LG Electronics Inc.

Interim condensed separate financial statements
for each of the six-month periods ended June 30, 2025 and 2024
with the independent auditor's review report

LG Electronics Inc.

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Report on review of interim condensed separate financial statements

(English translation of a report originally issued in Korean)

The Stockholders and Board of Directors
LG Electronics Inc.

We have reviewed the accompanying interim condensed separate financial statements of LG Electronics Inc. (the "Company"), which comprise the interim condensed separate statement of financial position as of June 30, 2025, and the related interim condensed separate statements of profit or loss, interim condensed separate statements of comprehensive income or loss for each of the three-month and six-month periods ended June 30, 2025 and 2024, interim condensed separate statements of changes in equity and interim condensed separate statements of cash flows for each of the six-month periods ended June 30, 2025 and 2024, and a summary of material accounting policy information and other explanatory information.

Management's responsibility for the interim condensed separate financial statements

Management is responsible for the preparation and presentation of these interim condensed separate financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS") 1034 *Interim Financial Reporting*, and for such internal control as management determines is necessary to enable the preparation of interim condensed separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on these interim condensed separate financial statements based on our review.

We conducted our review in accordance with the Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Korean Standards on Auditing ("KSA") and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

Other matter

We have audited the separate statement of financial position as of December 31, 2024, and the separate statement of profit or loss, separate statement of comprehensive income, separate statement of changes in equity, and separate statement of cash flows for the year ended (not presented herein) in accordance with KSA, and our report dated March 12, 2025 expressed an unqualified opinion thereon. The accompanying separate statement of financial position as of December 31, 2024, presented for comparative purposes, is not different, in all material respects, from the above audited separate statement of financial position.

Ernst & Young Han Young

August 13, 2025

This review report is effective as of August 13, 2025, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed separate financial statements and may result in modification to this review report.

LG Electronics Inc.

Interim condensed separate financial statements
for each of the six-month periods ended June 30, 2025 and 2024

"The accompanying interim condensed separate financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Company."

JOO WAN CHO
Chief Executive Officer
LG Electronics Inc.

LG Electronics Inc.
Interim condensed separate statements of financial position
as of June 30, 2025 and December 31, 2024

(in millions of Korean won)

	Notes	June 30, 2025 (unaudited)	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	4,28	1,145,365	1,204,080
Trade receivables	4,5,28	5,998,351	6,275,525
Other receivables	4,5,28	401,088	1,339,202
Other financial assets	4,6,28	2,973	62,670
Inventories	7	1,404,244	1,465,092
Current tax assets		9,129	26,270
Contract assets	8	923,831	1,028,262
Other current assets		519,884	535,896
Assets held for sale	29	42,126	-
		10,446,991	11,936,997
Non-current assets			
Deposits held by financial institutions	4,28	120,375	120,631
Trade receivables	4,5,28	2,076,551	1,563,723
Other receivables	4,5,28	157,604	410,669
Other financial assets	4,6,28	305,665	477,908
Property, plant and equipment	9	6,118,940	6,224,208
Intangible assets	9	2,815,468	2,681,854
Deferred tax assets		2,078,428	2,197,033
Investments in subsidiaries, associates and joint ventures	10	8,922,999	8,642,277
Investment properties		74,011	76,144
Net defined benefit assets	13	288,449	319,380
Contract assets	8	243,395	181,522
Other non-current assets		67,539	66,136
		23,269,424	22,961,485
Total assets		33,716,415	34,898,482
Liabilities			
Current liabilities			
Trade payables	4,28	6,343,383	6,787,335
Borrowings	4,11,28	1,263,045	901,800
Lease liabilities	4,12,28	59,964	72,610
Other payables	4,28	1,700,351	2,492,269
Other financial liabilities	4,6,28	7,636	7,682
Current tax liabilities		21,506	29,713
Provisions	14	908,818	1,059,834
Contract liabilities	8	753,223	1,152,649
Other current liabilities		1,850,040	2,104,643
		12,907,966	14,608,535
Non-current liabilities			
Borrowings	4,11,28	7,779,016	8,460,942
Lease liabilities	4,12,28	53,009	55,562
Other payables	4,28	11,990	11,890
Other financial liabilities	4,6,28	85,984	63,158
Provisions	14	100,070	71,398
Contract liabilities	8	596,043	3,772
Other non-current liabilities		141,320	146,174
		8,767,432	8,812,896
Total liabilities		21,675,398	23,421,431
Equity			
Paid-in capital:	15		
Share capital		904,169	904,169
Share premium		3,088,179	3,088,179
Retained earnings	16	8,119,786	7,539,176
Accumulated other comprehensive income (loss)	17	(38,298)	(21,654)
Other components of equity	18	(32,819)	(32,819)
Total equity		12,041,017	11,477,051
Total liabilities and equity		33,716,415	34,898,482

LG Electronics Inc.
Interim condensed separate statements of profit or loss
for each of the three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(In millions of Korean won except for earnings (losses) per share)

		Period ended June 30			
		2025		2024	
	Notes	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations					
Net sales	19	7,813,444	15,777,958	8,139,511	15,889,520
Cost of sales	20	5,583,721	11,383,806	5,598,774	11,315,220
Gross profit		2,229,723	4,394,152	2,540,737	4,574,300
Selling expenses	20,21	1,024,581	2,001,777	1,051,995	1,962,713
Administrative expenses	20,21	242,010	457,164	225,700	435,063
Research and development expenses	20,21	490,685	960,321	498,992	951,546
Service costs	20,21	189,640	413,807	169,509	344,051
Operating profit (loss)		282,807	561,083	594,541	880,927
Finance income	22	145,116	287,620	151,541	291,666
Finance expenses	22	254,718	454,074	154,884	301,549
Other non-operating income	23	786,894	1,083,765	583,046	1,543,522
Other non-operating expenses	23	488,255	739,657	279,092	583,035
Profit (Loss) before income tax		471,844	738,737	895,152	1,831,531
Income tax expense (benefit)		76,289	132,806	153,847	260,345
Profit (Loss) from continuing operations		395,555	605,931	741,305	1,571,186
Discontinued operations					
Profit (Loss) from discontinued operations	30	(1,094)	(2,692)	(7,561)	(16,348)
Profit (Loss) for the period		394,461	603,239	733,744	1,554,838
Earnings (Losses) per share during the period					
(in Korean won):	24				
Earnings (Losses) per ordinary share					
From continuing operations		2,198	3,365	4,115	8,723
From discontinued operations		(6)	(15)	(42)	(91)
		2,192	3,350	4,073	8,632
Earnings (Losses) per preferred share					
From continuing operations		2,185	3,365	4,128	8,748
From discontinued operations		(6)	(15)	(42)	(91)
		2,179	3,350	4,086	8,657

LG Electronics Inc.
Interim condensed separate statements of comprehensive income or loss
for each of the three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

(In millions of Korean won)

		Period ended June 30			
		2025		2024	
	Notes	Three-month	Six-month	Three-month	Six-month
Profit (Loss) for the period		394,461	603,239	733,744	1,554,838
Other comprehensive income (loss), net of tax					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of net defined benefit liabilities	13	115,426	68,263	(74,629)	(75,410)
Financial assets at fair value through other comprehensive income	6	77	(351)	(27,990)	21,648
Items that will be reclassified subsequently to profit or loss:					
Cash flow hedges	28	(22,857)	(16,293)	(14,649)	7,314
Other comprehensive income (loss) for the period, net of tax		92,646	51,619	(117,268)	(46,448)
Total comprehensive income (loss) for the period, net of tax		487,107	654,858	616,476	1,508,390

LG Electronics Inc.
Interim condensed separate statements of changes in equity
for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

(in millions of Korean won)

	Notes	Paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Other components of equity	Total equity
Balance as of January 1, 2024		3,992,348	6,566,223	(10,205)	(32,819)	10,515,547
Total comprehensive income (loss):						
Profit (Loss) for the period		-	1,554,838	-	-	1,554,838
Remeasurements of net defined benefit liabilities	13	-	(75,410)	-	-	(75,410)
Financial assets at fair value through other comprehensive income	6	-	-	21,648	-	21,648
Cash flow hedges	28	-	-	7,314	-	7,314
Total comprehensive income (loss):		-	1,479,428	28,962	-	1,508,390
Transactions with the owners:						
Dividends	16	-	(144,912)	-	-	(144,912)
Total transactions with the owners		-	(144,912)	-	-	(144,912)
Balance as of June 30, 2024 (unaudited)		3,992,348	7,900,739	18,757	(32,819)	11,879,025
Balance as of January 1, 2025		3,992,348	7,539,176	(21,654)	(32,819)	11,477,051
Total comprehensive income (loss):						
Profit (Loss) for the period		-	603,239	-	-	603,239
Remeasurements of net defined benefit liabilities	13	-	68,263	-	-	68,263
Financial assets at fair value through other comprehensive income	6	-	-	(351)	-	(351)
Cash flow hedges	28	-	-	(16,293)	-	(16,293)
Total comprehensive income (loss):		-	671,502	(16,644)	-	654,858
Transactions with the owners:						
Dividends	16	-	(90,892)	-	-	(90,892)
Total transactions with the owners		-	(90,892)	-	-	(90,892)
Balance as of June 30, 2025 (unaudited)		3,992,348	8,119,786	(38,298)	(32,819)	12,041,017

LG Electronics Inc.
Interim condensed separate statements of cash flows
for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

(in millions of Korean won)

	Notes	For the six-month period ended June 30 2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	25	190,784	889,556
Interest received		43,466	75,582
Interest paid		(174,908)	(161,552)
Dividend received		223,812	931,865
Income tax paid		(22,410)	(98,330)
Net cash flows provided by (used in) operating activities		260,744	1,637,121
Cash flows from investing activities			
Decrease in deposits held by financial institutions		3,646	3,449
Decrease in other receivables		1,032,712	28,056
Proceeds from withdrawal and disposal of other financial assets		865	-
Proceeds from disposal of property, plant and equipment		17,441	12,176
Proceeds from disposal of intangible assets		1,486	3,399
Proceeds from withdrawal and disposal of investments in subsidiaries, associates and joint ventures	10	529	1,796
Transfer of business	25	188,022	6,252
Increase in deposits held by financial institutions		(3,391)	(2,670)
Increase in other receivables		(35,538)	(38,403)
Acquisition of other financial assets		(11,972)	(17,880)
Acquisition of property, plant and equipment		(380,279)	(306,436)
Acquisition of intangible assets		(506,243)	(533,891)
Acquisition of investments in subsidiaries, associates and joint ventures	10	(390,404)	(626,183)
Net cash flows provided by (used in) investing activities		(83,126)	(1,470,335)
Cash flows from financing activities			
Increase in borrowings		2,636,463	1,397,466
Repayments of borrowings		(2,740,111)	(1,473,718)
Dividend paid	16	(90,892)	(144,912)
Repayments of lease lliabilities		(40,633)	(37,809)
Net cash flows provided by (used in) financing activities		(235,173)	(258,973)
Effects of exchange rate changes on cash and cash equivalents		(1,160)	4,732
Net increase (decrease) in cash and cash equivalents		(58,715)	(87,455)
Cash and cash equivalents at the beginning of the period	4	1,204,080	2,349,705
Cash and cash equivalents at the end of the period	4	1,145,365	2,262,250

1. General information

LG Electronics Inc. (the "Company") has been established as a spin-off of the electronics and the information and communications business divisions from former LG Electronics Inc. on April 1, 2002. The Company's shares were listed on the Korea Exchange on April 22, 2002, and some of its preferred shares, in the form of global depositary receipts ("GDRs"), are listed on the London Stock Exchange as of June 30, 2025. The Company is domiciled in Korea at Yeoui-daero, Yeongdeungpo-gu, Seoul.

As of June 30, 2025, LG Corp. owns 35.1% of the Company's total shares, excluding preferred shares, and exercises significant influence over the Company, while financial institutions, foreign investors and others own the rest of the shares.

The Company operates the following major business segments: Home Appliance Solution segment manufacturing and selling key home appliances such as refrigerators, washing machines, and vacuum cleaners; Media Entertainment Solution segment manufacturing and selling TVs, monitors, PCs, and information display products, also operating a platform business focused on webOS; Vehicle Solution segment designing and manufacturing automobile parts; and Eco Solution segment manufacturing and selling HVAC(Heating, Ventilation, and Air Conditioning) including residential and commercial air conditioners. As of June 30, 2025, the Company operates manufacturing facilities mainly in Changwon, Pyeongtaek and Gumi in the Republic of Korea.

2. Material accounting policies

2.1 Basis of preparation

The Company maintains its accounting records in Korean won (presented as "Korean won", "KRW", or "₩") and prepares statutory interim condensed separate financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS"). The accompanying interim condensed separate financial statements have been condensed, restructured and translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail. The financial statements of the Company are the interim condensed separate financial statements prepared in accordance with KIFRS 1027 *Separate Financial Statements*.

The Company's interim condensed separate financial statements for the six-month period ended June 30, 2025, have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim condensed separate financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of June 30, 2025.

2.1.1 Changes in accounting policies and disclosures

(a) New and amended standards and interpretations effective for the financial year beginning on or after January 1, 2025

Amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates* and KIFRS 1101 *First-time Adoption of KIFRS - Lack of Exchangeability*

The amendments require entities to assess the exchangeability of a currency and, if the currency is not exchangeable into another currency, to estimate the spot exchange rate and disclose relevant information. The Company does not expect that these amendments will have a material impact on the interim condensed separate financial statements.

(b) Newly enacted and amended standards issued, but not effective and not early adopted by the Company as of June 30, 2025.

Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*

In response to questions raised in practice and to incorporate new requirements, the amendments have been made to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures*. These amendments apply to annual reporting periods beginning on or after January 1, 2026. The Company does not expect that these amendments will have a material impact on the interim condensed separate financial statements. The amendments include the following:

- clarifying that a financial liability is regarded as settled (derecognized) before the settlement date through an electronic payment system (if certain conditions are met);
- clarifying and adding further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- adding new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and
- updating the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- Annual Improvements to KIFRS – Volume 11

Annual Improvements to KIFRS – Volume 11 apply to annual reporting periods beginning on or after January 1, 2026. The Company does not expect that these amendments will have a material impact on the interim condensed separate financial statements.

• KIFRS 1101 *First-time Adoption of KIFRS*: *Application of hedge accounting upon first-time adoption of K-IFRS*

• KIFRS 1107 *Financial Instruments: Disclosures*: *Derecognition gains or losses, application guidance in practice*

- KIFRS 1109 *Financial Instruments*: *Derecognition of lease liabilities and definition of transaction price*

- KIFRS 1110 *Consolidated Financial Statements*: *Determination of a “de facto agent”*

- KIFRS 1007 *Statement of Cash Flows*: *Cost method*

2.2 Accounting policies

The material accounting policies and method of computation used in the preparation of the interim condensed separate financial statements are consistent with those of the separate financial statements for the year ended December 31, 2024, except for the changes due to the application of amendment and enactments of standards described in Note 2.1.1 and the ones described below.

2.2.1 Income tax expense

Income tax expense for the interim period is recognized based on management’s best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate is applied to the pre-tax income for the period.

3. Material accounting estimates and judgments

The estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

3.1 Material accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The armed conflict between Russia and Ukraine has a material impact on the global economy. It may have a negative impact to the Company such as decrease in productivity, decrease or delay in sales, collection of existing receivables and others. Accordingly, it may have a negative impact on the financial position and financial performance of the Company.

Material accounting estimates and assumptions applied in the preparation of the interim condensed separate financial statements can be adjusted depending on changes in the uncertainty from the armed conflict between Russia and Ukraine. Also, the ultimate effect of the armed conflict between Russia and Ukraine to the Company’s business, financial position and financial performance cannot presently be determined.

The estimates and assumptions that have a significant risk of causing adjustments to the carrying amounts of assets and liabilities after the reporting date are addressed below.

(a) Revenue recognition

The Company recognizes revenue over time using the percentage of completion method for the rendering of services such as equipment production and installation. The Company measures the percentage of completion by estimating total cost for the completion of the transaction, and the factors for the estimation of revenue may vary.

(b) Impairment of goodwill and others

The Company tests goodwill and others regularly for impairment. The recoverable amounts of cash-generating units have been determined based on fair value less costs of disposal or value-in-use calculations. These calculations require estimates.

(c) Income taxes

The Company recognizes assets and liabilities for anticipated tax audit issues based on the best estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(d) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing as of June 30, 2025.

(e) Provisions

The Company recognizes provisions for product warranties and others based on their historical data as of June 30, 2025.

(f) Net defined benefit liabilities

The present value of the defined benefit liability depends on various factors that are determined on an actuarial basis. The assumptions used in determining the net cost (income) for pensions include the discount rate, which is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit liability. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Other key assumptions for defined benefit liability are based on current market conditions.

(g) Development costs

The Company capitalizes development costs when there is reasonable assurance that projects have technical feasibility and the possibility of generating future economic benefits, and it performs periodic impairment tests. The recoverable amount of each project has been calculated on a basis of the value-in-use reflecting expected sales quantity and unit price and estimated operating profit.

(h) Leases

When the Company is a lessee, in determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The reassessment of the lease term based on a judgment of whether the extension option is reasonably certain to be exercised (or not exercised) is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

When the Company is a lessor, management estimates the lease period by considering non-cancellable lease period in the contract. And management compares a major part of the economic life of the underlying asset with the lease period and classifies it as a finance lease if the lease period exceeds for a major part of the economic life of the underlying asset. When classified as a finance lease, the Company recognizes income at the lower of the lease net investment discounted at the market interest rate and the sale price of the underlying asset.

4. Financial instruments by category

(a) Details of financial instruments by category as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025				
(in millions of Korean won)	**Financial assets at amortized cost**	**Financial assets at fair value through other comprehensive income**	**Financial assets at fair value through profit or loss**	**Others**	**Total**
Cash and cash equivalents	1,145,365	-	-	-	1,145,365
Deposits held by financial institutions	120,375	-	-	-	120,375
Trade receivables	5,476,642	221,275	-	2,376,985	8,074,902
Other receivables	558,692	-	-	-	558,692
Other financial assets and others	-	75,303	99,965	148,072	323,340
Total	7,301,074	296,578	99,965	2,525,057	10,222,674

	June 30, 2025			
(in millions of Korean won)	**Financial liabilities at amortized cost**	**Financial liabilities at fair value through profit or loss**	**Others**	**Total**
Trade payables	6,343,383	-	-	6,343,383
Borrowings	9,042,061	-	-	9,042,061
Lease liabilities	-	-	112,973	112,973
Other payables	1,712,341	-	-	1,712,341
Other financial liabilities	-	27,848	65,772	93,620
Total	17,097,785	27,848	178,745	17,304,378

	December 31, 2024				
(in millions of Korean won)	**Financial assets at amortized cost**	**Financial assets at fair value through other comprehensive income**	**Financial assets at fair value through profit or loss**	**Others**	**Total**
Cash and cash equivalents	1,204,080	-	-	-	1,204,080
Deposits held by financial institutions	120,631	-	-	-	120,631
Trade receivables	5,914,571	220,898	-	1,703,779	7,839,248
Other receivables	1,749,871	-	-	-	1,749,871
Other financial assets and others	-	68,728	109,227	377,325	555,280
Total	8,989,153	289,626	109,227	2,081,104	11,469,110

	December 31, 2024			
(in millions of Korean won)	**Financial liabilities at amortized cost**	**Financial liabilities at fair value through profit or loss**	**Others**	**Total**
Trade payables	6,787,335	-	-	6,787,335
Borrowings	9,362,742	-	-	9,362,742
Lease liabilities	-	-	128,172	128,172
Other payables	2,504,159	-	-	2,504,159
Other financial liabilities	-	27,848	42,992	70,840
Total	18,654,236	27,848	171,164	18,853,248

(b) Details of net gains or losses on financial instruments by category for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025				
(in millions of Korean won)	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Others	Total
Interest income	44,402	-	-	-	44,402
Exchange differences	(383,934)	-	-	-	(383,934)
Bad debt expenses	(2,966)	-	-	(2,464)	(5,430)
Loss on disposal of trade receivables	-	(85)	-	-	(85)
Dividend income	-	303	1,310	-	1,613
Gain (Loss) on valuation of financial assets at fair value through profit or loss	-	-	(10,973)	-	(10,973)
Profit (Loss) for the period from discontinued operations	(425)	-	-	-	(425)
Fair value gain (loss), net of tax (through other comprehensive income)	-	(351)	-	-	(351)
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	(12,965)	(12,965)
Others	(5,044)	-	-	-	(5,044)

	For the six-month period ended June 30, 2025			
(in millions of Korean won)	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Others	Total
Interest expense	(191,531)	-	22,697	(168,834)
Exchange differences	720,457	-	(224,558)	495,899
Gain (Loss) on derivatives (through profit or loss)	-	(30,819)	-	(30,819)
Profit (Loss) for the period from discontinued operations	37	-	-	37
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	(3,328)	(3,328)
Others	(7,329)	-	(8)	(7,337)

(in millions of Korean won)	For the six-month period ended June 30, 2024				
	Financial assets at amortized cost	**Financial assets at fair value through other comprehensive income**	**Financial assets at fair value through profit or loss**	**Others**	**Total**
Interest income	74,891	-	-	-	74,891
Exchange differences	429,345	-	-	-	429,345
Bad debt expenses	742	-	-	(3,318)	(2,576)
Loss on disposal of trade receivables	-	(138)	-	-	(138)
Dividend income	-	257	-	-	257
Profit (Loss) for the period from discontinued operations	2,259	-	-	-	2,259
Fair value gain (loss), net of tax (through other comprehensive income)	-	21,648	-	-	21,648
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	4,861	4,861
Others	(2,649)	-	-	-	(2,649)

(in millions of Korean won)	For the six-month period ended June 30, 2024			
	Financial liabilities at amortized cost	**Financial liabilities at fair value through profit or loss**	**Others**	**Total**
Interest expense	(164,712)	-	29,772	(134,940)
Exchange differences	(530,111)	-	93,087	(437,024)
Profit (Loss) for the period from discontinued operations	(22,076)	-	-	(22,076)
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	2,453	2,453
Others	(2,589)	-	67	(2,522)

5. Trade receivables and other receivables

(a) Details of trade receivables and other receivables, net of allowance for doubtful accounts, as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025			December 31, 2024		
(in millions of Korean won)	Original amount	Allowance for doubtful accounts	Carrying amount	Original amount	Allowance for doubtful accounts	Carrying amount
Trade receivables						
Current	6,049,712	(51,361)	5,998,351	6,322,673	(47,148)	6,275,525
Non-current	2,080,421	(3,870)	2,076,551	1,566,849	(3,126)	1,563,723
Other receivables						
Current	403,929	(2,841)	401,088	1,341,687	(2,485)	1,339,202
Non-current	157,617	(13)	157,604	410,683	(14)	410,669

(b) Changes in allowances for doubtful accounts for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025			
(in millions of Korean won)	January 1	Addition (Reversal)	Write-off and others	June 30
Trade receivables				
Current	47,148	4,165	48	51,361
Non-current	3,126	791	(47)	3,870
Other receivables				
Current	2,485	356	-	2,841
Non-current	14	(1)	-	13

	For the six-month period ended June 30, 2024			
(in millions of Korean won)	January 1	Addition (Reversal)	Write-off and others	June 30
Trade receivables				
Current	41,063	2,929	-	43,992
Non-current	1,497	374	-	1,871
Other receivables				
Current	3,419	(507)	-	2,912
Non-current	14	1	-	15

(c) The aging analysis on trade receivables and other receivables as of June 30, 2025 and December 31, 2024 is as follows:

	June 30, 2025				
	Trade receivables		Other receivables		
(in millions of Korean won)	Current	Non-current	Current	Non-current	Total
Receivables not past due	5,385,305	2,080,421	345,622	157,617	7,968,965
Past due but not individually impaired					
Up to 6 months	293,715	-	45,003	-	338,718
7 to 12 months	42,630	-	1,013	-	43,643
Over 1 year	253,716	-	9,961	-	263,677
Subtotal	590,061	-	55,977	-	646,038
Individually impaired	74,346	-	2,330	-	76,676
Total	6,049,712	2,080,421	403,929	157,617	8,691,679

	December 31, 2024				
	Trade receivables		Other receivables		
(in millions of Korean won)	Current	Non-current	Current	Non-current	Total
Receivables not past due	5,421,012	1,566,849	1,303,548	410,683	8,702,092
Past due but not individually impaired					
Up to 6 months	465,157	-	24,256	-	489,413
7 to 12 months	86,987	-	9,014	-	96,001
Over 1 year	274,798	-	2,530	-	277,328
Subtotal	826,942	-	35,800	-	862,742
Individually impaired	74,719	-	2,339	-	77,058
Total	6,322,673	1,566,849	1,341,687	410,683	9,641,892

(d) Some of trade receivables have been discounted through collateralized borrowing agreements with banks for the six-month period ended June 30, 2025. In case the customers default, the Company has an obligation to pay the amounts related thereto to the banks which hold the right of indemnity. As a result, this transaction has been accounted for as a collateralized borrowing (See Note 11). Discounted trade receivables as of June 30, 2025 amount to ₩59,417 million (December 31, 2024: ₩43,462 million).

6. Other financial assets and liabilities

(a) Details of other financial assets and liabilities as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Other financial assets		
Derivatives	148,072	381,684
Financial assets at fair value through other comprehensive income	75,303	68,728
Financial assets at fair value through profit or loss	85,263	90,166
Total	308,638	540,578
Current	2,973	62,670
Non-current	305,665	477,908

(in millions of Korean won)	June 30, 2025	December 31, 2024
Other financial liabilities		
Derivatives	78,780	56,228
Financial guarantee liability	14,840	14,612
Total	93,620	70,840
Current	7,636	7,682
Non-current	85,984	63,158

(b) Details of derivatives as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025		December 31, 2024	
(in millions of Korean won)	Assets	Liabilities	Assets	Liabilities
Current				
Cross-currency swap	2,973	-	58,311	-
Interest rate swap	-	-	-	-
Option	-	-	4,359	-
Subtotal	2,973	-	62,670	-
Non-current				
Cross-currency swap	143,394	32,844	313,389	13,167
Interest rate swap	1,705	18,088	5,625	15,213
Option	-	27,848	-	27,848
Subtotal	145,099	78,780	319,014	56,228
Total	148,072	78,780	381,684	56,228

Details of major derivative contracts as of June 30, 2025 are presented in Note 28.

(c) Changes in financial assets at fair value through other comprehensive income for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025					
(in millions of Korean won)	**January 1**	**Acquisition**	**Disposals**	**Transfer**	**Valuation**	**June 30**
Marketable equity securities	32,912	-	-	-	(474)	32,438
Unmarketable equity securities	35,816	5,037	-	2,012	-	42,865
Total	68,728	5,037	-	2,012	(474)	75,303

	For the six-month period ended June 30, 2024					
(in millions of Korean won)	**January 1**	**Acquisition**	**Disposals**	**Transfer**	**Valuation**	**June 30**
Marketable equity securities	18,311	-	-	30	28,089	46,430
Unmarketable equity securities	48,615	400	-	(30)	-	48,985
Total	66,926	400	-	-	28,089	95,415

(d) Changes in financial assets at fair value through profit or loss for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025					
(in millions of Korean won)	**January 1**	**Acquisition**	**Disposals**	**Transfer**	**Valuation**	**June 30**
Unmarketable equity securities	73,829	4,348	(865)	(8,324)	-	68,988
Debt securities	16,337	2,587	-	8,324	(10,973)	16,275
Total	90,166	6,935	(865)	-	(10,973)	85,263

	For the six-month period ended June 30, 2024					
(in millions of Korean won)	**January 1**	**Acquisition**	**Disposals**	**Transfer**	**Valuation**	**June 30**
Unmarketable equity securities	64,867	6,507	-	500	-	71,874
Debt securities	1,133	10,973	-	(500)	-	11,606
Total	66,000	17,480	-	-	-	83,480

7. Inventories

Details of inventories as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025			December 31, 2024		
(in millions of Korean won)	**Acquisition cost**	**Valuation allowance**	**Carrying amount**	**Acquisition cost**	**Valuation allowance**	**Carrying amount**
Finished products and merchandise	819,353	(28,125)	791,228	881,471	(26,707)	854,764
Work-in-process	50,093	(1,062)	49,031	49,953	(1,625)	48,328
Raw materials and supplies	480,383	(46,616)	433,767	507,154	(50,756)	456,398
Others	152,353	(22,135)	130,218	129,203	(23,601)	105,602
Total	1,502,182	(97,938)	1,404,244	1,567,781	(102,689)	1,465,092

8. Contract assets and contract liabilities

(a) Details of contract assets as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**
Due from customers for contract work	780,799	889,184
(Less: allowance for doubtful accounts)	(8)	(6)
Right to recover returned products	1,537	1,080
Costs to fulfil contracts with customers and others	384,898	319,526
Total	1,167,226	1,209,784
Current	923,831	1,028,262
Non-current	243,395	181,522

(b) Details of contract liabilities as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**
Expected promotional incentives for customers	33,717	32,867
Expected returns from customers	152,259	121,038
Customer loyalty program	128,012	98,698
Rendering of warranty services	9,766	10,149
Due to customers for contract work and others	1,025,512	893,669
Total	1,349,266	1,156,421
Current	753,223	1,152,649
Non-current	596,043	3,772

(c) Details of revenue recognized in relation to contract liabilities for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
Revenue recognized that was included in the contract liability amount at the beginning of the period:		
Due to customers for contract work and others	313,523	339,841
Customer loyalty program	50,182	26,422
Rendering of warranty services	3,633	4,086
Total	367,338	370,349
Revenue recognized from performance obligations satisfied in previous periods	9,467	43,171

(d) Unsatisfied long-term contracts

As of June 30, 2025, the total amount of transaction price allocated to the unsatisfied or partially unsatisfied performance obligations is ₩989,511 million (December 31, 2024: ₩1,067,316 million), expected to be satisfied by 2031, at the latest. Also, as a practical expedient, the Company excluded portions of contract for which the performance obligation had an original expected duration of one year or less.

(e) For the six-month period ended June 30, 2025, the Company recognized an impairment loss amounting to ₩1 million (June 30, 2024: ₩2 million) in relation to due from customers for contract work, and amortization and others of ₩22,570 million (June 30, 2024: ₩104,858 million) in relation to costs to fulfil contracts.

9. Property, plant and equipment, and Intangible assets

(a) Changes in property, plant and equipment for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
January 1	6,224,208	6,030,130
Acquisitions	264,573	274,172
Reclassification to assets held for sale	(42,126)	-
Transfer	14	7,102
Disposals and others	(18,901)	(10,925)
Depreciation	(303,326)	(306,723)
Impairment losses	(5,502)	(16,586)
June 30	6,118,940	5,977,170

(b) Line items including depreciation of property, plant and equipment in the interim condensed separate statements of profit or loss for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Continuing operations		
Cost of sales	210,346	224,245
Selling expenses	15,996	15,107
Administrative expenses	35,409	33,120
Research and development expenses	26,373	19,877
Service costs	13,525	12,628
Other non-operating expenses	1,677	1,746
Subtotal	303,326	306,723
Discontinued operations	-	-
Total	303,326	306,723

(c) Changes in right-of-use assets included in property, plant and equipment for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
January 1	126,187	154,141
Acquisitions	27,039	15,478
Disposals and others	(686)	(2,395)
Depreciation	(40,565)	(39,372)
June 30	111,975	127,852

The amount of lease income recognized in relation to the lessee's sublease of the right-of-use assets for the six-month period ended June 30, 2025 is ₩821 million (June 30, 2024: ₩2,262 million).

(d) Changes in intangible assets for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
January 1	2,681,854	2,097,399
Acquisitions	172,602	150,661
Acquisitions by internal development	216,322	206,090
Disposals and others	(23,204)	(18,553)
Amortization	(223,268)	(211,172)
Impairment losses	(8,838)	(11,075)
June 30	2,815,468	2,213,350

(e) Line items including amortization of intangible assets for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Continuing operations		
Cost of sales	156,972	161,572
Selling expenses	6,775	6,394
Administrative expenses	25,684	16,500
Research and development expenses	29,316	27,531
Service costs	4,521	3,315
Other non-operating expenses	-	(4,152)
Subtotal	223,268	211,160
Discontinued operations	-	12
Total	223,268	211,172

10. Investments in subsidiaries, associates and joint ventures

(a) Details of investments in subsidiaries, associates and joint ventures as of June 30, 2025 and December 31, 2024 are as follows:

				Carrying amount	
(in millions of Korean won)	Location	Closing month	Percentage of ownership as of June 30, 2025 (%)[12]	June 30, 2025	December 31, 2024
Subsidiaries					
LG Electronics U.S.A., Inc.(LGEUS)	USA	December	100.0	955,542	955,542
LG Innotek Co., Ltd.[3]	Korea	December	40.8	541,538	541,538
LG Magna e-Powertrain Co., Ltd.	Korea	December	51.0	388,661	388,661
LG ELECTRONICS INDIA LIMITED(LGEIL)	India	March	100.0	311,746	311,746
LG Electronics do Brasil Ltda.(LGEBR)	Brazil	December	100.0	270,631	270,631
LG Electronics Mlawa Sp. z.O.O.(LGEMA)	Poland	December	100.0	214,091	214,091
LG Electronics Nanjing Vehicle Components Co., Ltd.(LGENV)	China	December	100.0	180,349	180,349
LG Electronics (Tianjin) Appliances Co., Ltd.(LGETA)	China	December	70.0	161,331	161,331
LG Electronics European Holding B.V.(LGEEH)	Netherlands	December	100.0	148,551	148,551
Hiplaza Co., Ltd.	Korea	December	100.0	136,459	136,459
PT LGE Indonesia Research and Development Center(LGERC)	Indonesia	December	100.0	121,467	121,467
LG Electronics Egypt S.A.E(LGEEG)	Egypt	December	100.0	110,245	110,245
ZKW Holding GmbH[1]	Austria	December	70.0	196,094	101,297
Taizhou LG Electronics Refrigeration Co., Ltd.(LGETR)	China	December	90.0	97,608	97,608
P.T. LG Electronics Indonesia(LGEIN)	Indonesia	December	100.0	94,118	94,118
LG Electronics Vietnam Hai Phong Co., Ltd(LGEVH)	Vietnam	December	100.0	84,784	84,784

(in millions of Korean won)	Location	Closing month	Percentage of ownership as of June 30, 2025 (%)[12]	Carrying amount	
				June 30, 2025	December 31, 2024
Cybellum Tecnologies Ltd.[8]	Israel	December	79.7	-	77,643
LG Electronics Wroclaw Sp. z.O.O.(LGEWR)	Poland	December	100.0	70,014	70,014
Athom Holding B.V	Netherlands	December	80.0	69,206	69,206
LG Electronics Mexico S.A. DE C.V.(LGEMS)	Mexico	December	100.0	68,721	68,721
LG Electronics (Shenyang) Inc(LGESY)	China	December	56.3	62,033	62,033
LG Electronics (Thailand) Company Limited(LGETH)	Thailand	December	100.0	55,578	55,578
LG ELECTRONICS AUSTRALIA PTY LIMITED(LGEAP)	Australia	December	100.0	50,664	50,664
LG Electronics Fund I LLC[1]	USA	December	100.0	55,395	48,295
LG Electronics Ticaret A.S.(LGETK)	Türkiye	December	100.0	47,320	47,320
LG Electronics RUS, LLC(LGERA)	Russia	December	100.0	43,645	43,645
LG Electronics (Huizhou) Inc.(LGEHZ)[4]	China	December	45.0	41,984	41,984
LG Electronics Nanjing New Technology co., LTD(LGENT)[4]	China	December	45.0	38,744	38,744
LG Electronics Panama, S.A.(LGEPS)	Panama	December	100.0	36,492	36,492
HIEVCHARGER CO., LTD.[8]	Korea	December	60.0	5,500	35,040
LG Electronics Fund II LLC[1]	USA	December	100.0	33,900	32,597
LG Electronics S.A. (Pty) Ltd.(LGESA)	Republic of South Africa	December	100.0	30,175	30,175
Nanjing LG-Panda Appliances Co., Ltd(LGEPN)[4]	China	December	50.0	26,614	26,614
LG Electronics Peru S.A.(LGEPR)	Peru	December	100.0	25,043	25,043
LG Electronics Air-Conditioning(Shandong) Co., Ltd.(LGEQA)	China	December	100.0	20,615	20,615
LG Soft India Private Limited.(LGSI)	India	March	100.0	20,105	20,105
BEAR ROBOTICS, INC.[1,9]	USA	December	61.1	321,894	-
Others				156,321	156,321
Associates					
LG Display Co., Ltd.	Korea	December	36.7	3,247,980	3,247,980
Robostar Co., Ltd.	Korea	December	33.4	88,112	88,112
BEAR ROBOTICS, INC.[9]	USA	December	-	-	56,076
Rinse, Inc.	USA	December	43.0	55,036	55,036
Hitachi-LG Data Storage Inc.(HLDS)	Japan	December	49.0	52,124	52,124
Ericsson Korea Partners Co., Ltd.[5]	Korea	December	25.0	38,834	38,834
Mirae Asset-LG Electronics New Growth Fund I[1,11]	Korea	December	50.0	46,052	36,552
NOVA Prime Fund I, LP.[6]	USA	December	79.3	16,889	16,889
Mo-Sys Holding Ltd[7]	UK	December	11.9	11,458	11,458
ROBOTIS Co., Ltd.[7]	Korea	December	7.2	9,000	9,000
SideChef Group Limited[7]	Hong Kong	December	15.4	7,702	7,702
GOQUAL INC.[7]	Korea	December	7.2	5,000	5,000
TheWaveTalk Co., Ltd.[7]	Korea	December	3.7	2,000	2,000
Acryl Inc.[10]	Korea	December	11.1	-	2,000
AiM Future, Inc.[7]	Korea	December	11.7	800	800
NOVAWAVE Fund I, LP[2,6]	USA	December	87.5	11,387	-

(in millions of Korean won)	Location	Closing month	Percentage of ownership as of June 30, 2025 (%)[12]	Carrying amount June 30, 2025	Carrying amount December 31, 2024
Joint ventures					
Arcelik-LG Klima Sanayi ve Ticaret A.S. (LGEAT)	Türkiye	December	50.0	27,711	27,711
EIC PROPERTIES PTE LTD.	Singapore	December	38.2	7,881	7,881
GUANGDONG SMART LIFE TECHNOLOGY CO., LTD	China	December	35.0	1,855	1,855
Total				8,922,999	8,642,277

[1] The entity was additionally acquired for the six-month period ended June 30, 2025.

[2] The entity was newly acquired for the six-month period ended June 30, 2025.

[3] Although the Company owns less than half of the percentage of ownership of LG Innotek Co., Ltd., the Company is deemed to have control over LG Innotek Co., Ltd. due to the size and dispersion of holdings of the other shareholders and their voting patterns at previous shareholders' meetings.

[4] Although the Company owns less than half of the percentage of ownership of the investees, the investees are classified as subsidiaries because the Company can exercise control over the investees considering the shares held by the subsidiary.

[5] The entity has changed its name from Ericsson-LG Co., Ltd. to Ericsson Korea Partners Co., Ltd for the six-month period ended June 30, 2025.

[6] Although the Company's ownership exceeds 50%, the entity has been classified as an associate due to the absence of control under a shareholder agreement.

[7] The entity was classified as an associate because the Company can exercise a significant influence in the Board of Directors of the investee although its percentage of ownership is less than 20%.

[8] Impairment loss was recognized for the six-month period ended June 30, 2025.

[9] The entity was reclassified from an associate to a subsidiary due to the acquisition of a controlling interest through the exercise of a call option for the six-month period ended June 30, 2025.

[10] The entity was reclassified from an associate to other financial assets due to the loss of significant influence following the loss of the right to appoint members of the Board of Directors for the six-month period ended June 30, 2025.

[11] The Company partially recovered its investment for the six-month period ended June 30, 2025.

[12] The percentage of ownership has been rounded to the fourth decimal place.

(b) Changes in investments in subsidiaries, associates and joint ventures for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
January 1	8,642,277	8,391,013
Acquisitions	390,404	626,183
Transfer	(1,970)	(22,591)
Impairment losses	(107,183)	(6,557)
Disposals	(529)	(1,796)
June 30	8,922,999	8,986,252

(c) Details of marketable investments in subsidiaries and associates as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025				
	Type	Shares held *(Unit: shares)*	Price per share *(Unit: Korean won)*	Fair value *(in millions of Korean won)*	Carrying amount *(in millions of Korean won)*
LG Display Co., Ltd.	Associate	183,593,206	8,960	1,644,995	3,247,980
LG Innotek Co., Ltd.	Subsidiary	9,653,181	147,400	1,422,879	541,538
Robostar Co., Ltd.	Associate	3,256,500	29,200	95,090	88,112
ROBOTIS Co., Ltd.	Associate	961,550	73,000	70,193	9,000

	December 31, 2024				
	Type	Shares held *(Unit: shares)*	Price per share *(Unit: Korean won)*	Fair value *(in millions of Korean won)*	Carrying amount *(in millions of Korean won)*
LG Display Co., Ltd.	Associate	183,593,206	9,130	1,676,206	3,247,980
LG Innotek Co., Ltd.	Subsidiary	9,653,181	162,000	1,563,815	541,538
Robostar Co., Ltd.	Associate	3,256,500	21,900	71,317	88,112
ROBOTIS Co., Ltd.	Associate	961,550	23,250	22,356	9,000

11. Borrowings

(a) Carrying amounts of borrowings as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Current		
Short-term borrowings	345,941	43,462
Current portion of long-term borrowings	397,411	588,365
Current portion of debentures	519,693	269,973
Subtotal	1,263,045	901,800
Non-current		
Long-term borrowings	2,838,282	2,862,371
Debentures	4,940,734	5,598,571
Subtotal	7,779,016	8,460,942
Total	9,042,061	9,362,742

(b) Details of borrowings as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	Latest maturity date	Annual interest rate at June 30, 2025 (%)	Carrying amount June 30, 2025	Carrying amount December 31, 2024
Short-term borrowings in foreign currency				
LG Electronics European Shared Service Center B.V.(LGESC) and others[1]	-	2.63 ~ 10.00	345,941	43,462
Long-term borrowings in local currency				
Korea Development Bank and others	Jan. 9, 2035	2.49 ~ 4.82	2,303,750	2,253,322
Long-term borrowings in foreign currency				
The Export-Import Bank of Korea and others	Jul. 28, 2031	0.67 ~ 6.20	931,943	1,197,414
Local currency debentures				
Public, non-guaranteed bonds	May 4, 2036	1.62 ~ 4.84	2,650,000	2,920,000
Private, non-guaranteed bonds	Feb. 9, 2041	2.66 ~ 5.15	1,030,000	1,030,000
Foreign currency debentures				
Public, non-guaranteed bonds	Apr. 24, 2029	5.63	1,085,120	1,176,000
Private, non-guaranteed bonds	Jan. 8, 2031	1.27 ~ 6.21	713,668	764,512
Less: discount on debentures			(18,361)	(21,968)
Total			9,042,061	9,362,742

[1] The above short-term borrowings in foreign currency include the short-term borrowings collateralized by trade receivables amounting to ₩59,417 million as of June 30, 2025 (December 31, 2024: ₩43,462 million).

The Company entered into interest rate swap and cross-currency swap contracts to hedge cash flow risks related to floating interest rates and foreign exchange rates of certain portion of borrowings (See Note 28).

12. Lease liabilities

(a) Details of lease liabilities as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Lease liabilities		
Current	59,964	72,610
Non-current	53,009	55,562
Total	112,973	128,172

(b) The amounts, relating to leases, recognized in the interim condensed separate statements of profit or loss for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Continuing operations		
Interest expense relating on lease liabilities	2,218	2,430
Short-term lease payments (included in cost of sales, selling and administrative expenses, and others)	14,725	14,731
Payments for leases of low-value assets that are not short-term leases (included in cost of sales, selling and administrative expenses, and others)	10,437	10,112
Subtotal	27,380	27,273
Discontinued operations	736	1,319
Total	28,116	28,592

Depreciation of right-of-use assets is stated in Note 9.

(c) Total expenditures for leases including short-term leases and leases of low-value assets during the six-month period ended June 30, 2025 are ₩68,608 million (June 30, 2024: ₩66,271 million).

13. Retirement benefits

13.1 Defined benefit plan

(a) The calculation of net defined benefit liabilities (assets) as of June 30, 2025 and December 31, 2024 is as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Present value of funded obligations	3,569,055	3,588,433
Fair value of plan assets	(3,857,504)	(3,907,813)
Net defined benefit liabilities (assets)	(288,449)	(319,380)

(b) The amounts recognized in the interim condensed separate statements for profit or loss for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Current service cost	156,058	156,405
Past service cost	14,695	-
Net interest cost	(6,004)	(7,745)
Operating management cost	1,333	1,361
Total	166,082	150,021

(c) Line items in which expenses are included for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Continuing operations		
Cost of sales	81,797	71,062
Selling expenses	22,800	20,820
Administrative expenses	15,077	14,176
Research and development expenses	32,209	30,442
Service costs	14,079	13,446
Other non-operating expenses	105	53
Subtotal	166,067	149,999
Discontinued operations	15	22
Total	166,082	150,021

(d) Changes in the present values of defined benefit obligations for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
January 1	3,588,433	3,419,800
Current service cost	156,058	156,405
Interest cost	65,780	74,391
Remeasurements for:		
- Actuarial loss (gain) arising from changes in financial assumptions	(141,247)	89,985
- Actuarial loss (gain) arising from experience adjustments	45,226	-
Benefits paid	(159,890)	(127,299)
Past service cost	14,695	-
June 30	3,569,055	3,613,282

(e) Changes in the fair values of plan assets for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
January 1	3,907,813	3,767,107
Interest income	71,784	82,136
Remeasurements of plan assets	(3,836)	(7,861)
Employer contributions	40,000	100,000
Benefits paid	(156,924)	(127,412)
Operating management cost	(1,333)	(1,361)
June 30	3,857,504	3,812,609

(f) The principal actuarial assumptions used as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025	**December 31, 2024**
Discount rate	4.2%	3.8%
Expected salary growth rate	4.9%	4.9%

(g) The sensitivity analysis on defined benefit obligations to changes in principal assumptions as of June 30, 2025 is as follows:

(in millions of Korean won)	**1%p increase**	**1%p decrease**
Discount rate	(272,163)	310,117
Expected salary growth rate	321,175	(285,955)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, changes in some of the assumptions may occur since the various assumptions are correlated. The sensitivity of the defined benefit obligation to changes in principal actuarial assumptions is calculated using the projected unit credit method, the same method applied when calculating the defined benefit obligations.

13.2 Defined contribution plan

The expense recognized in relation to defined contribution plan for the six-month period ended June 30, 2025 is ₩10,883 million (June 30, 2024: ₩6,906 million).

14. Provisions

Changes in provisions for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025			
(in millions of Korean won)	**Sales warranty**	**Restoration**	**Litigation and others**	**Total**
January 1	997,512	9,610	124,110	1,131,232
Additions[1]	161,734	699	32,189	194,622
Utilizations	(314,436)	(153)	(2,377)	(316,966)
June 30	844,810	10,156	153,922	1,008,888
Current	810,511	7,573	90,734	908,818
Non-current	34,299	2,583	63,188	100,070

	For the six-month period ended June 30, 2024			
(in millions of Korean won)	**Sales warranty**	**Restoration**	**Litigation and others**	**Total**
January 1	528,100	8,868	144,360	681,328
Additions[1]	149,391	870	(11,613)	138,648
Utilizations	(182,327)	(191)	(5,402)	(187,920)
June 30	495,164	9,547	127,345	632,056
Current	454,652	6,912	99,340	560,904
Non-current	40,512	2,635	28,005	71,152

[1] The net amount of additional provisions equals to additional provisions less reversed amounts.

15. Paid-in capital

(a) As of June 30, 2025 and December 31, 2024, the number of authorized ordinary and preferred shares is 600 million.

		June 30, 2025		December 31, 2024	
	Par value per share	Number of shares issued	Amount *(in millions of Korean won)*	Number of shares issued	Amount *(in millions of Korean won)*
Ordinary shares	5,000	163,647,814	818,239	163,647,814	818,239
Preferred shares	5,000	17,185,992	85,930	17,185,992	85,930
Total		180,833,806	904,169	180,833,806	904,169

The preferred shareholders have no voting rights and are entitled to preferred dividends at a rate of one percentage point over that of ordinary shares. This preferred dividend rate is not applicable to stock dividends. In addition, the preferred shareholders have the same rights on the remaining assets as ordinary shareholders. Repayment and conversion are not applicable to preferred shares.

(b) Share premium balance as of June 30, 2025 is ₩3,088,179 million. The share premium of ₩1,876,153 million was recognized, which is ₩2,815,707 million of the carrying amount of net assets acquired from the entity split off back on April 1, 2002, less the Company’s capital of ₩783,961 million and less the Company’s capital adjustment of ₩155,593 million. In addition, the amount of ₩331,766 million paid in excess of par value due to issuance of ordinary shares (merger with LG IBMPC Co., Ltd.) and the exercise of conversion rights in 2005 and 2006 is included. The excess in paid-in capital amounting to ₩880,260 million over the par value was recognized as the share premium due to the issuance of ordinary shares in 2011.

16. Retained earnings

Details of retained earnings as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Legal reserves[1]	291,883	273,791
Voluntary reserves	7,156,302	6,147,421
Unappropriated retained earnings[2]	671,601	1,117,964
Total	8,119,786	7,539,176

[1] The Commercial Act of the Republic of Korea requires the Company to appropriate, as a legal reserve, an amount equal to a minimum of 10% of cash dividends paid until such reserve equals 50% of its issued capital stock. The reserve is not available for the payment of cash dividends but may be transferred to capital stock or used to reduce accumulated deficit.

[2] A dividend of ₩90,892 million for the year ended December 31, 2024 was approved as originally proposed at the Annual Shareholder’s Meeting held on March 25, 2025 and was paid in April 2025 (dividend paid in 2024: ₩234,945 million).

17. Accumulated other comprehensive income (loss)

Details of accumulated other comprehensive income (loss) as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Cash flow hedge	(29,471)	(13,178)
Financial assets at fair value through other comprehensive income	(8,827)	(8,476)
Total	(38,298)	(21,654)

18. Other components of equity

Details of other components of equity as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025	December 31, 2024
Treasury shares[1]	(44,893)	(44,893)
Consideration for conversion rights	9,891	9,891
Gain on disposal of treasury shares	2,183	2,183
Total	(32,819)	(32,819)

[1] The Company has treasury shares consisting of 763,176 ordinary shares shares (December 31, 2024: 763,176 shares) and 4,693 preferred shares (December 31, 2024: 4,693 shares) as of June 30, 2025. The 761,427 ordinary shares acquired within the range of distributable profits were retired after the reporting period (See Note 31).

19. Net sales

(a) Details of net sales for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Revenue from contracts with customers:				
Sales of goods	6,794,304	13,886,511	7,236,082	14,275,690
Rendering of services and others	488,358	890,309	492,080	869,482
Subtotal	7,282,662	14,776,820	7,728,162	15,145,172
Revenue from other sources:				
Rental income and others	530,782	1,001,138	411,349	744,348
Subtotal	7,813,444	15,777,958	8,139,511	15,889,520
Discontinued operations	-	-	-	-
Total	7,813,444	15,777,958	8,139,511	15,889,520

(b) Details of revenue from contracts with customers for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
By type of products:		
Refrigerator/washing machine and others	5,651,797	5,711,486
TV/audio/monitor/PC and others	2,944,969	3,084,851
In-vehicle infotainment and others	2,451,808	2,415,029
Air conditioner and others	2,916,095	2,813,847
Others[1]	812,151	1,119,959
Domestic/Export:		
Domestic	5,280,422	5,377,795
Export	9,496,398	9,767,377
Timing of revenue recognition:		
At a point in time	13,239,926	13,258,453
Over time	1,536,894	1,886,719
Total	14,776,820	15,145,172

[1] Others include equipment production, inter-segment transactions and others.

(c) Changes in the estimates of total contract revenue and total contract costs

Due to the factors causing the changes in the costs of other segments for the six-month period ended June 30, 2025, the estimated total contract revenue and costs for contracts in progress have changed. Details of changes in estimated total contract revenue and costs, and the impact on profit or loss for the six-month period ended June 30, 2025 and the succeeding periods are as follows:

(in millions of Korean won)	**Changes in estimated total contract revenue**[1]	**Changes in estimated total contract cost**	**Impact on profit or loss for the period**[1]	**Impact on profit or loss for the succeeding periods**[1]
	63,673	108,314	(46,909)	2,268

[1] The effects of exchange rate fluctuations are included.

20. Expenses by nature

Details of expenses that are classified by nature for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		**2024**	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Changes in finished goods and work-in-process	42,619	35,504	(54,575)	(177,290)
Raw materials and merchandise used	4,106,548	8,412,437	4,207,087	8,587,849
Employee benefit expense	1,266,568	2,503,604	1,206,312	2,385,918
Depreciation and amortization	263,763	527,103	269,418	522,475
Advertisement	169,739	314,367	232,927	394,774
Sales Promotion	36,048	66,493	41,563	71,362
Freight	249,347	469,758	210,430	397,538
Commission	755,406	1,495,381	716,646	1,372,997
Other expenses	640,599	1,392,228	715,162	1,452,970
Subtotal[1]	7,530,637	15,216,875	7,544,970	15,008,593
Discontinued operations	1,464	3,204	1,282	2,152
Total	7,532,101	15,220,079	7,546,252	15,010,745

[1] Cost of sales, selling and administrative expenses, research and development expenses and service costs are included.

21. General operating expenses (selling and administrative expenses, research and development expenses, and service costs)

Details of general operating expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Salaries	462,564	923,209	517,756	963,314
Retirement benefits	45,738	99,890	41,211	94,865
Employee welfare benefits	98,174	183,236	67,324	148,038
Freight	243,234	460,600	207,436	391,893
Rents	8,363	17,344	8,566	17,332
Commission	593,581	1,184,273	567,963	1,084,296
Depreciation	47,612	93,489	41,095	82,919
Amortization	33,087	66,296	28,885	53,741
Advertisement	169,739	314,367	232,927	394,774
Sales Promotion	36,048	66,493	41,563	71,362
R&D	73,489	129,919	89,114	153,298
Direct service costs	49,312	128,378	26,722	64,995
Bad debts expense	2,314	5,070	2,488	3,067
Others	83,661	160,505	73,146	169,479
Subtotal	1,946,916	3,833,069	1,946,196	3,693,373
Discontinued operations	1,455	3,260	1,269	2,101
Total	1,948,371	3,836,329	1,947,465	3,695,474

22. Finance income and expenses

(a) Details of finance income for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Interest income	19,200	44,402	38,058	74,891
Exchange differences	131,160	240,144	113,465	215,837
Others	(5,244)	3,074	18	938
Subtotal	145,116	287,620	151,541	291,666
Discontinued operations	-	-	828	1,579
Total	145,116	287,620	152,369	293,245

(b) Details of finance expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Interest expense	83,337	168,834	68,842	134,940
Exchange differences	138,258	243,240	84,762	160,363
Loss on disposal of trade receivables	36	85	66	138
Others	33,087	41,915	1,214	6,108
Subtotal	254,718	454,074	154,884	301,549
Discontinued operations	-	-	11,515	23,154
Total	254,718	454,074	166,399	324,703

23. Other non-operating income and other non-operating expenses

(a) Details of other non-operating income for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Dividend income	198,215	223,812	352,660	1,041,302
Exchange differences	403,259	672,673	225,973	482,961
Gain on disposal of property, plant and equipment	1,240	1,875	943	1,511
Gain on disposal of intangible assets	1,358	1,358	-	-
Gain on disposal of a business unit	181,761	181,761	-	-
Others	1,061	2,286	3,470	17,748
Subtotal	786,894	1,083,765	583,046	1,543,522
Discontinued operations	30	42	1,856	1,879
Total	786,924	1,083,807	584,902	1,545,401

(b) Details of other non-operating expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
(in millions of Korean won)	**Three-month**	**Six-month**	**Three-month**	**Six-month**
Continuing operations				
Exchange differences	353,665	601,422	252,402	521,874
Loss on derivatives	4,359	4,359	-	-
Loss on disposal of property, plant and equipment	515	586	582	967
Impairment loss on property, plant and equipment	3,345	5,502	2,642	16,586
Loss on disposal of intangible assets	8,739	14,830	7,742	15,112
Impairment loss on intangible assets	8,286	8,838	3,296	11,075
Loss on valuation of financial assets at fair value through profit or loss	10,973	10,973	-	-
Loss on disposal of investments in subsidiaries, associates and joint ventures	29	29	-	-
Impairment loss on investments in subsidiaries, associates and joint ventures	107,183	107,183	6,557	6,557
Others	(8,839)	(14,065)	5,871	10,864
Subtotal	488,255	739,657	279,092	583,035
Discontinued operations	43	473	34	87
Total	488,298	740,130	279,126	583,122

24. Earnings (Losses) per share

The Company has no potential dilutive ordinary shares. Accordingly, basic earnings (losses) per share are identical to diluted earnings (losses) per share.

(a) Details of basic earnings (losses) per ordinary share for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
	Three-month	**Six-month**	**Three-month**	**Six-month**
Profit (loss) attributable to ordinary shares *(in millions of Korean won)*	357,017	545,680	663,538	1,406,092
Continuing operations	358,007	548,115	670,378	1,420,880
Discontinued operations	(990)	(2,435)	(6,840)	(14,788)
Weighted average number of ordinary shares outstanding *(in number of shares)*	162,884,638	162,884,638	162,884,638	162,884,638
Basic earnings (losses) per ordinary share *(in Korean won)*	2,192	3,350	4,073	8,632
Continuing operations	2,198	3,365	4,115	8,723
Discontinued operations	(6)	(15)	(42)	(91)

(b) Details of basic earnings (losses) per preferred share for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	2025		2024	
	Three-month	**Six-month**	**Three-month**	**Six-month**
Profit (loss) attributable to preferred shares *(in millions of Korean won)*	37,444	57,559	70,206	148,746
Continuing operations	37,548	57,816	70,927	150,306
Discontinued operations	(104)	(257)	(721)	(1,560)
Weighted average number of preferred shares outstanding *(in number of shares)*	17,181,299	17,181,299	17,181,299	17,181,299
Basic earnings (losses) per preferred share *(in Korean won)*	2,179	3,350	4,086	8,657
Continuing operations	2,185	3,365	4,128	8,748
Discontinued operations	(6)	(15)	(42)	(91)

25. Cash flow information

Cash flows from operating activities are presented using the indirect method. Details of cash generated from operations for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(a) Cash generated from operations

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
Profit (Loss) for the period	603,239	1,554,838
Adjustments:		
Interest expense, net	124,432	60,049
Exchange differences, net	(65,116)	(9,610)
Depreciation	303,326	306,723
Amortization	223,268	211,160
Gain (loss) on disposal of property, plant and equipment and intangible assets, net	12,183	14,568
Provisions for severance benefits	166,067	149,999
Additional provisions, net	194,086	138,676
Dividend income	(223,812)	(1,041,302)
Income tax expense	132,806	260,345
Impairment loss on investments in subsidiaries, associates and joint ventures	107,183	6,557
Others	(112,353)	16,655
Discontinued operations	(1,022)	15,523
	861,048	129,343
Changes in operating assets and liabilities:		
Decrease (Increase) in trade receivables	(329,890)	(1,384,298)
Decrease (Increase) in other receivables	179,233	5,657
Decrease (Increase) in inventories	61,544	(182,724)
Decrease (Increase) in contract assets	41,551	(159,391)
Decrease (Increase) in other assets	13,559	(13,741)
Increase (Decrease) in trade payables	(314,851)	1,060,384
Increase (Decrease) in other payables	(499,669)	(50,350)
Increase (Decrease) in provisions	(316,966)	(187,920)
Increase (Decrease) in contract liabilities	194,388	264,553
Increase (Decrease) in other liabilities	(259,436)	(46,908)
Payment of defined benefit liabilities	(2,966)	113
Decrease (Increase) in plan assets	(40,000)	(100,000)
	(1,273,503)	(794,625)
Cash flows generated from operations	190,784	889,556

(b) Changes in liabilities (assets) arising from financing activities

	For the six-month period ended June 30, 2025					
			Effects of other changes			
(in millions of Korean won)	January 1	Cash flows from financing activities	Additions	Exchange differences	Amortization and others	June 30
Borrowings	3,494,198	155,157	-	(67,721)	-	3,581,634
Debentures	5,868,544	(270,000)	-	(140,579)	2,462	5,460,427
Lease liabilities	128,172	(40,633)	25,267	22	145	112,973
Net derivatives liabilities (assets)	(358,533)	11,195	-	213,341	20,474	(113,523)
Total	9,132,381	(144,281)	25,267	5,063	23,081	9,041,511

	For the six-month period ended June 30, 2024					
			Effects of other changes			
(in millions of Korean won)	January 1	Cash flows from financing activities	Additions	Exchange differences	Amortization and others	June 30
Borrowings	4,087,832	(666,147)	-	78,915	-	3,500,600
Debentures	5,136,779	554,453	-	64,921	1,651	5,757,804
Lease liabilities	155,464	(37,809)	11,659	(30)	133	129,417
Net derivatives liabilities (assets)	(104,687)	35,442	-	(128,499)	(8,516)	(206,260)
Total	9,275,388	(114,061)	11,659	15,307	(6,732)	9,181,561

(c) Material non-cash transactions

(in millions of Korean won)	For the six-month period ended June 30, 2025	For the six-month period ended June 30, 2024
Reclassification of construction-in-progress to property, plant and equipment	213,215	47,060
Reclassification of construction-in-progress to intangible assets	176,342	351,295
Reclassification of current portion of borrowings	666,001	640,987
Reclassification of current portion of loans	276,548	275,406
Other payables to acquire property, plant and equipment	28,055	64,370
Other payables to acquire intangible assets	8,374	16,776
Acquisition of right-of-use assets	27,039	15,178

(d) Assets and liabilities of the transferred business

– Transfer of the robot business division

i) On May 14, 2025, the Company transferred its robot business division to Bear Robotics Korea Inc.

ii) The total consideration for the transfer, and the assets and liabilities of the transferred business are as follows:

(in millions of Korean won)	**Amount**
Total consideration for the transfer	
Cash and cash equivalents	188,022
Other receivables	1,303
Other payables	(1,982)
Subtotal	187,343
Assets of the transferred business	
Trade receivables	326
Other receivables	2,640
Inventories	1,399
Property, plant and equipment	1,120
Intangible assets	1,212
Other assets	521
Subtotal	7,218
Liabilities of the transferred business	
Other payables	1,571
Provisions	64
Other liabilities	1
Subtotal	1,636

26. Contingencies and commitments

26.1 Contingencies

(a) As of June 30, 2025, the Company is provided with performance guarantees of ₩336,380 million (December 31, 2024: ₩328,724 million) from Seoul Guarantee Insurance and others relating to the performance guarantees.

(b) As of June 30, 2025, the financial guarantees provided by the Company to related parties amount to ₩4,468,893 million (December 31, 2024: ₩4,206,674 million) on the indebtedness of its subsidiaries. Details are as follows:

(in millions of Korean won)	**Beneficiaries**	**June 30, 2025**[1]	**December 31, 2024**[1]
LG Electronics European Shared Service Center B.V.(LGESC)	Citibank and others	914,361	921,523
ZKW Group GmbH	The Export-Import Bank of Korea and others	697,208	305,746
LG Electronics U.S.A., Inc.(LGEUS)	Citibank and others	684,982	742,350
LG Electronics (China) Co., Ltd(LGECH)	Citibank and others	287,937	324,549
LG Electronics Vehicle Components U.S.A., LLC.(LGEVU)	Citibank and others	284,844	308,700
LG Electronics Mexico S.A. DE C.V.(LGEMS)	Scotiabank and others	277,368	279,660
LG Electronics Peru S.A.(LGEPR)	Scotiabank and others	222,204	230,664
LG Electronics Mlawa Sp. z.O.O.(LGEMA), LG Electronics Polska Sp. Z.O.O.(LGEPL), LG Electronics Wroclaw Sp. z.O.O.(LGEWR)	Citibank and others	181,680	173,630
LG Electronics Inc Chile Limitada(LGECL)	Scotiabank and others	103,253	107,032
LG Electronics do Brasil Ltda.(LGEBR)	Citibank	102,376	110,038
LG Electronics Morocco S.A.R.L.(LGEMC)	Citibank and others	100,621	97,351
LG Electronics Algeria SARL(LGEAS)	Citibank and others	98,249	103,921
LG Electronics Vehicle Components Europe GmbH(LGEVG)	SMBC and others	87,548	84,080
LG Electronics Colombia Limitada(LGECB)	Citibank and others	82,418	82,418
LG Electronics Almaty Kazakhstan (LGEAK)	Citibank	54,256	58,800
LG Electronics Saudi Arabia LLC	SABB and others	54,249	58,715
LG Electronics Egypt S.A.E(LGEEG)	CA_CIB and others	46,152	49,882
LG Electronics Mlawa Sp. z.O.O.(LGEMA)	ING	39,795	38,218

(in millions of Korean won)	**Beneficiaries**	**June 30, 2025**[1]	**December 31, 2024**[1]
LG Electronics Ticaret A.S.(LGETK)	Citibank and others	30,528	33,561
LG Electronics S.A. (Pty) Ltd.(LGESA)	Citibank and others	27,220	27,894
LG Soft India Private Limited.(LGSI)	Citibank	27,128	-
PT LGE Indonesia Research and Development Center(LGERC)	Citibank and others	25,772	27,930
Other foreign subsidiaries	BBVA and others	38,744	40,012
Total		4,468,893	4,206,674

[1] These are the amount for which payment guarantees are provided as of June 30, 2025 and December 31, 2024. For some guarantee contracts, the Company has committed to include incidental costs incurred in performing guaranteed obligations and others in its payment guaranteed.

(c) There are a number of legal actions, disputes and investigations arising from the normal course of business that remain pending as of June 30, 2025. The Company cannot reasonably expect the ultimate effect of those litigations on the financial position. Management does not expect the outcome of the litigations will have a material effect on the Company's financial position.

26.2 Commitments

(a) As of June 30, 2025, the Company has borrowing agreements, such as overdraft facility agreements, trade financing and others, with various banks, including Shinhan Bank and others, with a limit of ₩1,269,098 million (December 31, 2024: ₩1,769,650 million).

(b) As of June 30, 2025, the Company has sales agreements for receivables with various banks including Hana Bank amounting to ₩2,816,122 million (December 31, 2024: ₩3,026,850 million).

(c) As of June 30, 2025, the Company has corporate trade receivables secured loan agreement by electronic settlement and mutually beneficial cooperation settlement with various banks, including Shinhan Bank, for up to ₩1,248,166 million (December 31, 2024: ₩1,255,550 million) in connection with the payment of trade payables.
The Company has entered into supplier finance arrangements with financial institutions to enhance the efficiency of the payment process and to provide early payment options to suppliers. Under these arrangements, if a supplier that has provided goods or services to the Company transfers its trade receivables to a financial institution within the payment term, the Company will settle the amount directly with the financial institution. Since the supplier finance arrangements do not result in a substantial reduction of the Company's payment obligations or modification of payment terms, there is no change in the underlying liabilities recognized as trade payables or other payables.

(d) Contractual commitments for the acquisition of assets

Assets contracted to be acquired but not yet acquired as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**
Property, plant and equipment	86,382	94,025
Intangible assets	35,650	34,961
Investments in subsidiaries, associates and joint ventures	357,074	76,106
Total	479,106	205,092

The Company agreed to tender offers based on fair value at a certain time in relation to the shares of Cybellum Technologies Ltd. and the shares to be issued by the exercise of stock options. As of June 30, 2025, the Company recognized this commitment as 'other financial liabilities' (See Note 6).

(e) Operating lease commitments – Company as a lessor

i) The Company has non-cancellable operating lease agreements regarding home appliance rental business and real estate rental business. The future aggregate lease payments to be received under operating leases as of June 30, 2025 are as follows:

	June 30, 2025					
(in millions of Korean won)	**Within 1 year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**Over 4 years**	**Total lease payments**
Home appliance rental	112,571	36,428	4,721	18	-	153,738
Real estate rental	4,634	4,634	2,389	44	-	11,701
Total	117,205	41,062	7,110	62	-	165,439

ii) The Company recognized ₩123,546 million (June 30, 2024: ₩180,389 million) in lease income for the six-month period ended June 30, 2025.

(f) Finance lease commitments – Company as lessor

i) The gross investments in the lease and present values of the minimum lease payments for the finance lease as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025		**December 31, 2024**	
(in millions of Korean won)	**Gross investment in the lease[1]**	**Net investment in the lease**	**Gross investment in the lease[1]**	**Net investment in the lease**
Within 1 year	560,249	402,673	384,460	272,313
Between 1 and 2 years	574,989	448,239	399,179	307,822
Between 2 and 3 years	572,902	480,093	404,021	335,699
Between 3 and 4 years	533,077	475,437	385,227	341,557
Later than 4 years	606,325	575,717	474,657	450,446
Total	2,847,542	2,382,159	2,047,544	1,707,837

[1] There is no unguaranteed residual value reflected on the gross investment in the lease.

ii) Details of unrealized interest income of finance lease as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**
Gross investment in the lease	2,847,542	2,047,544
Net investment in the lease	2,382,159	1,707,837
Unrealized interest income	465,383	339,707

iii) For the six-month period ended June 30, 2025, the Company recognized income amounting to ₩872,196 million (June 30, 2024: ₩557,644 million) in relation to finance lease contract, and finance income from net investment in the lease amounting to ₩72,098 million (June 30, 2024: ₩28,249 million) is included.

(g) License agreements including patent and trademark

As of June 30, 2025, the Company has various agreements as follows:

Purpose	Related products	Provided by	Used by
Use of license	All products	Qualcomm Incorporated and others	LG Electronics Inc.
Provision for license	All products	LG Electronics Inc.	Panasonic Corporation and others
Use of trademarks	All products	LG Corp.	LG Electronics Inc.

27. Related Parties

(a) Major transactions for each of the six-month periods ended June 30, 2025 and 2024, and transaction balances of receivables from and payables to the related parties as of June 30, 2025 and December 31, 2024 are as follows:

i) Major income and expense on transactions with the related parties

(in millions of Korean won)		For the six-month period ended June 30, 2025					
		Income transactions			Expense transactions		
Classification	Name	Sales	Others	Total	Purchases	Others	Total
Significantly influencing the Company	LG Corp.	1,660	-	1,660	-	70,872	70,872
Subsidiaries	LG Innotek Co., Ltd.	32,910	3,424	36,334	46,006	1	46,007
	Hiplaza Co., Ltd.	541,490	7,991	549,481	-	115,664	115,664
	LG Electronics U.S.A., Inc.	2,544,831	406	2,545,237	10,734	57,060	67,794
	LG Electronics Vietnam Hai Phong Co., Ltd	1,050,953	1,340	1,052,293	155,117	13,236	168,353
	LG Electronics Mlawa Sp. z.O.O.	552,961	288	553,249	527	4,633	5,160
	LG Electronics Canada, Inc.	356,155	13	356,168	376	8,305	8,681

(in millions of Korean won)		For the six-month period ended June 30, 2025					
		Income transactions			Expense transactions		
Classification	Name	Sales	Others	Total	Purchases	Others	Total
	LG Electronics European Shared Service Center B.V.	222,868	5,646	228,514	-	17,909	17,909
	LG Electronics Nanjing New Technology co.,LTD	134,998	54	135,052	250,410	769	251,179
	LG Electronics Vehicle Components Europe GmbH	262,232	4,907	267,139	1,088	48,828	49,916
	LG ELECTRONICS INDIA LIMITED	237,016	427	237,443	3,641	3,702	7,343
	Alphonso Inc.	64,163	-	64,163	-	-	-
	LG Electronics Nanjing Vehicle Components Co.,Ltd.	48,648	-	48,648	3,194	80	3,274
	P.T. LG Electronics Indonesia	96,379	387	96,766	242,318	2,489	244,807
	LG Electronics Vehicle Components U.S.A., LLC.	50,033	6,845	56,878	1,553	22,308	23,861
	LG Electronics Mexico S.A. DE C.V.	149,245	31	149,276	-	1,309	1,309
	LG Electronics RUS, LLC	57,240	2,377	59,617	77	799	876
	LG Electronics (Tianjin) Appliances Co., Ltd.	85,184	475	85,659	427,474	801	428,275
	LG Electronics U.K. Ltd	174,524	454	174,978	709	8,231	8,940
	Taizhou LG Electronics Refrigeration Co., Ltd.	46,876	2,107	48,983	206,483	1,120	207,603
	LG Electronics Almaty Kazakhstan	41,685	216	41,901	-	344	344
	LG Electronics Colombia Ltda.	46,376	140	46,516	-	257	257
	Hi-Caresolution Corp	22,656	-	22,656	142,098	16,056	158,154
	LG Electronics Deutschland GmbH	62,623	147	62,770	519	11,217	11,736
	LG Electronics Peru S.A.	64,591	34	64,625	-	10	10
	LG Electronics Africa Logistics FZE	184,371	667	185,038	-	247	247
	Zenith Electronics LLC	27,901	27,653	55,554	91	220,369	220,460
	NanJing LG-Panda Appliances Co., Ltd.	54,655	439	55,094	39,628	1,132	40,760
	Other subsidiaries	1,984,970	10,211	1,995,181	151,445	305,097	456,542
	Subtotal	9,198,534	76,679	9,275,213	1,683,488	861,973	2,545,461

(in millions of Korean won)		For the six-month period ended June 30, 2025					
		Income transactions			Expense transactions		
Classification	**Name**	**Sales**	**Others**	**Total**	**Purchases**	**Others**	**Total**
Associates	LG Display Co., Ltd. and its subsidiaries	98,657	39,243	137,900	144,723	594	145,317
	Hitachi-LG Data Storage Inc.(HLDS) and its subsidiaries	124	-	124	48	-	48
	Robostar Co.,Ltd.	5	-	5	6,926	1,144	8,070
	ROBOTIS Co., Ltd.	-	-	-	24	-	24
	Acryl Inc.[3]	-	-	-	-	436	436
	GOQUAL INC.	-	-	-	2	8	10
	Subtotal	98,786	39,243	138,029	151,723	2,182	153,905
Joint venture	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	28,640	-	28,640	-	-	-
	Subtotal	28,640	-	28,640	-	-	-
Other related parties	LG CNS Co., Ltd. and its subsidiaries	901	1,104	2,005	52,870	231,534	284,404
	D&O Corp. and its subsidiaries	231	-	231	-	11,248	11,248
	LG Management Development Institute	31	-	31	13	42,317	42,330
	LG SPORTS Ltd.	7	22	29	280	8,154	8,434
	Subtotal	1,170	1,126	2,296	53,163	293,253	346,416
Others[1]	LG Chem Ltd., its subsidiaries and joint ventures	412,037	72,603	484,640	138,127	2	138,129
	LG Uplus Corp and its subsidiaries	1,118	1,282	2,400	1,536	1,839	3,375
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	1,290	1,259	2,549	34	43	77
	HS Ad Inc. and its subsidiaries	69	-	69	22	141,053	141,075
	Subtotal	414,514	75,144	489,658	139,719	142,937	282,656
Total		9,743,304	192,192	9,935,496	2,028,093	1,371,217	3,399,310

(in millions of Korean won)		For the six-month period ended June 30, 2024					
		Income transactions			Expense transactions		
Classification	**Name**	**Sales**	**Others**	**Total**	**Purchases**	**Others**	**Total**
Significantly influencing the Company	LG Corp.	331	-	331	-	70,264	70,264
Subsidiaries	LG Innotek Co., Ltd.	59,615	11,079	70,694	44,118	347	44,465
	Hiplaza Co., Ltd.	708,336	7,865	716,201	53,797	10,469	64,266
	LG Electronics U.S.A., Inc.	2,518,091	1,090	2,519,181	11,213	50,661	61,874
	LG Electronics Vietnam Hai Phong Co., Ltd	1,209,701	2,908	1,212,609	67,690	11,092	78,782
	LG Electronics Mlawa Sp. z.O.O.	537,710	470	538,180	1,166	1,805	2,971
	LG Electronics Canada, Inc.	336,711	-	336,711	67	7,203	7,270
	LG Electronics European Shared Service Center B.V.	223,398	-	223,398	(6,966)	15,602	8,636
	LG Electronics Nanjing New Technology co.,LTD	177,624	46	177,670	337,919	475	338,394
	LG Electronics Vehicle Components Europe GmbH	126,586	8,254	134,840	3,044	55,405	58,449
	LG ELECTRONICS INDIA LIMITED	204,172	228	204,400	2,710	2,202	4,912
	Alphonso Inc.	78,851	-	78,851	-	-	-
	LG Electronics Nanjing Vehicle Components Co.,Ltd.	74,833	-	74,833	4,235	37	4,272
	P.T. LG Electronics Indonesia	110,159	1,571	111,730	250,271	131	250,402
	LG Electronics Vehicle Components U.S.A., LLC.	43,746	950	44,696	4,506	20,109	24,615
	LG Electronics Mexico S.A. DE C.V.	181,744	146	181,890	-	1,326	1,326
	LG Electronics RUS, LLC	47,543	405	47,948	37	1,489	1,526
	LG Electronics (Tianjin) Appliances Co., Ltd.	93,896	148	94,044	375,392	2,702	378,094
	LG Electronics U.K. Ltd	145,323	111	145,434	648	6,590	7,238
	Taizhou LG Electronics Refrigeration Co., Ltd.	56,215	1,819	58,034	198,045	294	198,339
	LG Electronics Almaty Kazakhstan	35,698	71	35,769	7	358	365
	LG Electronics Colombia Ltda.	40,960	20	40,980	1	158	159

(in millions of Korean won)		For the six-month period ended June 30, 2024					
		Income transactions			Expense transactions		
Classification	Name	Sales	Others	Total	Purchases	Others	Total
	Hi-Caresolution Corp	24,093	-	24,093	158,238	124	158,362
	LG Electronics Deutschland GmbH	59,632	70	59,702	391	9,800	10,191
	LG Electronics Peru S.A.	47,124	64	47,188	-	156	156
	LG Electronics Africa Logistics FZE	190,332	3,180	193,512	-	355	355
	Zenith Electronics LLC	27,885	-	27,885	-	145,070	145,070
	NanJing LG-Panda Appliances Co., Ltd.	47,532	378	47,910	41,257	765	42,022
	Other subsidiaries	1,907,996	6,409	1,914,405	133,379	241,890	375,269
	Subtotal	9,315,506	47,282	9,362,788	1,681,165	586,615	2,267,780
Associates	LG Display Co., Ltd. and its subsidiaries	170,837	53,416	224,253	192,386	342	192,728
	Hitachi-LG Data Storage Inc.(HLDS) and its subsidiaries	97	-	97	636	-	636
	Robostar Co.,Ltd.	4	-	4	2,798	70	2,868
	ROBOTIS Co., Ltd.	-	-	-	-	48	48
	Acryl Inc.[3]	-	-	-	-	1,119	1,119
	TheWaveTalk Co., Ltd.	-	-	-	-	30	30
	GOQUAL INC.	-	-	-	-	65	65
	Subtotal	170,938	53,416	224,354	195,820	1,674	197,494
Other related parties	LG CNS Co., Ltd. and its subsidiaries	33,203	1,582	34,785	52,061	221,225	273,286
	D&O Corp. and its subsidiaries	16	-	16	3	11,752	11,755
	LG Management Development Institute	25	-	25	5	38,543	38,548
	LG SPORTS Ltd.	4	18	22	280	7,865	8,145
	Subtotal	33,248	1,600	34,848	52,349	279,385	331,734
Others[1]	LG Chem Ltd., its subsidiaries and joint ventures	684,899	7,530	692,429	124,781	425	125,206
	LG Uplus Corp and its subsidiaries	1,270	1,231	2,501	3,616	28	3,644
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	257	1,224	1,481	-	5	5
	HS Ad Inc. and its subsidiaries	66	-	66	37	136,135	136,172
	XI C&A Co., Ltd. and its subsidiaries[2]	1,100	-	1,100	-	14,343	14,343
	S&I Corp. and its subsidiaries[2]	677	-	677	111	24,402	24,513
	Subtotal	688,269	9,985	698,254	128,545	175,338	303,883
Total		10,208,292	112,283	10,320,575	2,057,879	1,113,276	3,171,155

[1] Although the entities are not the related parties of the Company in accordance with KIFRS 1024, the entities belong to the large-scale business group to which the Company also belongs in accordance with the *Monopoly Regulation and Fair-Trade Act.*

[2] Excluded from the large-scale business group designation under the *Monopoly Regulation and Fair Trade Act* as of March 19, 2024.

[3] The entity was excluded from associates due to the loss of significant influence following the loss of the right to appoint members of the board of directors for the six-month period ended June 30, 2025.

ii) Major outstanding balances of receivables from and payables to the related parties

(in millions of Korean won)		June 30, 2025							
		Receivables				Payables			
Classification	**Name**	**Trade receivables**	**Loans**	**Other receivables**	**Total**	**Trade payables**	**Borrowings**	**Other payables[2]**	**Total**
Significantly influencing the Company	LG Corp.	293	-	28,158	28,451	-	-	18,024	18,024
Subsidiaries	LG Innotek Co., Ltd.	19,637	-	2,211	21,848	24,225	-	17,231	41,456
	Hiplaza Co., Ltd.	134,290	-	31,851	166,141	-	-	575	575
	LG Electronics U.S.A., Inc.	408,247	-	-	408,247	-	-	5,585	5,585
	LG Electronics Vietnam Hai Phong Co., Ltd	224,252	-	4,826	229,078	772,010	-	1,869	773,879
	LG Electronics Mlawa Sp. z.O.O.	112,768	-	-	112,768	656,290	-	79	656,369
	LG Electronics Canada, Inc.	94,672	-	13	94,685	-	-	2,332	2,332
	LG Electronics European Shared Service Center B.V.	62,193	-	8	62,201	-	285,259	153	285,412
	LG Electronics Nanjing New Technology co.,LTD	41,135	-	35	41,170	265,945	-	197	266,142
	LG Electronics Vehicle Components Europe GmbH	699,034	-	18,180	717,214	-	-	24,069	24,069
	LG ELECTRONICS INDIA LIMITED	57,976	-	66	58,042	17,752	-	833	18,585
	Alphonso Inc.	44,205	-	-	44,205	-	-	-	-
	LG Electronics Nanjing Vehicle Components Co.,Ltd.	26,196	-	40,422	66,618	2,096	-	305	2,401
	P.T. LG Electronics Indonesia	9,753	-	62	9,815	607,137	-	678	607,815
	LG Electronics Vehicle Components U.S.A., LLC.	109,576	-	198	109,774	-	-	3,740	3,740
	LG Electronics Mexico S.A. DE C.V.	131,625	-	19	131,644	-	-	252	252

(in millions of Korean won)		June 30, 2025							
		Receivables				Payables			
Classification	Name	Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables[2]	Total
	LG Electronics RUS, LLC	122,688	-	113,723	236,411	-	-	2,733	2,733
	LG Electronics (Tianjin) Appliances Co., Ltd.	42,818	-	453	43,271	476,128	-	100	476,228
	LG Electronics U.K. Ltd	71,344	-	3,556	74,900	-	-	596	596
	Taizhou LG Electronics Refrigeration Co., Ltd.	18,420	-	1,048	19,468	321,719	-	151	321,870
	LG Electronics Almaty Kazakhstan	92,940	-	195	93,135	-	-	151	151
	LG Electronics Colombia Ltda.	92,693	-	79	92,772	-	-	164	164
	Hi-Caresolution Corp	7,637	-	-	7,637	-	-	29,361	29,361
	LG Electronics Deutschland GmbH	60,470	-	135	60,605	-	-	1,783	1,783
	LG Electronics Peru S.A.	51,176	-	27	51,203	-	-	2	2
	LG Electronics Africa Logistics FZE	63,016	-	-	63,016	-	-	29	29
	Zenith Electronics LLC	-	-	35,135	35,135	-	-	102,369	102,369
	NanJing LG-Panda Appliances Co., Ltd.	24,157	-	24	24,181	256,365	-	602	256,967
	Other subsidiaries	1,177,633	-	50,735	1,228,368	493,675	-	132,699	626,374
	Subtotal	4,000,551	-	303,001	4,303,552	3,893,342	285,259	328,638	4,507,239
Associates	LG Display Co., Ltd. and its subsidiaries	82,348	-	58,262	140,610	74,952	-	30,707	105,659
	Hitachi-LG Data Storage Inc.(HLDS) and its subsidiaries	-	-	-	-	65	-	3	68
	Robostar Co.,Ltd.	-	-	-	-	46	-	5,259	5,305
	Subtotal	82,348	-	58,262	140,610	75,063	-	35,969	111,032
Joint venture	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	9,147	-	-	9,147	16,665	-	20	16,685
	Subtotal	9,147	-	-	9,147	16,665	-	20	16,685
Other related parties	LG CNS Co., Ltd. and its subsidiaries	1,364	-	406	1,770	3,809	-	111,901	115,710
	D&O Corp. and its subsidiaries	1	-	-	1	-	-	2,777	2,777
	LG Management Development Institute	7	-	-	7	-	-	1,745	1,745
	LG SPORTS Ltd.	-	-	24	24	-	-	1,960	1,960
	Subtotal	1,372	-	430	1,802	3,809	-	118,383	122,192
Others[1]	LG Chem Ltd., its subsidiaries and joint ventures	150,004	-	509,031	659,035	129,229	-	71,182	200,411

(in millions of Korean won)		June 30, 2025							
		Receivables				Payables			
Classification	Name	Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables[2]	Total
	LG Uplus Corp and its subsidiaries	47	-	252	299	94	-	529	623
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	23	-	6	29	33	-	121	154
	HS Ad Inc. and its subsidiaries	29	-	-	29	-	-	145,695	145,695
	Subtotal	150,103	-	509,289	659,392	129,356	-	217,527	346,883
Total		4,243,814	-	899,140	5,142,954	4,118,235	285,259	718,561	5,122,055

(in millions of Korean won)		December 31, 2024							
		Receivables				Payables			
Classification	Name	Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables[2]	Total
Significantly influencing the Company	LG Corp.	59	-	28,158	28,217	-	-	36,316	36,316
Subsidiaries	LG Innotek Co., Ltd.	35,828	-	738	36,566	25,238	-	24,362	49,600
	Hiplaza Co., Ltd.	122,359	-	32,675	155,034	-	-	885	885
	LG Electronics U.S.A., Inc.	462,157	-	395	462,552	-	-	14,079	14,079
	LG Electronics Vietnam Hai Phong Co., Ltd	372,109	-	4,581	376,690	860,091	-	16,623	876,714
	LG Electronics Mlawa Sp. z.O.O.	116,095	-	1,829	117,924	878,258	-	94	878,352
	LG Electronics Canada, Inc.	87,533	-	8	87,541	-	-	1,469	1,469
	LG Electronics European Shared Service Center B.V.	73,429	-	9,397	82,826	-	-	8,847	8,847
	LG Electronics Nanjing New Technology co.,LTD	90,607	-	66	90,673	421,332	-	264	421,596
	LG Electronics Vehicle Components Europe GmbH	743,835	-	70,204	814,039	-	-	16,296	16,296
	LG ELECTRONICS INDIA LIMITED	62,515	-	77	62,592	18,612	-	2,640	21,252
	Alphonso Inc.	80,766	-	-	80,766	-	-	-	-
	LG Electronics Nanjing Vehicle Components Co.,Ltd.	41,517	-	49,001	90,518	2,111	-	3,005	5,116
	P.T. LG Electronics Indonesia	17,609	-	260	17,869	744,539	-	312	744,851
	LG Electronics Vehicle Components U.S.A., LLC.	109,558	-	10,450	120,008	-	-	3,856	3,856

LG Electronics Inc.
Notes to the interim condensed separate financial statements
June 30, 2025 and 2024 (unaudited)

(in millions of Korean won)

		December 31, 2024							
		Receivables				Payables			
Classification	Name	Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables[2]	Total
	LG Electronics Mexico S.A. DE C.V.	188,424	-	34	188,458	-	-	175	175
	LG Electronics RUS, LLC	131,416	-	119,656	251,072	-	-	364	364
	LG Electronics (Tianjin) Appliances Co., Ltd.	45,388	-	154	45,542	313,231	-	47	313,278
	LG Electronics U.K. Ltd	67,950	-	10,894	78,844	-	-	1,615	1,615
	Taizhou LG Electronics Refrigeration Co., Ltd.	30,179	-	965	31,144	413,022	-	141	413,163
	LG Electronics Almaty Kazakhstan	118,563	-	-	118,563	-	-	175	175
	LG Electronics Colombia Ltda.	99,800	-	54	99,854	-	-	163	163
	Hi-Caresolution Corp	7,521	-	-	7,521	-	-	27,197	27,197
	LG Electronics Deutschland GmbH	114,254	-	6,368	120,622	-	-	2,644	2,644
	LG Electronics Peru S.A	89,420	-	34	89,454	-	-	32	32
	LG Electronics Africa Logistics FZE	32,364	-	-	32,364	-	-	19	19
	Zenith Electronics LLC	-	-	5,101	5,101	-	-	134,422	134,422
	NanJing LG-Panda Appliances Co., Ltd.	29,499	-	-	29,499	342,839	-	405	343,244
	Others	1,050,414	-	58,999	1,109,413	640,495	-	125,639	766,134
	Subtotal	4,421,109	-	381,940	4,803,049	4,659,768	-	385,770	5,045,538
Associates	LG Display Co., Ltd. and its subsidiaries	67,544	1,000,000	72,850	1,140,394	163,352	-	44,188	207,540
	Hitachi-LG Data Storage Inc.(HLDS) and its subsidiaries	-	-	-	-	1,712	-	3	1,715
	Robostar Co.,Ltd.	-	-	-	-	311	-	5,966	6,277
	Subtotal	67,544	1,000,000	72,850	1,140,394	165,375	-	50,157	215,532
Other related parties	LG CNS Co., Ltd. and its subsidiaries	12,521	-	316	12,837	2,894	-	408,363	411,257
	D&O Corp. and its subsidiaries	1	-	-	1	-	-	4,384	4,384
	LG Management Development Institute	8	-	7	15	-	-	1,182	1,182
	LG SPORTS Ltd.	-	-	-	-	-	-	972	972
	Subtotal	12,530	-	323	12,853	2,894	-	414,901	417,795
Others[1]	LG Chem Ltd., its subsidiaries and joint ventures	314,245	-	637,298	951,543	80,461	-	74,467	154,928
	LG Uplus Corp and its subsidiaries	856	-	487	1,343	127	-	829	956

(in millions of Korean won)

		December 31, 2024							
		Receivables				Payables			
Classification	Name	Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables[2]	Total
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	21	-	277	298	-	-	45	45
	HS Ad Inc. and its subsidiaries	19	-	-	19	-	-	208,329	208,329
	Subtotal	315,141	-	638,062	953,203	80,588	-	283,670	364,258
	Total	4,816,383	1,000,000	1,121,333	6,937,716	4,908,625	-	1,170,814	6,079,439

[1] Although the entities are not the related parties of the Company in accordance with KIFRS 1024, the entities belong to the large-scale business group to which the Company also belongs in accordance with the *Monopoly Regulation and Fair-Trade Act.*

[2] Other payables include lease liabilities.

iii) Major capital transactions and others with the related parties

(in millions of Korean won)

		For the six-month period ended June 30, 2025						
					Financing loan transactions		Financing borrowing transactions[6]	
Classification	Name	Dividend income	Dividend paid	Cash distribution (reduction) and others	Loans	Collections	Borrowings	Repayments
Significantly influencing the Company	LG Corp.	-	28,717	-	-	-	-	15,173
Subsidiaries	LG Innotek Co., Ltd.	20,175	-	-	-	-	-	-
	LG Electronics Fund I LLC	-	-	7,100	-	-	-	-
	LG Electronics Fund II LLC	-	-	1,303	-	-	-	-
	LG Electronics U.S.A., Inc.	-	-	-	-	-	434,130	434,130
	LG Electronics European Shared Service Center B.V.	-	-	-	-	-	285,259	-
	NanJing LG-Panda Appliances Co., Ltd.	28,055	-	-	-	-	-	-
	LG Electronics Huizhou Ltd.	3,727	-	-	-	-	-	-
	LG Electronics Nanjing New Technology co.,LTD	30,082	-	-	-	-	-	-
	LG Electronics (Tianjin) Appliances Co., Ltd.	61,973	-	-	-	-	-	-
	LG Electronics Mlawa Sp. z.O.O.	70,953	-	-	-	-	-	-
	ZKW Holding GmbH	-	-	94,797	-	-	-	-
	BEAR ROBOTICS, INC.[3]	-	-	265,818	-	-	-	-
	Subtotal	214,965	-	369,018	-	-	719,389	434,130
Associates	LG Display Co., Ltd.[1]	-	-	-	-	1,000,000	-	-

(in millions of Korean won)		For the six-month period ended June 30, 2025						
				Cash distribution	Financing loan transactions		Financing borrowing transactions[6]	
Classification	**Name**	**Dividend income**	**Dividend paid**	**(reduction) and others**	**Loans**	**Collections**	**Borrowings**	**Repayments**
	Ericsson Korea Partners Co., Ltd.[2]	5,000	-	-	-	-	-	-
	Mirae Asset-LG Electronics New Growth Fund I	2,234	-	9,500	-	-	-	-
	NOVAWAVE Fund I, LP[4]	-	-	5,617	-	-	-	-
	Subtotal	7,234	-	15,117	-	1,000,000	-	-
Other related parties	D&O Corp.	-	-	-	-	-	-	685
	Subtotal	-	-	-	-	-	-	685
Total		222,199	28,717	384,135	-	1,000,000	719,389	449,988

(in millions of Korean won)		For the six-month period ended June 30, 2024						
				Cash distribution	Financing loan transactions		Financing borrowing transactions[6]	
Classification	**Name**	**Dividend income**	**Dividend paid**	**(reduction) and others**	**Loans**	**Collections**	**Borrowings**	**Repayments**
Significantly influencing the Company	LG Corp	-	44,076	-	-	-	-	14,710
Subsidiaries	LG Innotek Co., Ltd.	25,195	-	-	-	-	-	-
	LG Electronics Fund I LLC	-	-	88	-	-	-	-
	LG Electronics Fund II LLC	-	-	10,458	-	-	-	-
	LG Electronics U.S.A., Inc.	535,400	-	-	-	-	-	644,560
	NanJing LG-Panda Appliances Co., Ltd.	19,196	-	-	-	-	-	-
	LG Electronics Thailand Co., Ltd.	41,676	-	-	-	-	-	-
	LG Electronics TAISTAR TAIWAN	29,769	-	-	-	-	-	-
	LG Electronics Huizhou Ltd.	5,885	-	-	-	-	-	-
	LG Electronics Philippines, Inc.	5,669	-	-	-	-	-	-
	LG Electronics HK Ltd.	13,690	-	-	-	-	-	-
	LG Electronics Nanjing New Technology co.,LTD	23,760	-	-	-	-	-	-
	LG Electronics (Tianjin) Appliances Co., Ltd.	53,974	-	-	-	-	-	-
	LG ELECTRONICS AUSTRALIA PTY LIMITED	30,542	-	-	-	-	-	-
	LG Electronics Mlawa Sp. z.O.O.	68,807	-	-	-	-	-	-
	P.T. LG Electronics Indonