It is projected to grow at a CAGR of ~10%, reaching ₹ ~105 billion (US\$ ~1.2 billion) by CY2029P, driven by rising demand for high-resolution and larger displays. Organized retail contributes ~82% of total monitor sales. The gaming monitor segment forms 15-18% of the monitor market in CY2024 up from 5-7% in CY2019 and is expected to go up to 20-25% by 2029P.

India Computers & Peripherals (incl. Monitors) Market (B2C)
CY2019, CY2024, H1CY2025 (Annualized), CY2029P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume includes computers priced under INR 40k, Mid includes computers priced between INR 40-80k and Premium includes computers priced above INR 80k.

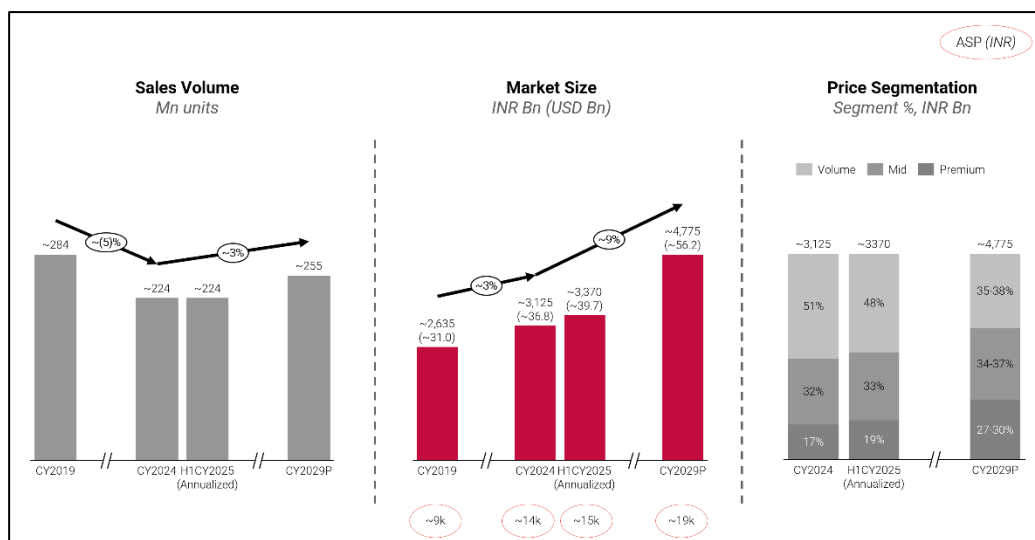
Source(s): Redseer research and analysis

Growth Drivers:

- i. **Uptick in hybrid work:** The rise of hybrid work models has led to increased demand for computers and accessories among consumers. As individuals split their time between home and remote settings, there is a growing need for versatile devices that facilitate seamless transitions, prompting investments in quality equipment that enhances productivity and connectivity.
 - ii. **Hardware upgrades:** Consumers are increasingly investing in updated hardware to keep pace with ongoing technological progress. This shift ensures better performance for everyday tasks, such as streaming, gaming, and content creation, leading to more frequent upgrades in home technology.
 - iii. **Popularity of gaming:** Gaming demand drives the sales of high-performance gaming monitors, especially models with high refresh rates (120Hz and above) and 4K resolution. These features are essential for competitive gaming, while demand is being further fuelled by a rise in eSports and streaming activities.
 - iv. **Premium monitors:** There is a noticeable increase in the adoption of high-resolution, larger screen monitors (27 inches and above), especially among consumers focused on gaming and content consumption. These premium monitors offer enhanced visual clarity and better overall user experience, making them highly sought after by individuals who require superior display quality for entertainment and productivity.
 - v. **E-learning expansion:** The rapid rise of e-learning and digital classrooms is significantly contributing to growth in this segment. As students adapt to online learning platforms, there is an increasing demand for technology that facilitates interactive and engaging learning experiences, boosting sales of computers and related accessories for educational purposes.
3. **Mobile phones:** As of H1CY2025 (Annualized), the mobiles phones segment stands at ₹ ~3,370 billion (US\$ ~39.7 billion), and as of CY2024 it was ₹ ~3,125 billion (US\$ ~36.8 billion), having grown at a CAGR of ~3% from CY2019 to CY2024, driven by continuing rollout of 5G services and budget 5G smartphone offerings, which has triggered a wave of device upgrades and replacements across the country. It is expected to grow at a 5-year CAGR of ~9%, reaching ₹ ~4,775 billion (US\$ ~56.2 billion) by CY2029P. Penetration is already high at ~79% as of H1CY2025 (Annualized), and the market is increasingly driven by premiumization, with consumers upgrading to 5G-enabled smartphones and devices with better cameras and longer battery lives. In H1CY2025 (Annualized), organized retail channels, both online and offline, contribute ~42% and ~12% of total sales, respectively.

India Mobile Phones Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85. Volume includes mobiles priced under INR 15k, Mid includes mobiles priced between INR 15-45k and Premium includes mobiles priced above INR 45k.

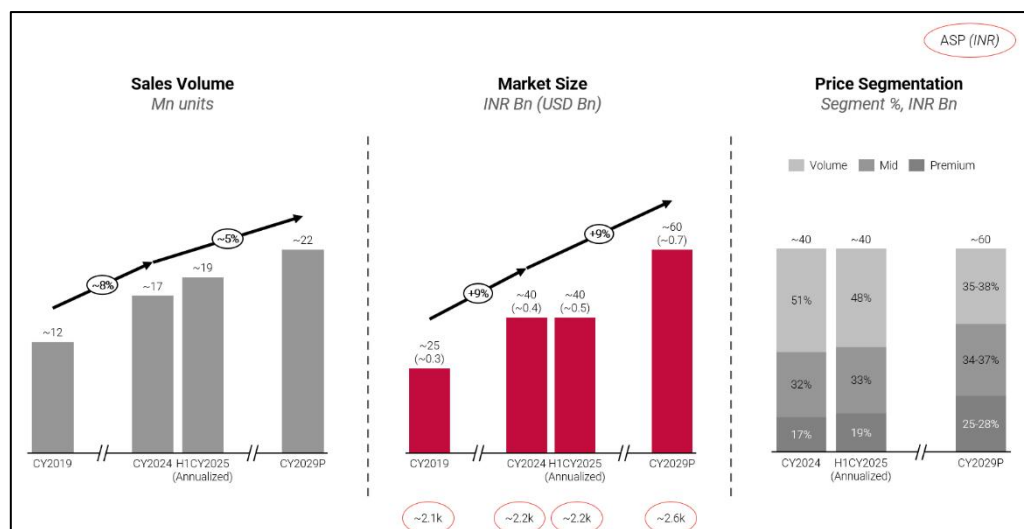
Source(s): Redseer research and analysis

Growth Drivers:

- i. **High penetration:** Owing to rising disposable incomes and growing aspirational demand, the penetration of mobile phones in India are already remarkably significant, with expectations to rise to ~83% by CY2029P. This widespread adoption reflects not only the ubiquity of mobile technology but also its integral role in everyday life, enabling communication, access to information, and connectivity across urban and rural landscapes.
 - ii. **Replacement demand:** The lifecycle of mobile phones is shortening as consumers increasingly prioritize the latest features and services. This trend is driven by advancements such as 5G connectivity, improved camera technologies, and enhanced user interfaces, leading individuals to replace their devices more frequently in pursuit of enhanced functionality and performance.
 - iii. **Demand for premium phones:** There has been a sharp increase in the demand for premium mobile phones, fueled by changing consumer preferences and rising disposable incomes. As consumers seek devices that offer superior specifications, innovative features, and brand prestige, the market for high-end smartphones continues to expand.
 - iv. **E-commerce dominance:** Online sales channels are experiencing substantial growth, with e-commerce expected to account for 47-50% of total mobile phone sales by CY2029P. This shift towards digital retailing is largely driven by the convenience of online shopping, competitive pricing, and an extensive range of product offerings, enabling consumers to make informed purchasing decisions from the comfort of their homes.
4. **Personal care devices:** As of H1CY2025 (Annualized), the personal care gadgets segment (including hair styling devices, facial care devices, epilators and hair removal devices) stands at ₹ ~40 billion (US\$ ~0.5 billion), and as of CY2024 it was ₹ ~40 billion (US\$ ~0.4 billion), having grown at a CAGR of ~9% from CY2019 to CY2024. It is projected to grow at a 5-year CAGR of ~9%, reaching ₹ ~60 billion (US\$ ~0.7 billion) by CY2029P. This growth is driven by increasing consumer focus on personal grooming and wellness. The organized market contributes ~85% of sales, with e-commerce channels contributing a steady 65% of sales in H1CY2025 (Annualized).

India Personal Care Devices Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



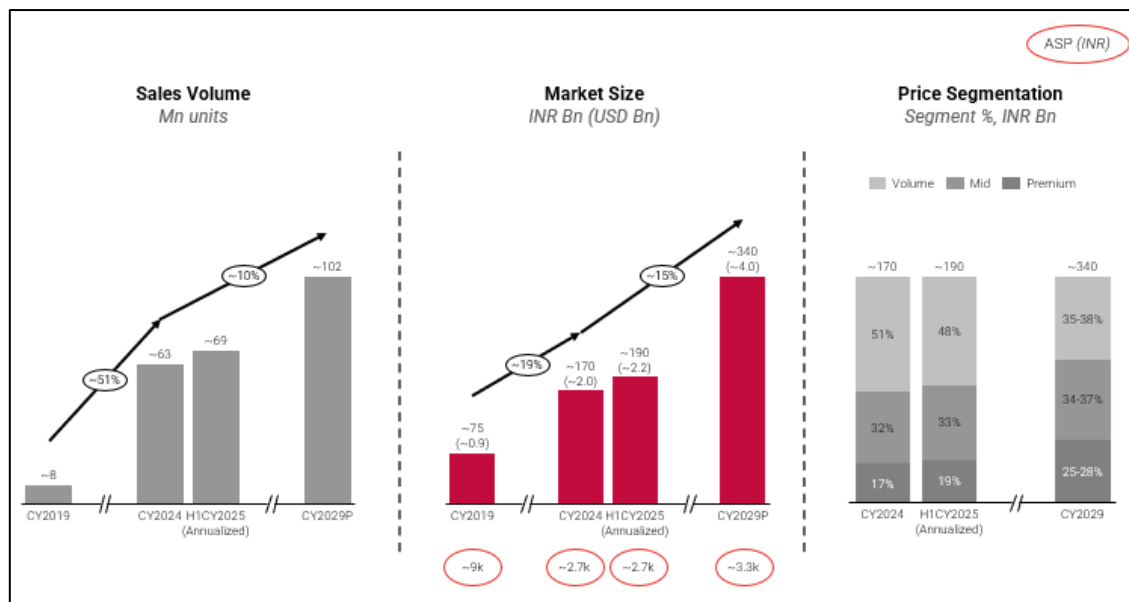
Note(s): Conversion rate: 1 US\$ = ₹ 85. Price segmentation is based on aggregation of data across each sub-category within segment
 Source(s): Redseer research and analysis

Growth Drivers:

- i. **Rising penetration:** As grooming becomes a daily routine, penetration is expected to rise from ~11% as of H1CY2025 (Annualized) to ~12% in CY2029P. This growth is largely driven by expanding access in tier II and III cities, where awareness and adoption are increasing.
 - ii. **Premium grooming devices:** Consumers are shifting towards high-end grooming products, including professional-grade hair dryers and precision electric shavers, as they seek enhanced performance and quality. This trend is supported by rising awareness of personal grooming standards.
 - iii. **Replacement cycles:** The shorter lifecycles of grooming products are driving repeat purchases. Consumers tend to upgrade more frequently due to evolving technologies, new features, and the desire for better performance, especially in products such as shavers and hair dryers.
 - iv. **Wellness:** The growing consumer focus on wellness and self-care is fuelling demand for grooming tools that promote health, such as electric facial cleansers and massagers. This trend aligns with a broader shift toward products that enhance personal well-being and relaxation.
5. **Other personal devices:** As of H1CY2025 (Annualized), the market for other personal devices which includes imaging devices, wearables, e-readers and portable players stands at ₹ ~190 billion (US\$ ~2.2 billion), and as of CY2024 it was ₹ ~170 billion (US\$ ~2.0 billion), having grown at a CAGR of ~19% from CY2019 to CY2024. It is expected to grow at a 5-year CAGR of ~15%, reaching ₹ ~340 billion (US\$ ~4 billion) by CY2029P.

India Other Personal Devices Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



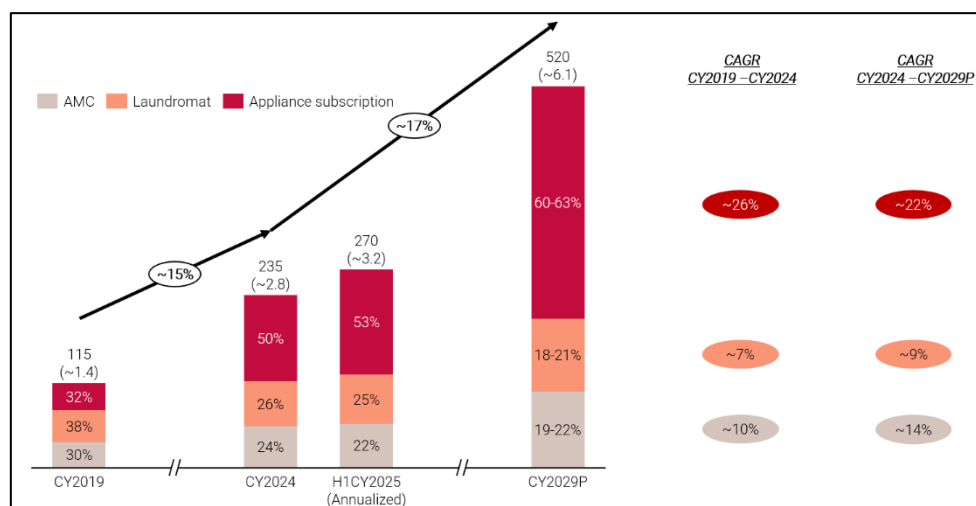
Note(s): Conversion rate: 1 US\$ = ₹ 85. Price segmentation is based on aggregation of data across each sub-category within segment
 Source(s): Redseer research and analysis

Services

The services segment of the India appliances & electronics market encompasses Annual Maintenance Contracts (“AMCs”), appliance subscription and rental services, and pay-to-use laundromat services. Collectively, this segment is projected to reach ₹ ~520 billion (US\$ ~6.1 billion) by CY2029P, growing at a robust 5-year CAGR of ~17%. The increasing consumer preference for convenience and long-term relationships with service providers is driving growth across these service categories, with the shift towards subscription models and digital platforms becoming increasingly significant.

India (Electronics & Appliances) Services Market (B2C)

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85
 Source(s): Redseer research and analysis

The services segment of the appliances & electronics market in India comprises of the following categories:

1. **Annual Maintenance Contracts (AMCs):** As of H1CY2025 (Annualized), the AMCs segment which includes service agreements for the maintenance and repair of home and electronic appliances in India stands at ₹ ~60 billion (US\$ ~0.7 billion), and as of CY2024 it was ₹ ~55 billion (US\$ ~0.7 billion), having grown at a CAGR of ~10% from CY2019 to CY2024. Projections indicate a 5-year CAGR of ~14%, which is expected to elevate

the market to ₹ ~105 billion (US\$ ~1.2 billion) by CY2029P. As consumers increasingly prioritize the longevity and performance of their appliances, the demand for AMCs is on the rise. The market is becoming more organized, with a growing number of service providers entering the field.

Growth Drivers:

- i. *Rising market penetration:* As consumers become more aware of the benefits of AMCs, particularly in terms of preventive maintenance and risk coverage, the market is experiencing broader penetration. More households are recognizing AMCs as an essential layer of protection that ensures continuous performance and avoids costly repairs, making it an attractive option for a wider consumer base.
 - ii. *Focus on appliance longevity & efficiency:* Consumers are opting for AMCs to maximize the lifespan of their appliances, which helps reduce the overall cost of ownership. AMCs enable regular upkeep, ensuring that appliances remain in optimal condition and perform efficiently over time. This approach is especially appealing for premium electronics such large-screen TVs or high-end refrigerators and washing machines, where longevity and consistent performance are essential to maximize value and reliability.
 - iii. *Service quality enhancements:* Improved service standards, including faster response times, certified technicians, and better parts availability, are significantly boosting consumer confidence in AMCs. Enhanced service quality has become a strong driver as consumers seek reliable maintenance solutions that guarantee high satisfaction, prompting more households to commit to annual contracts.
 - iv. *Urbanization and time constraints:* The growing urban population is increasingly adopting AMCs to address the challenges of busy, high-paced lifestyles. Urban consumers value the convenience and peace of mind that come with regular, hassle-free maintenance services. The demand for AMCs is especially strong in metropolitan areas where consumers prioritize service accessibility and time-saving solutions.
2. *Appliance subscription & rental services:* As of H1CY2025 (Annualized), the appliance subscription and rental services market in India stands at ₹ ~145 billion (US\$ ~1.7 billion), and as of CY2024 it was ₹ ~120 billion (US\$ ~1.4 billion), having grown at a CAGR of ~26% from CY2019 to CY2024. Projections indicate a 5-year CAGR of ~22%, which is expected to elevate the market to ₹ ~320 billion (US\$ ~3.7 billion) by CY2029P. The growing trend towards flexible ownership models is reshaping consumer preferences, particularly among millennials and urban dwellers. This segment includes rental services for major appliances such as refrigerators, washing machines, and air conditioners.

Growth Drivers:

- i. *Shift in consumer preferences:* As consumers increasingly favor flexibility over long-term commitments, demand for rental services is rising sharply, enabling them to access high-quality appliances without the financial burden of ownership. This trend is particularly strong among millennials and urban dwellers who value the ability to adjust to changing needs without being tied to long-term assets. The rental model appeals particularly to individuals who prioritize convenience and cost-efficiency.
 - ii. *Economic attractiveness:* Rental and subscription models offer consumers a more affordable and flexible option, reducing the financial burden of purchasing appliances upfront. These services typically provide customers with assurances of faulty units handled as part of the service agreement. This added security appeals to consumers looking for peace of mind without being tied to the long-term responsibility of ownership.
 - iii. *Urban lifestyle adaptation:* The expanding urban population, especially younger professionals and frequent movers, finds rental services well-suited to their mobile lifestyles. The convenience of flexible leasing and rental options aligns with the needs of individuals in metropolitan areas, who often prioritize convenience and flexibility over appliance ownership.
3. *Laundromat services:* As of H1CY2025 (Annualized), the laundromat services market in India stands at ₹ ~70 billion (US\$ ~0.8 billion), and as of CY2024 it was ₹ ~60 billion (US\$ ~0.7 billion), having grown at a CAGR of ~7% from CY2019 to CY2024. Projections indicate a 5-year CAGR of ~9%, which is expected to elevate the market to ₹ ~95 billion (US\$ ~1.1 billion) by CY2029P. As urban living continues to expand, laundromat services are gaining popularity due to their convenience and efficiency. The pay-to-use model appeals to busy professionals and families alike.

Growth Drivers:

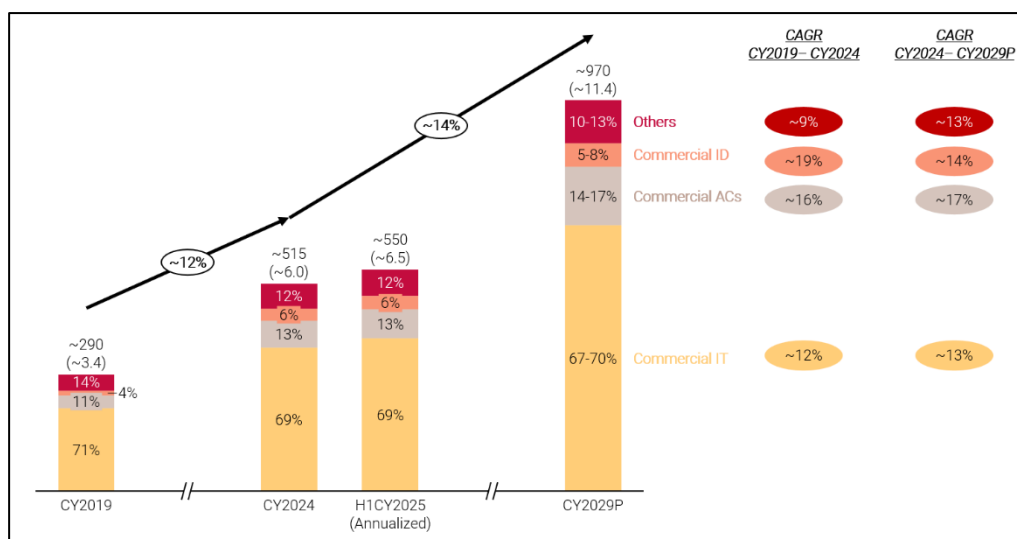
- i. **Need for convenience:** As urban populations grow and lifestyles become busier, consumers increasingly seek efficient solutions for daily chores. Laundromats with app-based booking are becoming popular among urban individuals, reflecting a preference for services that streamline tasks while offering quality service.
- ii. **Affordability:** Competitive pricing and the elimination of the need for personal laundry appliances make laundromats an economical choice for many, especially students and young professionals in urban areas where space and costs are high. Consumer demand is driven by the ability to access laundry services without significant investment.
- iii. **Technological integration:** Technology is enhancing user experience and fueling growth in laundromat services. Features such as app-based payments, machine availability tracking, and real-time notifications streamline the laundry process. This appeals to tech-savvy consumers who value the efficiency of managing their needs via mobile platforms, promoting loyalty and repeat usage.

B2B market deep dive

The B2B segment of the India appliances and electronics market is the institutional devices & systems market in India, which includes commercial air conditioning (CAC) systems (~13%), commercial IT / B2B computers & peripherals (~69%) including monitors, commercial ID / commercial displays & signages (~6%), and other B2B appliances & electronics (~12%) as vital segments of the market. As of H1CY2025 (Annualized), B2B market stands at ₹ ~550 billion (US\$ ~6.5 billion), and as of CY2024 it was ₹ ~515 billion (US\$ ~6.0 billion), having grown at a CAGR of ~12% from CY2019 to CY2024. It is projected to grow at a 5-year CAGR of ~14%, reaching ₹ ~970 billion (US\$ ~11.4 billion) by CY2029P. As enterprises across sectors increasingly prioritize operational efficiency and digital transformation, demand for these institutional solutions is expected to accelerate.

India (Electronics & Appliances) B2B Market

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85

Source(s): Redseer research and analysis

Several key drivers are shaping the growth of institutional devices & systems in India:

- i. **Economic shift to a service and industrial economy:** As India transitions from a traditionally agrarian-based economy to one increasingly focused on industrial and service sectors, there is a growing need for infrastructure that supports business operations. With businesses expanding and modernizing, there is a surge in demand for commercial solutions that enhance efficiency and functional outcomes.
- ii. **Infrastructure development:** The ongoing expansion of healthcare, education, and government facilities is bolstering demand for sophisticated institutional equipment. This includes smart HVAC systems, connected office devices, and advanced AV solutions, particularly in high-demand use-cases such as conference rooms and in large institutions.

- iii. *Demand from key sectors:* The healthcare sector is seeing increased demand for specialized diagnostic displays and monitoring systems, while the hospitality and commercial sectors prioritize energy-efficient, high-quality equipment for operational efficiency. The government is also a significant buyer with ongoing investments in public infrastructure projects, such as the Smart Cities Mission, as well as initiatives such as Digital India, which are driving the adoption of advanced institutional appliances and technologies to support digital transformation in government services and public administration.
- iv. *Smart solutions:* The growth of IoT and smart building initiatives is fuelling demand for integrated and automated solutions. B2B consumers seek connected HVAC systems, intelligent lighting, and specialized IT displays that streamline operations, monitor energy use, and support remote diagnostics, meeting the efficiency and scalability requirements of modern commercial environments.

The institutional devices & systems market in India comprises of the following categories:

1. *Commercial Air Conditioning Systems:* As of H1CY2025 (Annualized), the commercial air conditioning (“CAC”) segment in India stands at ₹ ~75 billion (US\$ ~0.9 billion), and as of CY2024 it was ₹ ~65 billion (US\$ ~0.8 billion), having grown at a CAGR of ~16% from CY2019 to CY2024. It is projected to grow at a robust 5-year CAGR of ~17%, reaching ₹ ~145 billion (US\$ ~1.7 billion) by CY2029P. The sector is experiencing growth driven by infrastructure developments in key areas such as healthcare, retail, hospitality, data centers, institutional infrastructure, and commercial real estate. The demand for advanced heating, ventilation and air conditioning (“HVAC”) solutions is driven by the expansion of healthcare, education, and government facilities requiring sophisticated equipment, the growth of IoT and smart building initiatives fueling integrated and automated solutions, increased penetration into emerging commercial real estate and urban infrastructure, and a growing emphasis on sustainability and energy efficiency, propelled by environmental regulations and government initiatives. The market is composed of chillers / HVAC (heating, ventilation, and air conditioning) systems, VRF systems (including cassette ACs), and ducted systems, which account for ~35%, ~21%, and ~23% of the commercial CAC market, respectively in H1CY2025 (Annualized).

Growth Drivers:

- i. *Infrastructure expansion:* Increasing penetration systems into emerging commercial real estate and urban infrastructure is driving growth is fueling demand for advanced HVAC and CAC installations.
 - ii. *Replacement cycles:* Businesses are increasingly replacing outdated systems with more efficient installations, enhancing the overall market demand.
 - iii. *Sustainability:* Growing emphasis on sustainability and energy efficiency is pushing companies to adopt advanced HVAC solutions that align with environmental standards.
 - iv. *Technological advancements:* The introduction of smart HVAC systems, capable of real-time monitoring and control, is driving market interest and adoption.
 - v. *Changing climate patterns:* The increasing frequency of heatwaves and shifting climate patterns are driving significant demand for commercial air conditioning systems. As temperatures rise, businesses in sectors such as retail, hospitality, healthcare, and commercial real estate are prioritizing robust cooling solutions to ensure comfort and productivity. The need for more efficient and resilient systems is growing, with climate change contributing to a longer cooling season, necessitating greater energy efficiency and system reliability.
2. *Commercial IT (B2B computers & peripherals):* As of H1CY2025 (Annualized), the commercial IT segment in India stands at ₹ ~380 billion (US\$ ~4.5 billion), and as of CY2024 it was ₹ ~355 billion (US\$ ~4.2 billion), having grown at a CAGR of ~12% from CY2019 to CY2024. It is projected to reach ₹ ~660 billion (US\$ ~7.7 billion) by CY2029P, growing at a 5-year CAGR of ~13%. The surge in demand is propelled by businesses transitioning to digital infrastructures and the increasing prevalence of remote work. Key sectors such as education, banking, and IT services are significantly contributing to this growth. As companies adopt cloud computing, hybrid workspaces, and digital transformation initiatives, leading players are focusing on tailored solutions catering to institutional needs.

Growth Drivers:

- i. *Digital transformation:* The shift towards digital operations in businesses is driving demand for high-performance computers and peripherals.
- ii. *Penetration of cloud computing:* The adoption of digital and cloud solutions is encouraging businesses to invest in compatible hardware and peripherals, fostering market growth.

- iii. *Hybrid workspaces*: The emergence of hybrid work environments is creating a demand for versatile computing solutions that accommodate flexible work arrangements.
 - iv. *Performance upgrade needs*: Continuous advancements in technology lead businesses to frequently upgrade their systems to ensure optimal performance and security.
3. *Commercial displays & signages*: As of H1CY2025 (Annualized), the specialized display market for institutional applications, including institutional infrastructure such as airports, railways and museums, retail, and healthcare facilities stands at ₹ ~30 billion (US\$ ~0.4 billion), and as of CY2024 it was ₹ ~30 billion (US\$ ~0.3 billion), having grown at a CAGR of ~19% from CY2019 to CY2024. It is projected to reach ₹ ~55 billion (US\$ ~0.7 billion) by CY2029P, growing at a 5-year CAGR of ~14%. This B2B segment encompasses MNT signages, commercial TVs, and hotel PTVs. LGEIL also lead multiple technological innovations for B2B products in India including being the first to introduce transparent OLED based information display solutions in 2020 and OLED gaming monitors in 2022.

Growth Drivers:

- i. *Economic shift to a service economy*: As the service economy rises, there is a growing demand for specialized commercial displays and signage systems, particularly in sectors such as healthcare, retail, hospitality, and education. This shift is driving increased investments in digital signage and interactive display technologies, particularly in urban areas.
- ii. *Increased resolution demand*: Rising expectations for high-resolution displays in hospitality and commercial spaces, airports, railways and museums, and in medical settings are driving market growth as service providers seek to add capacity and upgrade existing infrastructure.
- iii. *Technological advancements*: Innovations in display technology offering higher quality, performance, and energy efficiency such as OLED and interactive displays, are attracting investments and fostering market expansion.
- iv. *Regulatory standards*: Compliance with stringent regulatory standards for medical equipment is prompting healthcare facilities to upgrade their display systems.

Total addressable market

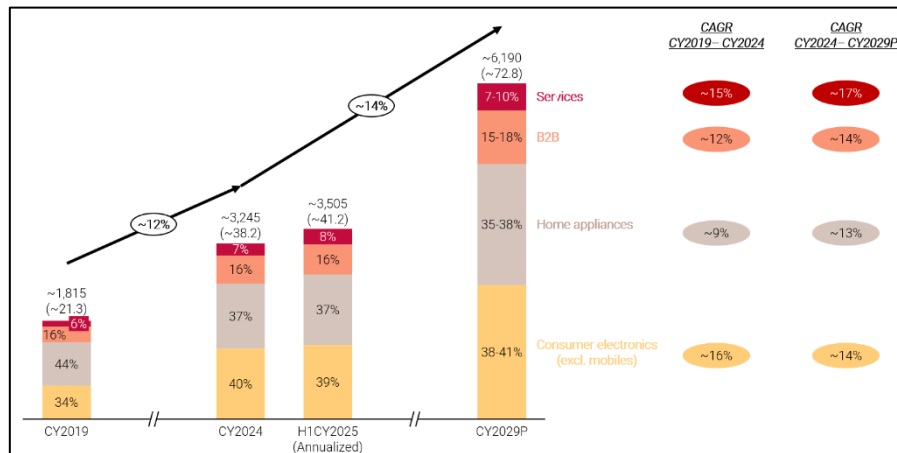
The overall total addressable market (“TAM”) for the India appliances & electronics brands was estimated at ₹ ~3,245 billion (US\$ ~38.2 billion) in CY2024, having grown at a CAGR of ~12% from CY2019 to CY2024. As of H1CY2025 (Annualized), TAM stands at ₹ ~3,505 billion (US\$ ~41.2 billion). It is projected to reach ₹ ~6,190 billion (US\$ ~72.8 billion) by CY2029P, growing at a 5-year CAGR of ~14%. The TAM encompasses both B2C and B2B segments and excludes mobile phones. This reflects demand from households, commercial enterprises, and institutional buyers such as hospitals, hotels, and government bodies. This growth will be fueled by the continued expansion of urban and rural markets, increased penetration of energy-efficient appliances, and the ongoing premiumization of consumer products.

As of H1CY2025 (Annualized), B2C TAM stands at ₹ ~2,955 billion (US\$ ~34.8 billion), and as of CY2024 it was ₹ ~2,735 billion (US\$ ~32.2 billion), having grown at a CAGR of ~12% from CY2019 to CY2024. It is projected to reach ₹ ~5,215 billion (US\$ ~61.4 billion) by CY2029P, growing at a 5-year CAGR of ~14%, driven by increased demand from consumers for home appliances, consumer electronics, and services. LGEIL expects to benefit from an expansion in the target addressable market as penetration improves, as has been witnessed in the case of several emerging economies.

As of H1CY2025 (Annualized), B2B segment stands at ₹ ~550 billion (US\$ ~6.5 billion), and as of CY2024 it was ₹ ~515 billion (US\$ ~6.0 billion), having grown at a CAGR of ~12% from CY2019 to CY2024. It is projected to reach ₹ ~970 billion (US\$ ~11.4 billion) by CY2029P, growing at a 5-year CAGR of ~14%, driven by increasing demand from industries such as healthcare, hospitality, commercial real estate, and the government sector.

India Total Addressable Market

CY2019, CY2024, H1CY2025 (Annualized), CY2029P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 85

Source(s): Redseer research and analysis

Trends in logistics & supply chain

The India appliances and electronics market is undergoing significant supply chain transformations shaped by both import and export dynamics.

- Local production focus:** Companies are prioritizing local production to reduce import dependency, supported by government initiatives such as 'Make in India' and the PLI schemes. These programs offer incentives to strengthen domestic manufacturing, enhancing cost efficiency, supply chain resilience, and lead times. By investing in local capacity, manufacturers align with India's goals of self-reliance and sustainable growth while positioning for both domestic and export markets.
- Export opportunities:** India is increasingly positioning itself as a global manufacturing and export hub for home appliances and electronics. Manufacturers are expanding capacity to meet rising global demand, with a focus on improving product quality and cost efficiency. The growing local manufacturing base, alongside competitive labour costs and infrastructure improvements, enhances India's ability to tap into key international markets such as North America, Western Europe, Middle East and Africa. This shift supports India's ambition to become a major player in the global supply chain for appliances and electronics.
- Logistics upgrades:** The logistics and distribution networks are being modernized to accommodate the growing e-commerce sector. Emphasizing digital supply chain management enhances efficiency and responsiveness, allowing manufacturers to swiftly adapt to evolving consumer demands.
- Import trends:** Despite localization efforts, there is a persisting reliance on foreign components and finished products, especially in the premium segment. Key imports are primarily sourced from countries such as China, South Korea, and Japan, reflecting a strategic focus on enhancing product quality and technological advancement.

Government Policies and Regulatory Overview

The Indian government's strategic initiatives are shaping a resilient and competitive landscape for the country's appliance and electronics sector. Key policies focus on fostering local manufacturing, enhancing export capabilities, and promoting sustainable practices, positioning India as a prominent player on the global stage.

- Localization and "Make in India" Initiatives:** Government policies, especially the Make in India campaign and PLI scheme, are driving local manufacturing in India, reducing import dependency, and enhancing the country's competitiveness. These efforts position India to become a global manufacturing hub, supported by strategic trade deals with Japan, South Korea, and the EU. India's favourable geopolitical positioning and shifting supply chains further enhance its appeal as a key player in global electronics and appliances markets.
- Geopolitical advantage and export potential:** India's geopolitical positioning, with access to key markets in Asia, the Middle East, and Africa, strengthens its ability to become an export powerhouse. The country's active participation in trade agreements and deals with countries such as Japan and South Korea enhances its ability to import necessary technologies and components, while also expanding access to lucrative export markets. The increasing presence of multinational corporations is fuelling technology

transfer and infrastructure development, reinforcing India's role as a key export hub in the global value chain.

- iii. *Incentives for manufacturers and infrastructure growth:* Several government programs focus on fostering infrastructure development, making India an attractive destination for foreign investment in the appliance and electronics sector. Programs such as the PLI scheme and the *Atmanirbhar Bharat* mission are directly contributing to infrastructure upgrades including logistics, digital supply chain management, and manufacturing facilities. In addition to this, state-level incentives, tax reductions, and financial support for infrastructure projects are providing a robust foundation for domestic and international players to scale up operations in India. This shift towards local manufacturing and infrastructure growth is aimed at achieving both supply chain resilience and higher-value exports, aligning India's goals with its vision to become a global export hub.
- iv. *Regulatory frameworks and sustainability:* The government is also focusing on environmental and energy efficiency standards, such as Bureau of Energy Efficiency ("BEE") ratings, to boost the global competitiveness of Indian products. Regulatory reforms streamline processes, attract foreign investment, and promote sustainable manufacturing, further strengthening India's position in global markets.

Competitive Positioning in India's Appliances and Electronics Market Involves Strategic Differentiation Through Innovation, Operational Efficiency, and Robust Brand Presence.

The Indian appliances and electronics market demands R&D investment, robust manufacturing, strong branding, extensive distribution, and customer-centric after-sales service. Leading firms maintain competitive edge by focusing on quality, brand trust, and product innovation. Chinese brands add complexity with competitive pricing and strategic online penetration, making it essential for players to adapt and compete effectively across price segments and sales channels.

In India's dynamic and highly competitive appliances market, success hinges on several critical factors that determine a company's ability to lead and sustain growth over time. The appliances sector is marked by technological innovations, evolving consumer demands, and an increasingly crowded marketplace, making it essential for players to differentiate themselves not just through product offerings but also through operational excellence, brand strength, and customer-focused service.

Factors needed to win: To gain a competitive edge and secure long-term success, companies must excel across multiple dimensions, from product innovation and manufacturing capabilities to robust distribution networks and after-sales support. The following key factors that play a decisive role in determining success in the Indian appliances and electronics market:

- i. *Strong brand with comprehensive product portfolio:* A trusted brand is essential in a market where consumers value reliability and long-term performance. Companies with a broad portfolio of products—ranging from refrigerators to washing machines—can cater to diverse customer needs, from budget to premium segments, and strengthen their position in the market.
- ii. *Strong R&D:* Continual investment in R&D is crucial for staying ahead of market trends and addressing the evolving needs of consumers. Companies innovate in areas such as energy efficiency, smart home technology, and product usability to differentiate their offerings. Effective R&D helps create products tailored to local market demands, such as durable appliances suited for Indian conditions and energy-saving solutions that solve for rising energy costs.
- iii. *Robust manufacturing for quality control & efficiency:* Quality control and cost-efficient manufacturing are vital to meet consumer expectations for reliability and performance. Companies with efficient production processes can maintain product consistency while keeping costs competitive. Investments in automation and smart manufacturing also allow for scalability and faster market responsiveness.
- iv. *Direct distribution and e-commerce presence:* Direct-to-consumer channels, including own-brand stores, a strong e-commerce presence, and fleet-on-street operations, help companies control customer experience and build brand loyalty. This direct reach enhances market visibility and consumer accessibility across varied segments, from urban centres to smaller towns. At the same time, online-first brands are gaining traction through competitive pricing, aggressive digital marketing, and direct consumer engagement. With increasing comfort in online purchases, particularly among urban millennials, price sensitivity and convenience have become key competitive advantages for these brands, further intensifying competition in the digital space.

- v. *Extensive dealer network and pan-India supply chain:* A widespread dealer network ensures products are accessible across urban and rural areas. Complemented by a robust pan-India supply chain, companies can lower lead times and improve delivery efficiency, leading to enhanced customer satisfaction and brand loyalty. Dealers also offer critical insights into market trends and preferences.
- vi. *After-Sales service quality and network:* *Quality after-sales service is key for customer loyalty.* Companies with extensive service networks and innovative solutions, such as mobile repair services or AI-driven diagnostics, create a superior customer experience. By ensuring appliance longevity and performance, companies foster lasting consumer relationships.

Feature innovation is a key differentiator for electronics and appliances brands seeking to establish and sustain competitive advantage, with advanced functionalities often concentrated in the premium product tiers. Refrigerator players in India include, LG, Samsung, Voltas, Godrej, Havells, Whirlpool, and Haier, among others. Certain players offer features such as convertible cooling compartments and hygiene-focused technologies designed to remove bacteria, preserve food freshness, and neutralize odours. In washing machines, players include LG, Samsung, Voltas, Godrej, Havells and Whirlpool, among others. Many of them have incorporated features such as direct drive motors, Wi-Fi connectivity, steam and wrinkle-reducing technologies, quick wash features, and toughened glass. In air conditioners, players include LG, Samsung, Voltas, Godrej, Havells, Whirlpool, Blue Star, and Haier, among others. Certain players provide features such as AI-based cooling in convertible modes, smart connectivity, and plasma ionizers. In televisions, players include LG, Samsung, Sony, Haier, and Havells, among others. Many of them offer TV categories such as OLED, QNED/Neo QLED and QLED along with innovative formats such as wallpaper televisions and gallery televisions^{iv}.

In India's appliances and electronics market, competition unfolds across three major types of players: Domestic players, Chinese players, and global brands (including Korean players), each bringing distinct strengths and strategies that shape the competitive landscape.

- i. *Indian players:* Companies such as Voltas, Havells, Godrej, and Blue Star leverage their deep-rooted understanding of the Indian market to capture a broad consumer base. Their long-standing brand equity, coupled with extensive distribution networks, enables them to reach both urban and rural consumers, catering especially to price-sensitive segments where affordability is a priority. By aligning products with regional preferences, they build and maintain strong local trust. Indian brands also prioritize versatile offerings, frequently introducing models that balance basic functionality with modern features, appealing to consumers transitioning from first-time purchases to affordable upgrades. These factors allow Indian players to capture loyal segments, even as foreign brands intensify their presence.
- ii. *Chinese players:* Chinese brands, including Haier, have introduced additional competition to India's appliances and electronics market by utilizing extensive scale, efficient manufacturing, and well-established channel penetration. With a significant presence, particularly in mid-tier and semi-urban areas, these brands offer competitively priced, feature-rich products that appeal across price-sensitive segments. Focused on rapid product cycles and functional upgrades, Chinese players cater primarily to budget-conscious consumers while also introducing smart functionalities at accessible prices to attract aspirational buyers. Additionally, as anti-dumping duties impact imports, many Chinese firms are forming local manufacturing partnerships to align with the "Make in India" initiative, further strengthening their footprint in the Indian market.
- iii. *Global players:* Global brands such as LG, Samsung, Sony, Whirlpool, and Philips leverage a blend of international expertise and robust brand reputation. Known for their quality and commitment to innovation, these brands primarily target the mid-premium and premium segments, where consumers are drawn to products that offer advanced functionality, reliability, and after-sales support. With a focus on high-quality manufacturing and cutting-edge features, these brands are well-positioned to meet the growing Indian demand for premium experiences and durable products. Global players often appeal to urban consumers seeking appliances that integrate seamlessly with modern lifestyles, offering smart technology, energy efficiency, and aesthetic appeal. Korean giants such as LG and Samsung have built considerable market share by adapting global best practices to local needs, incorporating features that address the climate, cultural preferences, and tech-savvy trends prevalent among India's premium consumer base.

Market Share for key categories

In terms of value in the offline channel as per GfK for CY2022, CY2023, CY2024 and H1CY2025¹.

| LGEIL | CY2022 | CY2023 | CY2024 | H1CY2025 |
|--|--------|--------|--------|----------|
| Refrigerators | 31.9% | 30.6% | 29.6% | 29.9% |
| Washing machines | 35.8% | 35.0% | 33.6% | 33.5% |
| Room air conditioners | 19.8% | 19.6% | 17.0% | 18.0% |
| Inverter air conditioners ² | 25.5% | 23.4% | 19.6% | 20.6% |
| Panel televisions | 27.8% | 27.3% | 26.8% | 27.5% |

In terms of value in the offline channel as per GfK for the 12-month period ending December 31, 2024¹.

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|---------------|-------|--------------|--------------|--------------|
| Refrigerators | 29.6% | 27.4% | 14.8% | 11.4% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|------------------|-------|--------------|--------------|--------------|
| Washing Machines | 33.6% | 18.9% | 11.0% | 10.0% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|--|-------|--------------|--------------|--------------|
| Inverter air conditioners ² | 19.6% | 16.9% | 9.3% | 8.0% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|-------------------|-------|--------------|--------------|--------------|
| Panel Televisions | 26.8% | 23.8% | 19.3% | 5.7% |

In terms of value in the offline channel as per GfK for the 6-month period ending June 30, 2025¹.

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|---------------|-------|--------------|--------------|--------------|
| Refrigerators | 29.9% | 23.5% | 15.6% | 11.5% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|------------------|-------|--------------|--------------|--------------|
| Washing Machines | 33.5% | 17.3% | 11.4% | 9.9% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|--|-------|--------------|--------------|--------------|
| Inverter air conditioners ² | 20.6% | 15.4% | 8.5% | 8.1% |

| Category | LGEIL | Competitor 1 | Competitor 2 | Competitor 3 |
|-------------------|-------|--------------|--------------|--------------|
| Panel Televisions | 27.5% | 23.2% | 17.0% | 6.2% |

Notes: 1. The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK; The offline channel contributed ~78% and ~77% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the 12 months ended December 31, 2024, and the 6 months ended June 30, 2025, respectively. 2. As of the 12-months ending December 31, 2024, and the 6-months ending June 30, 2025, approximately eight out of ten air conditioners sold in India are based on inverter technology

In the volume segment, LGEIL had a market share (in terms of value) of 25.2% in Direct Cool Refrigerators, 33.0% in Semi-Automatic Washing Machines, 29.8% in Inverter Window AC, 29.4% in 4K TVs, and 34.1% in Solo Microwaves, in the offline channel in the 12-month period ending December 31, 2024, as per GfK¹. LGEIL had a market share (in terms of value) of 25.1% in Direct Cool Refrigerators, 32.7% in Semi-Automatic Washing Machines, 29.6% in Inverter Window AC, 29.9% in 4K TVs, and 36.5% in Solo Microwaves, in the offline channel in the 6-month period ending June 30, 2025, as per GfK¹.

In the premium segment, LGEIL had a market share (in terms of value) of 40.5% in Side by Side Refrigerators, 37.0% in Fully Automatic Front Load Washing Machines, 26.5% in Inverter 5-star ACs, 59.8% in OLED TVs,

and 50.3% in Convection Microwaves, in the offline channel in the 12-month period ending December 31, as per GfK¹. LGEIL had a market share (in terms of value) of 43.2% in Side by Side Refrigerators, 36.9% in Fully Automatic Front Load Washing Machines, 27.2% in Inverter 5-star ACs, 62.9% in OLED TVs, and 51.4% in Convection Microwaves, in the offline channel in the 6-month period ending June 30, 2025, as per GfK¹.

Financial benchmarking

Companies below may have other related entities, or may define metrics differently, and hence may not be directly comparable.

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q2CY25 | Q1FY26 |
| Revenue from Ops. (INR Mn) | 62,629.38 | NA | 54,553.50 | NA | 39,385.80 | 29,822.50 | NA | 24,323.20 | NA | NA |
| Revenue growth YoY ² (%) | -2.28% | NA | -6.04% | NA | -19.96% | 4.08% | NA | -2.58% | NA | NA |
| Gross Margin ³ (INR Mn) | 19,798.04 | NA | 18,242.70 | NA | 8,589.90 | 6,980.70 | NA | 8,130.10 | NA | NA |
| Gross Margin ⁴ (%) | 31.61% | NA | 33.44% | NA | 21.81% | 23.41% | NA | 33.43% | NA | NA |
| EBITDA ⁵ (INR Mn) | 7,162.73 | NA | 5,156.70 | NA | 1,526.50 | 1,985.80 | NA | 2,111.30 | NA | NA |
| EBITDA ⁶ (%) | 11.44% | NA | 9.45% | NA | 3.88% | 6.66% | NA | 8.68% | NA | NA |
| PAT ⁷ (INR Mn) | 5,132.55 | NA | 3,475.30 | NA | 1,406.10 | 1,208.20 | NA | 1,460.80 | NA | NA |
| PAT ⁸ (%) | 8.10% | NA | 6.29% | NA | 3.50% | 4.03% | NA | 5.88% | NA | NA |
| EBIT / Op. Profit ⁹ (INR Mn) | 6,260.32 | NA | 4,099.30 | NA | 1,341.80 | 1,572.30 | NA | 1,575.80 | NA | NA |
| Capital employed ¹⁰ (INR Mn) | 68,822.17 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Shareholders equity ¹¹ (INR Mn) | 64,478.48 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| ROCE ¹² (%) | 9.10% | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| RONW ¹³ (%) | 7.96% ¹⁴ | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Working Capital Days ¹⁵ (#) | 25.52 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| FCF Conversion Ratio ¹⁶ (%) | 106.35% | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q2CY24 | Q1FY25 |
| Revenue from Ops. (INR Mn) | 64,087.97 | NA | 58,062.10 | NA | 49,210.20 | 28,653.70 | NA | 24,968.60 | NA | NA |
| Revenue growth YoY ² (%) | - | NA | 20.12% | NA | 46.47% | 28.72% | NA | 22.48% | NA | NA |
| Gross Margin ³ (INR Mn) | 21,264.33 | NA | 18,496.90 | NA | 10,287.90 | 6,767.60 | NA | 8,006.20 | NA | NA |
| Gross Margin ⁴ (%) | 33.18% | NA | 31.86% | NA | 20.91% | 23.62% | NA | 32.07% | NA | NA |
| EBITDA ⁵ (INR Mn) | 9,580.66 | NA | 5,722.40 | NA | 3,944.50 | 2,379.10 | NA | 2,109.40 | NA | NA |
| EBITDA ⁶ (%) | 14.95% | NA | 9.86% | NA | 8.02% | 8.30% | NA | 8.45% | NA | NA |
| PAT ⁷ (INR Mn) | 6,796.46 | NA | 4,075.10 | NA | 3,350.00 | 1,687.60 | NA | 1,452.50 | NA | NA |
| PAT ⁸ (%) | 10.51% | NA | 6.93% | NA | 6.70% | 5.84% | NA | 5.70% | NA | NA |
| EBIT / Op. Profit ⁹ (INR Mn) | 8,613.45 | NA | 4,802.20 | NA | 3,810.20 | 2,098.90 | NA | 1,547.50 | NA | NA |
| Capital employed ¹⁰ (INR Mn) | 47,749.35 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Shareholders equity ¹¹ (INR Mn) | 44,163.40 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| ROCE ¹² (%) | 18.04% | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| RONW ¹³ (%) | 15.39% ¹⁴ | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Working Capital Days ¹⁵ (#) | 8.27 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| FCF Conversion Ratio ¹⁶ (%) | 139.13% | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd. | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|-------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | CY2024 | FY2025 |
| Revenue from Ops. (INR Mn) | 2,43,666.38 | NA | 2,17,780.60 | NA | 1,54,127.90 | 1,19,676.50 | NA | 79,193.70 | NA | NA |
| Revenue growth YoY ² (%) | 14.12% | NA | 17.15% | NA | 23.49% | 23.56% | NA | 15.95% | NA | NA |
| Gross Margin ³ (INR Mn) | 77,865.50 | NA | 71,696.90 | NA | 34,524.00 | 28,933.10 | NA | 26,946.20 | NA | NA |
| Gross Margin ⁴ (%) | 31.96% | NA | 32.92% | NA | 22.40% | 24.18% | NA | 34.03% | NA | NA |
| EBITDA ⁵ (INR Mn) | 31,101.24 | NA | 21,308.60 | NA | 9,901.80 | 8,871.00 | NA | 5,573.20 | NA | NA |
| EBITDA ⁶ (%) | 12.76% | NA | 9.78% | NA | 6.42% | 7.41% | NA | 7.04% | NA | NA |
| PAT ⁷ (INR Mn) | 22,033.48 | NA | 14,702.40 | NA | 8,342.80 | 5,912.80 | NA | 3,627.80 | NA | NA |
| PAT ⁸ (%) | 8.95% | NA | 6.66% | NA | 5.30% | 4.91% | NA | 4.47% | NA | NA |
| EBIT / Op. Profit ⁹ (INR Mn) | 27,297.67 | NA | 17,304.60 | NA | 9,284.00 | 7,587.30 | NA | 3,441.50 | NA | NA |
| Capital employed ¹⁰ (INR Mn) | 63,615.73 | NA | 86,595.10 | NA | 74,322.70 | 34,486.20 | NA | 42,747.60 | NA | NA |
| Shareholders equity ¹¹ (INR Mn) | 59,337.45 | NA | 83,409.70 | NA | 65,403.00 | 30,676.20 | NA | 39,903.90 | NA | NA |
| ROCE ¹² (%) | 42.91% | NA | 19.98% | NA | 12.49% | 22.00% | NA | 8.05% | NA | NA |
| RONW ¹³ (%) | 37.13% ¹⁴ | NA | 17.63% | NA | 12.76% | 19.27% | NA | 9.09% | NA | NA |
| Working Capital Days ¹⁵ (#) | 21.09 | NA | 41.76 | NA | 15.16 | 9.62 | NA | 1.48 | NA | NA |
| FCF Conversion Ratio ¹⁶ (%) | 39.01% | NA | 30.48% | NA | -43.39% | 27.13% | NA | 59.55% | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd. | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|-------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | CY2023 | FY2024 |
| Revenue from Ops. (INR Mn) | 2,13,520.00 | 9,95,416.00 ¹⁷ | 1,85,900.10 | 1,63,786.60 | 1,24,812.10 | 96,853.60 | 76,637.40 | 68,297.90 | 63,054.90 | 60,004.00 |
| Revenue growth YoY ² (%) | 7.47% | 3.01% | 9.93% | 10.69% | 31.40% | 21.41% | 20.62% | 2.43% | 16.15% | 4.65% |
| Gross Margin ³ (INR Mn) | 64,218.22 | 2,46,387.00 | 60,213.30 | 78,832.40 | 26,671.70 | 22,933.90 | 12,788.90 | 22,541.20 | 19,127.50 | 35,382.00 |
| Gross Margin ⁴ (%) | 30.08% | 24.75% | 32.39% | 48.13% | 21.37% | 23.68% | 16.69% | 33.00% | 30.33% | 58.97% |
| EBITDA ⁵ (INR Mn) | 22,248.73 | 92,746.00 | 18,426.20 | 13,391.20 | 3,360.10 | 6,654.30 | 1,891.20 | 3,840.80 | 3,575.20 | 4,474.00 |
| EBITDA ⁶ (%) | 10.42% | 9.32% | 9.91% | 8.18% | 2.69% | 6.87% | 2.47% | 5.62% | 5.67% | 7.46% |
| PAT ⁷ (INR Mn) | 15,110.68 | 81,887.00 | 12,707.60 | 5,458.70 | 2,481.10 | 4,143.10 | 1,669.90 | 2,243.00 | 1,555.50 | 2,575.00 |
| PAT ⁸ (%) | 7.01% | 7.98% | 6.75% | 3.30% | 1.95% | 4.26% | 2.16% | 3.21% | 2.45% | 4.25% |
| EBIT / Op. Profit ⁹ (INR Mn) | 18,605.04 | 81,267.00 | 15,041.20 | 8,343.80 | 2,884.20 | 5,678.20 | 1,662.30 | 1,737.60 | 1,855.20 | 3,048.00 |
| Capital employed ¹⁰ (INR Mn) | 41,057.76 | 3,18,667.88 | 77,499.20 | 1,91,147.40 | 65,978.40 | 28,555.60 | 8,282.81 | 40,744.40 | 24,197.41 | 18,903.00 |
| Shareholders equity ¹¹ (INR Mn) | 37,358.21 | 3,11,930.88 | 74,467.60 | 1,50,831.30 | 58,542.10 | 26,126.30 | 7,719.81 | 38,434.80 | 21,037.71 | 14,896.00 |
| ROCE ¹² (%) | 45.31% | 25.50% | 19.41% | 4.37% | 4.37% | 19.88% | 20.07% | 4.26% | 7.67% | 16.12% |
| RONW ¹³ (%) | 40.45% ¹⁴ | 26.25% | 17.06% | 3.62% | 4.24% | 15.86% | 21.63% | 5.84% | 7.39% | 17.29% |
| Working Capital Days ¹⁵ (#) | 15.95 | 12.05 | 46.89 | 57.20 | 10.23 | 9.51 | -10.03 | 9.62 | 42.97 | 63.11 |
| FCF Conversion Ratio ¹⁶ (%) | 59.49% | 77.45% | 59.83% | 3.15% | 123.95% | -19.16% | 13.34% | 95.18% | 113.64% | 29.28% |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd. | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|-------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | CY2022 | FY2023 |
| Revenue from Ops. (INR Mn) | 1,98,682.39 | 9,66,324.00 ¹⁸ | 1,69,107.30 | 1,47,962.30 | 94,987.70 | 79,773.20 | 63,537.40 | 66,676.50 | 54,289.60 | 57,340.00 |
| Revenue growth YoY ² (%) | 17.11% | 17.20% | 21.32% | 18.15% | 19.72% | 31.55% | 23.11% | 7.60% | 20.94% | 4.61% |
| Gross Margin ³ (INR Mn) | 58,401.66 | 1,78,179.00 | 52,052.60 | 67,480.90 | 21,205.90 | 17,956.50 | 11,086.70 | 20,840.70 | 13,451.70 | 33,469.00 |
| Gross Margin ⁴ (%) | 29.39% | 18.44% | 30.78% | 45.61% | 22.32% | 22.51% | 17.45% | 31.26% | 24.78% | 58.37% |
| EBITDA ⁵ (INR Mn) | 18,951.15 | 44,008.00 | 15,991.40 | 8,872.90 | 2,079.00 | 6,639.90 | 1,583.50 | 3,703.40 | 1,282.80 | 4,038.00 |
| EBITDA ⁶ (%) | 9.54% | 4.55% | 9.46% | 6.00% | 2.19% | 8.32% | 2.49% | 5.55% | 2.36% | 7.04% |
| PAT ⁷ (INR Mn) | 13,449.30 | 34,501.00 | 10,717.30 | 1,166.70 | 1,362.20 | 4,006.90 | 1,366.70 | 2,240.10 | -635.10 | 2,600.00 |
| PAT ⁸ (%) | 6.69% | 3.49% | 6.27% | 0.79% | 1.41% | 5.00% | 2.13% | 3.30% | -1.17% | 4.48% |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd. | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|-------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | CY2022 | FY2023 |
| EBIT / Op. Profit ⁹ (INR Mn) | 15,947.22 | 31,903.00 | 13,029.70 | 4,114.80 | 1,682.80 | 5,792.10 | 1,344.70 | 1,849.30 | -333.90 | 2,753.00 |
| Capital employed ¹⁰ (INR Mn) | 46,382.71 | 2,37,422.88 | 68,485.50 | 1,52,570.60 | 61,443.00 | 19,957.90 | 7,958.01 | 37,796.40 | 24,170.11 | 13,544.00 |
| Shareholders equity ¹¹ (INR Mn) | 43,198.20 | 2,30,122.88 | 66,254.50 | 1,16,126.40 | 54,937.20 | 13,338.40 | 7,359.41 | 36,679.70 | 19,489.91 | 12,343.00 |
| ROCE ¹² (%) | 34.38% | 13.44% | 19.03% | 2.70% | 2.74% | 29.02% | 16.90% | 4.89% | -1.38% | 20.33% |
| RONW ¹³ (%) | 31.13% ¹⁴ | 14.99% | 16.18% | 1.00% | 2.48% | 30.04% | 18.57% | 6.11% | -3.26% | 21.06% |
| Working Capital Days ¹⁵ (#) | 19.28 | 13.68 | 44.61 | 76.57 | 15.83 | 4.34 | -9.85 | 10.92 | 34.24 | 50.58 |
| FCF Conversion Ratio ¹⁶ (%) | 71.46% | 64.47% | -2.77% | 48.98% | -31.30% | -25.14% | 213.29% | 3.33% | -201.53% | 53.34% |

Notes:

0. Leading home appliances and consumer electronics players in India include companies with a presence in 4 or more product categories within the appliances & electronics market with revenues exceeding INR 5,000 crore (INR 50 billion) and a revenue share of at least 15% from overlapping categories, where overlapping categories include refrigerators, washing machines, RACs, microwaves, dishwashers, water purifiers, built-in kitchens, vacuum cleaners, air purifiers, TVs, audio devices, computers/monitors, commercial ACs, commercial IT, commercial ID, and AMCs. Category overlap and revenue mix are essential to ensure benchmarking relevance, as differences in margin profiles, growth drivers, and go-to-market models across categories can distort comparisons if peers lack sufficient segment alignment or material exposure to shared segments. A size threshold filters out structurally different players, enabling a fair assessment of performance driven by business fundamentals rather than scale disparities, as smaller firms operate with distinct cost structures, brand strength, and distribution reach.

1. Metrics as reported by companies in financials (public or with MCA), annual reports, investor presentations, or exchange filings have been considered

2. Revenue Growth % = [(Revenue from Ops. in filing year) – (Revenue from Ops. in previous year)] / (Revenue from Ops. in previous year)

3. Gross Margin = (Sales) – (Cost of raw materials) – (Purchase of stock in trade) – (change in inventories)

4. Gross Margin % = (Gross Margin) / (Revenue from Operations)

5. EBITDA = (Profit before tax) + (depreciation, depletion and amortisation) + (finance costs) – (other income)

6. EBITDA % = (EBITDA) / (Revenue from Operations)

7. PAT = Restated Profit for the year after tax

8. PAT % = (PAT) / (Total revenue)

9. EBIT / Operating Profit = (Profit before tax) + (Finance costs) – (other income)

10. Capital employed = (Total equity [excluding amalgamation reserves, if any]) + (Total borrowings) + (Total lease liabilities)

11. Shareholders equity = Total equity [excluding amalgamation reserves, if any] as of closing / end of period

12. ROCE (Return on capital employed) % = (EBIT) / (Capital Employed), where Capital Employed = (Total equity [excluding amalgamation reserves, if any]) + (Total borrowings) + (Total lease liabilities)

13. RONW (Return on Net Worth) % = (PAT) / (Total Equity [excluding amalgamation reserves, if any])

14. Return on Net Worth is defined as profit after taxes divided by net worth. 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.

15. Working capital days = (Receivable days [(Average receivables/Revenue from operations)*365]) + (Inventory days [(Average inventory/Cost of goods sold)*365]) – (Payable days [(Average payable/Cost of goods sold)*365]); 91 has been used instead of 365 for Q1

16. FCF [Free cash flow] conversion ratio % = (Free cash flow) / (EBITDA); Free cash flow = (Net cash flow from or used in operations) – (Capital expenditure); Capital expenditure = (Current period's PP&E & CWIP) – (Previous period's PP&E & CWIP) + (Depreciation, depletion, and amortisation); PP&E = Property, plant and equipment (including right-of-use (ROU) assets); and CWIP = Capital Work in Progress

17. Samsung India revenues from handheld phones (incl. accessories) amounts to INR 7,12,829 Mn, and Revenue from operations excluding handheld phones & accessories amounts to INR 2,82,587 Mn

18. Samsung India revenues from handheld phones (incl. accessories) amounts to INR 7,02,926 Mn, and Revenue from operations excluding handheld phones & accessories amounts to INR 2,63,398 Mn

19. FY2025, FY2024, FY2023, Q1FY26, and Q1FY25 have been considered for each player in the defined peer set, except for Haier for whom CY2024, CY2023, CY2022, Q2CY25 and Q2CY24 have been considered

20. Standalone statements have been considered for Sony and consolidated statements for other players

21. Amalgamation reserves include business combination reserves for peers if explicitly reported or disclosed

Source(s): Reports & Filings of Listed Players, Ministry of Corporate Affairs for Private Players as on July 25, 2025

LGEIL had one of the best-in-class profitability, delivering EBITDA and PAT margin of 10.4% and 7.0%, as compared to an average of less than 7% and 4.5% respectively across leading home appliances and consumer electronics players in India in Fiscal 2024. LGEIL places an emphasis on capital efficiency which is reflected in a ROCE of ~45% in Fiscal 2024, the highest amongst leading home appliances and consumer electronics players in India with an average of ~17%. LGEIL also had a net working capital days profile of ~16 days as compared to an average of ~26 days for leading home appliances and consumer electronics players in India in Fiscal 2024. LGEIL's free cash flow conversion ratio is ~59.5% in Fiscal 2024 compared to an average of ~55.6% among leading home appliances and consumer electronics players in India.

Operational benchmarking

Companies below may have other related entities, or may define metrics differently, and hence may not be directly comparable.

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q1FY26 | Q2CY25 | Q1FY26 |
| Employee count (#) ³ | 3,796 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Brand shops (#) ⁴ | 777 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| B2C Touchpoints (#) ⁵ | 35,640 | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q1FY25 | Q2CY24 | Q1FY25 |
| Employee count (#) ³ | 3,693 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Brand shops (#) ⁴ | 777 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| B2C Touchpoints (#) ⁵ | 36,401 | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | FY2025 | CY2024 | FY2025 |
| Employee count (#) ³ | 3,810 | NA | 7,532 | NA | 1,912 | 3,573 | NA | 2,193 | NA | NA |
| Brand shops (#) ⁴ | 800 | NA | 1000+ | NA | 400+ ² | NA | NA | NA | NA | NA |
| B2C Touchpoints (#) ⁵ | 36,230 | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | FY2024 | CY2023 | FY2024 |
| Employee count (#) ³ | 3,705 | NA | 7,153 | NA | 1,706 | 3,164 | NA | 2,364 | NA | NA |
| Brand shops (#) ⁴ | 780 | NA | 900+ | NA | 320+ ² | NA | NA | NA | NA | NA |
| B2C Touchpoints (#) ⁵ | 35,833 | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Leading Home Appliances and Consumer Electronics Players in India ⁰ / Metrics ¹ | LG Electronics India Ltd. | Samsung India Electronics Pvt. Ltd | Havells India Ltd. | Godrej & Boyce Mfg. Co. Ltd. | Voltas Ltd. | Blue Star Ltd. | Sony India Pvt. Ltd. | Whirlpool of India Ltd. | Haier Appliances (India) Pvt. Ltd. | Philips India Ltd. |
|---|---------------------------|------------------------------------|--------------------|------------------------------|-------------------|----------------|----------------------|-------------------------|------------------------------------|--------------------|
| Timelines | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | FY2023 | CY2022 | FY2023 |
| Employee count (#) ³ | 3,596 | NA | 6,533 | NA | 3,102 | 2,866 | NA | 2,377 | NA | NA |
| Brand shops (#) ⁴ | 814 | NA | NA | NA | 260+ ² | NA | NA | NA | NA | NA |
| B2C Touchpoints (#) ⁵ | 34,874 | NA | NA | NA | NA | NA | NA | NA | NA | NA |

Notes:

0. Leading home appliances and consumer electronics players in India include companies with a presence in 4 or more product categories within the appliances & electronics market with revenues exceeding INR 5,000 crore (INR 50 billion) and a revenue share of at least 15% from overlapping categories, where overlapping categories include refrigerators, washing machines, RACs, microwaves, dishwashers, water purifiers, built-in kitchens, vacuum cleaners, air purifiers, TVs, audio devices, computers/monitors, commercial ACs, commercial IT, commercial ID, and AMCs. Category overlap and revenue mix are essential to ensure benchmarking relevance, as differences in margin profiles, growth drivers, and go-to-market models across categories can distort comparisons if peers lack sufficient segment alignment or material exposure to shared segments. A size threshold filters out structurally different players, enabling a fair assessment of performance driven by business fundamentals rather than scale disparities, as smaller firms operate with distinct cost structures, brand strength, and distribution reach.

1. Metrics as reported by companies in latest financials, annual reports, investor presentations, or exchange filings have been considered.

2. Figure corresponds to EBOs as stated in company filings.

3. Total number of permanent employees and permanent workers have been considered.
 4. Number of Brand shops is used to measure the number of physical Brand shops in operation. It provides valuable insights into the company's growth, expansion, and overall business health.
 5. B2C Touchpoints or sales outlets enable companies to track the breadth and depth of their dealership networks. This is an important metric as dealers represent the primary interface between companies and their customers.
 6. FY2025, FY2024, FY2023, Q1FY26, and Q1FY25 have been considered for each player in the defined peer set, except for Haier for whom CY2024, CY2023, CY2022, Q2CY25 and Q2CY24 have been considered.
 7. NA indicates information not available in Reports & Filings of peers.
- Source(s): Reports & Filings of Listed Players as on July 25, 2025.

Threats and Challenges: Balancing Growth Amidst Evolving Market Dynamics

While the Indian appliances and electronics market holds strong growth potential, it also faces challenges that could affect its trajectory. These include rising competition, supply chain dependencies, and regulatory and technological shifts. However, ongoing investments in innovation, local manufacturing, and strategic adaptation provide resilience and mitigate potential risks.

The Indian appliances and electronics market presents a compelling growth story, yet there are several threats and challenges that may shape the sector's future trajectory. Companies in this dynamic market must navigate these obstacles to sustain momentum and enhance resilience:

1. *Intensifying market competition:* Players in this sector witness a broad range of competition from existing and new competitors ranging from large multinational companies to highly specialized entities that focus on a limited number of products and services. In particular, the sector is experiencing heightened competition from Chinese brands, which have been gaining ground in high-growth categories. Known for competitive pricing, innovative marketing strategies, and rapid product cycles, these brands are pushing companies to differentiate through unique features, premium service quality, innovation and channels of distribution (such as online-only sales). Adding to this are higher domestic manufacturing costs, which are impacting price competitiveness against imports from low-cost manufacturing hubs like China and Vietnam. Additionally, aggressive pricing strategies from domestic brands and new entrants in the budget appliance segment are intensifying pricing pressures. The market has already seen instances where incumbents had to scale back operations in certain categories such as mobile phones due to an inability to sustain competitiveness. The rise of emerging business models and private labels introduced by consumer electronics retail chains is further exerting pressure on margins and challenging established players. To address this, many companies are increasingly focused on cost-optimization, strengthening brand trust, enhancing after-sales support, and expanding their R&D efforts to meet the evolving preferences of Indian consumers.
2. *Supply chain and input cost vulnerabilities:* Although India's push toward local production is significant, the market still relies on imported components, especially semiconductors and specialized materials critical for high-value appliances and electronics. This dependency exposes companies to price fluctuations, foreign exchange risk, and global supply chain disruptions. Investments in local manufacturing capabilities, spurred by government incentives such as the PLI scheme, are beginning to address these vulnerabilities, yet the industry may continue to face short-term pressures from external supply risks.
3. *Changes in price and availability of raw materials:* The pricing and availability of raw materials is subject to competitive prices and can potentially be affected by global commodity prices, inflation. For example, pricing and availability of commodities such as steel, copper, and aluminum can be volatile due to numerous factors, including but not limited to general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates. Fluctuations in the cost of raw materials and components, supply interruptions or raw material and component shortages have a direct impact on the players' ability to manufacture products on time and within budgets and may therefore have an impact on costs and profitability.
4. *Regulatory and environmental compliance pressures:* Stricter environmental regulations and consumer demand for sustainable and energy-efficient products present both opportunities and challenges. The government's mandates for energy efficiency standards and the adoption of BEE ratings are encouraging shifts toward eco-friendly products, but compliance necessitates higher R&D and manufacturing costs. Companies that align with these standards can leverage sustainability as a differentiator, yet there is a need for careful navigation of the costs associated with regulatory compliance, particularly for newer and smaller market entrants.

5. *Continued support from the Government of India to boost transportation infrastructure:* While the Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus.
6. *Adapting to rapid technological advancements and consumer expectations:* The Indian consumer's shift toward digital and connected lifestyles is shaping demand for advanced, IoT-enabled, and user-friendly appliances. To remain competitive, companies must keep pace with innovations such as smart home compatibility, energy-efficient designs, and automation features, which require sustained R&D and agile product development cycles. However, this pursuit comes with the risk of failing to achieve projected market growth due to incorrect demand forecasts, misalignment of product offerings, and over-investment in categories with limited adoption. For instance, high-end dishwashers and robotic vacuum cleaners have struggled to gain traction in the Indian market due to price sensitivity, lack of awareness, and cultural preferences for manual cleaning. The development of new products and customization of products to meet consumer requirements in India is a complex process that requires high levels of innovation and expenditures as well as the accurate anticipation of market trends and consumer preferences. Similarly, premium air purifiers faced initial resistance despite increasing pollution levels. For brands that succeed, however, this aligns with India's rising premiumization trend, where consumers are increasingly willing to invest in value-added products that enhance convenience and lifestyle.
7. *Impact of US tariffs on India-US trade:* The US has imposed 50% tariffs on Indian goods for sectors like textiles, gems and auto parts. This action, which the US links to India's continued imports of Russian oil, threatens a significant share of India's exports to the American market. The dispute may complicate ongoing negotiations and the broader strategic partnership between the two nations, which aim to double bilateral trade by 2030.

Conclusion: Positioned for Robust and Resilient Growth, Supported by Strong Market Fundamentals.

The Indian appliances and electronics sector is poised for sustained growth, backed by robust consumer demand, rising incomes, and supportive government policies. Despite challenges, the industry's resilience, coupled with investments in technology and local manufacturing, supports an outlook for long-term value creation.

In conclusion, India's appliances and electronics market is set on a solid growth path, supported by favorable macroeconomic conditions, rising disposable incomes, and a demographic shift toward urbanization and middle-class expansion. The industry's potential is reinforced by India's increasing consumer appetite for advanced appliances and electronics that deliver convenience, efficiency, and connectivity. The sector is further bolstered by supportive government policies that encourage domestic manufacturing, including the PLI scheme and 'Make in India' initiatives, which are building a foundation for self-reliance in the industry. While challenges such as supply chain dependencies, regulatory pressures, and evolving consumer expectations present obstacles, companies with strategic focus on product innovation, brand trust, and local responsiveness are well-positioned to navigate these complexities. With these favorable conditions, the Indian appliances and electronics market represents a dynamic and resilient landscape where companies can create long-term value by aligning with the evolving needs and aspirations of the Indian consumer. This robust growth trajectory underscores India's emergence as a key market in the global appliances and electronics arena, paving the way for sustained industry expansion.

ⁱ The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK.

ⁱⁱ Volume and premium segments have been considered as follows: volume and premium refrigerators include direct-cool models and side-by-side models respectively; volume and premium washing machines include semi-automatic and fully-automatic front-load (FAFL) models respectively; volume and premium inverter ACs include window models and 5-star models respectively; volume and premium microwaves include solo models and convection models respectively; volume and premium TVs include Smart TVs and OLED models respectively.

ⁱⁱⁱ After-sales service centre touchpoints include both company-owned and exclusive service centres.



^{iv} Based on company websites and e-commerce listings as of July 25, 2025.

^v Exchange rate of USD 1 = INR 85 has been considered throughout the report.

Annexure B

| Name | Designation |
|--------------------------------|---|
| LG Electronics Inc | Promoter |
| Hong Ju Jeon | Managing Director |
| Dongmyung Seo | Whole-time Director and Chief Financial Officer |
| Daehyun Song | Chairman and Non-executive Director |
| Promila Bhardwaj | Independent Director |
| Ramesh Ramachandran Nair | Independent Director |
| Santosh Kumar Mohanty | Independent Director |
| Anuj Goyal | Company Secretary and Compliance Officer |
| Abhiral Bhansali | Home Entertainment Business Head of our Company |
| Ashish Agrawal | Chief Operating Officer |
| Atul Khanna | Chief Accounting Officer |
| Changhwan Kim | Chief Customer Service Officer |
| Gagan Jeet Singh | Chief Manufacturing Officer |
| Gireesan T. Gopi | Sales Head – India Zone 1 |
| Gurpinderjeet Singh | Planning Head of our Company |
| Hanjun Kim | Head Advisor – Sales Finance and Account of our Company |
| Jaeil Kim | Managing Director – Pune Manufacturing |
| Jae Hyung Jun | Head Advisor - Marketing of our Company |
| Rajesh Chandrasekar | Head – Customer Services Strategy of |
| Sanjay Chitkara | Chief Sales Officer |
| Sarvesh Maheshwari | Audit Head of our Company |
| Soo Hwan Koh | Head Advisor – Sales Supply Chain Management |
| Sudheer Prabhakaran | Senior Sales Head – India Zone 4 |
| Surinder Singh Sachdeva is the | Sales Head – India Zone 3 |
| Vijay Ranjan Singh | Human Resources Head |
| Woo Hae Lee | Head Advisor - Strategy |
| Yongchan Jung | Managing Director – Noida Manufacturing |
| Yoojae Kim | Business Director – Business to Business (B2B) |
| Younghwan Jung | Sales Director – Home Entertainment of our Company |



Young Min Hwang

Sales Director – Home Appliances of our
Company

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Annexure C

Industry Report for IPO

Engagement Letter

October 2024

For LG Electronics Inc. ("Client")



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This Engagement Letter ("Agreement") is made and entered into this 21st day of October, 2024 ("Effective Date") between:

Redseer Strategy Consultants Private Limited, a private limited company bearing CIN No. U70200KA2023PTC173158, incorporated and registered under the Companies Act, 2013 and having its registered office at Prestige Obelisk, Kasturba Rd, Ambedkar Veedhi, Sampangi Rama Nagar, Bengaluru, Karnataka 560001, (hereinafter referred to as "**Service Provider**" or "**Redseer**");

ANDLG Electronics Inc., a private limited company incorporated and registered under the laws of the Republic of Korea, and having its registered office at 128 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea (hereinafter referred to as "**Client**" or "**LGEKR**")

AND

LG Electronics India Private Limited (CIN: U32107DL1997PTC220109), a private limited company incorporated and registered under the provisions of Companies Act, 1956, as amended from time to time and having its registered office at A – 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044, India (hereinafter referred to as "**LGEIL**")

The "Service Provider" and the "Client" shall be hereinafter individually referred to as a "Party" and collectively as the "Parties".

1. Context

- (i) The Client wishes to engage the Service Provider to prepare an Industry report (the "Report") for the client's Initial Public Offering ("IPO") ("Services") and the Service Provider has agreed to provide the same, subject to fulfilment of the terms and conditions mentioned under this Agreement.
- (ii) LGEIL, a wholly owned subsidiary of the Client, shall act as an intermediary for the facilitation and management of international service fee transfers. Upon the finalization of service fees and the issuance of the corresponding invoice, LGEIL shall process the payment on behalf of the Client to ensure efficiency. The Client shall remit the payment to LGEIL in accordance with the terms outlined herein.

2. Term

This Agreement shall come into effect on the Effective Date and shall continue in force. The term of this Agreement shall be automatically extended until the completion of all responses to the additional request from Securities and Exchange Board of India (SEBI) and the filing of the Red Herring Prospectus (RHP) ("Term").

3. Scope of work and methodology

As attached in Annexure B.

4. Scope Limitation

The scope shall include Services as detailed above. Any work not defined above and requiring significant additional effort as demonstrated by the Service Provider, including material changes to the Report will be considered as a new request.

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In case material changes to the Report are required during the DRHP or RHP filing, commercials for such extra effort will be agreed upon mutually at that point in time.

5. Timelines

5 weeks from the date of commencement of the engagement and shall be automatically extended until the completion of all responses to the additional request from SEBI and the filing of the Red Herring Prospectus (RHP).

6. Fee & Invoicing

Details of our fee for services provided via this Engagement are covered in the Fee Letter dated 21st October 2024 signed along with this Engagement Letter.

7. As specified in the Scope section, upon the finalization of service fees, the Service Provider shall issue the corresponding invoice to LGEIL whose responsibility is limited to processing the international transfer of payment on behalf of the Client. Upon completion of the payment by LGEIL, the Client shall remit the payment to LGEIL with applicable Tax & charges.

8. Other terms & conditions



a) Representations, Warranties and Covenants of the Client

The Client represents, warrants and covenants to Redseer that:

- i. the person executing this Agreement has been duly authorized to do so by the Client, and all necessary internal actions, approvals which may be required under the Client's organizational documents have been undertaken;
- ii. the execution of this Agreement will not, directly or indirectly, contravene or conflict with or result in violation of any agreement, authorization or other obligation of the Client; and
- iii. it has and shall continue to have all requisite consents, permissions, approvals to disclose any data or information to Redseer for the provision of Services under this Agreement.

The Redseer represents, warrants and covenants to the Client that:

- i. the performance of the Services by the Redseer shall not violate any proprietary rights of third parties, including, without limitation, patents, copyrights or trade secrets, and that the Redseer's rendering of the Services to LGE under this Agreement will not violate any applicable law, rule, regulation or judicial order, or violate any contractual obligations or confidential relationships which the Contractor may have to or with any third party.
- ii. the Services shall be performed in a professional and workmanlike manner in accordance with the requirements of this Agreement and the requirements and time schedules of any applicable term sheets in all material respects, and in accordance with any applicable commercial standards generally observed in the industry for similar professional services.



- iii. the Services shall conform in all material respects to the specifications for such services / deliverables agreed upon in writing by the parties

b) Confidentiality

Each Party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other Party, including, but not limited to any unpublished report, notes, drawings, writings, specifications, documentations, software, any technical, operational, marketing, financial and commercial information in relation to such Party ("**Confidential Information**").

Each Party, its agents and employees shall hold and maintain in strictest confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations pursuant to this Agreement and as may be required by a court or governmental authority, or by law or regulation. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving Party or is otherwise properly received from a third party without an obligation of confidentiality. Each party acknowledges that the other party may be regulated by internal compliance regulations, and in order to ensure compliance with which regulations, the relevant party has established policies and procedures relating to confidentiality and retention of documents.

As such each party understands that the other party may retain a copy of any report, recording, presentation, correspondence, meeting note or other document which forms a record of the relevant party's professional involvement, where that record may contain or reflect Confidential Information, subject to keeping such record in strict confidence in accordance with the other terms of this agreement each party undertakes to ensure that such retention shall have been authorised by the relevant parties to this Agreement.

This Agreement and its contents are strictly confidential. The Client shall use the Agreement as part of any Report, letter, or on its website, etc only after obtaining prior written approval from Redseer.

c) Intellectual Property Rights

"IP" means and refers to patents, trademarks, service marks, trade names, copyrights and applications, licenses and rights with respect to the foregoing, and all trade secrets, including know-how, inventions, designs, processes, works of authorship, manuals, documentation, computer programs and technical data/information.

IP that belonged to (i) Redseer or its respective licensors, prior to providing Services to the Client; or (ii) the Client, prior to receiving Services, under this Agreement, shall continue to belong to the relevant party ("**Pre-Existing IP**").

Any rights, title and ownership in any deliverables, materials and reports developed for the Client pursuant to the provision of Services by Redseer ("**Developed IP**") shall be dealt in the following manner: Redseer shall retain any and all right, title and ownership in the Developed IP prepared and delivered by Redseer or composed in the course of or incidental to the performance of the Services under this Agreement. The Client shall acquire no right, title, ownership or interest in any such Developed IP, by virtue of this Agreement or the Services performed under this Agreement.

A consent letter will be signed between the Parties where Redseer will provide the consent to the Client for: (i) the use of Redseer's name as the source of the information provided by Redseer in its Report; and (ii) the



Report (in its entirety or any portions thereof) being included in the DRHP intended to be filed by the Client with the Securities and Exchange Board of India ("SEBI") and the stock exchange(s) where the Equity Shares are proposed to be listed, the red herring prospectus and the prospectus intended to be filed by the Client with the registrar of companies, SEBI and the Stock Exchanges (including any addenda, corrigenda or international supplement(s) of the foregoing for distribution to investors outside India), and in roadshow/ investor presentations, research reports and any other marketing material, in each case relating to the IPO and in accordance with applicable law.

d) Indemnification

Notwithstanding anything contained in this Agreement, the Client shall fully indemnify, defend and hold harmless Redseer, its affiliates, and their officers, directors, employees, agents, successors and assigns ("Redseer Representatives") from and against any and all claims, damages, liabilities, losses, and expenses (including any and all attorney fees, expenses and costs) incurred by or asserted against any Redseer Representatives of whatever kind or nature due to unauthorized usage of the Report in connection with the Proposed Business Transaction or a breach by the Client of any obligation, representation or warranty in this Agreement.

For the avoidance of doubt, the Redseer shall fully indemnify, defend, and hold harmless LGE, its affiliates, and their respective officers, directors, employees, agents, successors, and assigns ("LGE Representatives") from any claims, damages, liabilities, losses, and expenses (including attorney fees, costs, and related expenses) arising from or related to the Redseer's services, including but not limited to any infringement of third party's IP, breaches of this Agreement.

The Client shall indemnify Redseer for losses arising from all such actions, in case the Report including but not limited to the facts or figures, qualifications or disclaimers mentioned therewith, is not presented or produced in the same manner, as prepared and submitted by Redseer, in the DRHP, RHP or any other Offer Documents.

e) Limitation of Liability

In no event shall either Party be liable for any claim for any indirect, punitive, incidental, exemplary, special or consequential damages, for loss of business profits, or damages for loss of business of the other party, or loss or inaccuracy of data of any kind, whether based on contract, tort or any other legal theory, even if one Party has been advised of the possibility of such damages. In no event shall Redseer's total liability under this Agreement exceed the total amount of Engagement Fees paid to Redseer under this Agreement.

f) Termination

This Agreement may be terminated by either Party, immediately, without advance notice, (a) for material breach of this Agreement by the other Party if such other Party has received fifteen (15) days' written notice and has failed to cure the within such period; or (b) if the other Party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement or if any such proceeding is instituted against the other Party and such proceeding is not dismissed within 90 (ninety) days.

Upon the expiration of this Agreement, the Client will pay the Service Provider all fees for Services earned as of and through the effective date of expiration and will also pay and reimburse the Service Provider for all expenses incurred prior to and through the effective date of expiration and all non-cancellable commitments that shall have been pre-approved by the Client. The expiration and termination of this Agreement shall not release either Party from the obligation to make payment of all amounts then or thereafter due and payable.

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g) Non-solicitation

Neither the Client nor Redseer shall offer or seek to offer directly or indirectly employment either permanently or part-time to the employees of the other party during the relationship and for a period of two years after the termination or expiry of this Agreement.

h) Nature of the Relationship

The Client acknowledges that Redseer will not advise Client or make recommendations related to making any investments or buy publicly listed stocks or selling any investment positions. Redseer is an independent contractor, and its output is not audited or verified and Redseer makes no representation that the information or output provided is accurate and complete. This is true for all information provided to the Client including but not limited to competitive intelligence, all estimates and projections about a company or a market, etc. This Agreement does not create a partnership or joint venture, and neither Party is authorized to act as agent or bind the other Party, except as expressly stated in this Agreement.

i) Use of Deliverables

The Client shall utilize the deliverables, reports, information, or data received from Redseer on an "as-is" basis, without any modifications. Unless otherwise agreed in writing by both Parties, the Client is prohibited from sharing, disclosing, or divulging any deliverables, reports, information, or data received from Redseer if such materials have been modified without Redseer's prior consent. This restriction includes, but is not limited to, the use and/or citation of information, data, and statements from the Report and any amendments thereto in marketing materials for investors or in connection with the Proposed Business Transaction. For the avoidance of doubt, the Client may use the contents of the Report without restriction, provided that such contents are used "as-is" basis and without any modifications.

j) Disclaimers

The Client agrees to include appropriate disclaimers and/or qualifications in the any materials in which information, data or statements from the Report are presented in connection with the Proposed Business Transaction, as provided by Redseer. Our work is subject to standard disclaimers, which is referred to in Annexure A.

k) Key Contacts and Invoicing information

Redseer:

Engagement Manager: Abhishek Tandon

Email: abhishektandon@redseerconsulting.com

GST: 29AAMCR6459F1ZS

Client (LGEKR):

Engagement Manager: Jungkyu Oh

Email: jungkyu.oh@lge.com

GST: NA

LGEIL:

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Engagement Manager: Atul Khanna

Email: atul.khanna@lge.com

GST No.: 09AAACL1745Q1Z2

1) General clauses:

- (i) **Execution:** This Agreement may be executed by the Parties physically, in accordance with this Clause 10 (i).
- Physical execution: In the event that this Agreement is being executed physically, the Client shall affix its countersignature in the sign off sheet below.
 -
- (ii) **Modification/Waiver:** This Agreement may be modified by the Parties, but any modification of this Agreement must be in writing and executed by both Parties. Failure by either Party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights, nor shall a waiver by either Party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.
- (iii) **Notices:** All notices to be given hereunder shall be transmitted in writing either by electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the registered addresses of the Parties, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of email, upon confirmation of receipt.
- (iv) **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of Singapore. All disputes, controversies or disagreements which may arise between the parties, in relation to or in connection with this Agreement, or for the breach hereof shall be finally settled by arbitration in accordance with the International Arbitration Rules of the Singapore International Arbitration Board. The seat of arbitration shall be Singapore and the language of the arbitral proceedings shall be English.

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The Parties hereby acknowledge that the Parties have read and understood the terms of this Agreement and agree to accept and abide by its terms.

Please countersign and return a copy of this signoff sheet to Redseer.

Signoff

LG Electronics Inc.

Name: Youngkyoon Kim

Designation: Global Treasurer

Signature:

A handwritten signature in black ink, appearing to be "Y. Kim".

Redseer Strategy Consultants Pvt Ltd

Name: Shreya Ravi

Designation: CFO

Signature:

DocuSigned by:
A handwritten signature in black ink, appearing to be "Shreya Ravi".
5EE169A10A6043B...



LG Electronics India Pvt. Ltd

Name: Hanjun Kim

Designation: Director

Hanjun Kim

Digitally signed by Hanjun Kim
DN: cn=H, o=Personal,
ou=Redseer Strategy Consultants Pvt Ltd, email=hanjun.kim@redseer.com,
c=IN, o=Redseer Strategy Consultants Pvt Ltd, email=hanjun.kim@redseer.com,
serial=2024.10.23.17.40.25-48597

Signature:



ANNEXURE A

DISCLAIMER FOR THE OFFER MATERIALS

The market information in this Report is arrived at by employing an integrated research methodology which includes secondary and primary research. Our primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. Redseer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. Redseer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. Any financial information pertaining to peer group companies provided in this Report has been obtained from filings made by such companies with the Registrar of Companies or as publicly available on their respective websites. No independent research, analysis or verification has been made by Redseer in respect of such financial information. Redseer shall not be liable for any loss suffered by any person on account of reliance on any information contained in this Report, provided, however that Redseer has exercised due diligence in verifying the reliability of the sources, conducted its work in a professional manner, and made every reasonable effort to ensure the accuracy of the information.

While Redseer has taken due care and caution, and performed in a professional and workmanlike manner in preparing this Report based on information obtained from reliable and authorized (where applicable) sources, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, data availability, amongst others.

Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. The forecasts, estimates and other forward-looking statements in this Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.

This Report is not a recommendation to invest/disinvest in any entity covered in the Report and this Report should not be construed as investment advice within the meaning of any law or regulation.

Without limiting the generality of the foregoing, nothing in this Report should be construed as Redseer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of this Report shall be reproduced or extracted or published in any form without Redseer's prior written approval.

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ANNEXURE – B

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The logo for reuseer Strategy Consultants. The word "reuseer" is in a bold, red, sans-serif font, with a small red square above the 'e'. Below it, "Strategy Consultants" is in a smaller, red, sans-serif font.

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The logo for reuseer Strategy Consultants. The word "reuseer" is in a bold, red, lowercase sans-serif font. Above the "e" in "reuseer" is a small red icon consisting of three curved lines. Below "reuseer" is the text "Strategy Consultants" in a smaller, red, sans-serif font.

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ADDENDUM NO.1 TO ENGAGEMENT LETTER

This Addendum No.1 is made on [15th July 2025] ("**Addendum**") and is subject to terms & conditions of the Engagement Letter dated 21st October 2024 (including its exhibits and other attachments, "**Agreement**"),

Redseer Strategy Consultants Private Limited, a private limited company bearing CIN No. U70200KA2023PTC173158, incorporated and registered under the Companies Act, 2013 and having its registered office at Prestige Obelisk, Kasturba Rd, Ambedkar Veedhi, Sampangi Rama Nagar, Bengaluru, Karnataka 560001, (hereinafter referred to as "**Service Provider**" or "**Redseer**");

AND

LG Electronics Inc., a company incorporated and registered under the laws of the Republic of Korea, and having its registered office at 128 Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea (hereinafter referred to as "**Client**" or "**LGEKR**")

AND

LG Electronics India Limited (CIN: U32107DL1997PLC220109), (erstwhile LG Electronics India Private Limited), a company incorporated and registered under the provisions of Companies Act, 1956, as amended from time to time and having its registered office at A – 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044, India (hereinafter referred to as "**LGEIL**")

The "**Service Provider**", the "**Client**" and "**LGEIL**" shall be hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

Pursuant to discussion between the Parties, it has been mutually agreed between the parties:

1. To refresh certain market perspectives in the Report ("**Additional Scope**") and Redseer has agreed to deliver the same, which include:
 - a. Macro section to be updated for latest time period (as available)
 - b. Market sizing model, trends, and projections to be updated for CY2019, CY2024, H1 CY2025 (Annualized), CY2029P
 - c. Claim Statements to be validated for latest time period (as applicable)
 - d. Peer Benchmarking to be updated once in July for FY2025, and once in August for Q1FY2026 or in November/December for Q2FY2026 (as available)
2. The scope of work under this Addendum shall include the above service. Any work not defined above and requiring additional effort will be considered as a new request.
3. The timeline to deliver the Additional Scope (for report revision) is 3 weeks from 31st July, 2025 ("**Commencement Date**"). Redseer will be available to support for any comments and queries from the client and any additional queries/requests from SEBI beyond the specified timeline.

4.



[REDACTED]

In addition to the above, goods and service tax, as applicable, shall be payable by LGEIL on the fees. Furthermore, any other tax, duty, cess or other levies instituted by the government that may become applicable to any or all the Services performed under this engagement shall also be payable by LGEIL.

5. [REDACTED]

6. [REDACTED]

7. The Agreement and Addendum contain the entire understanding of the Parties hereto and neither it, nor the rights and obligations hereunder, may be changed, modified, or waived except by an instrument in writing that is signed by both the Parties. Any terms, conditions, or provisions of the Agreement that are not amended or modified by Addendum shall remain in full force and effect. In the event of any conflicts between the terms, conditions, or provisions of the Agreement, the terms, conditions, and provisions of the Addendum shall prevail.

This Addendum shall become effective from 31st July 2025. All capitalized terms used but not defined herein shall have the meaning given to such terms in the Agreement.

This Addendum shall form an integral part of the Agreement and shall be read along with the Agreement.

All other provisions of the Agreement shall be valid and remain enforceable.

The Parties hereby acknowledge that the Parties have read and understood the terms of this Addendum and agree to accept and abide by its terms.

LG Electronics Inc

Name: Young Kyoan Kim

Designation: Global Treasurer

Signature:



Redseer Strategy Consultants Private Limited

Name: Rohan Agarwal

Designation: Partner

Signature:



LG Electronics India Limited

Name: Dong Myung Seo

Designation: CFO

Signature:

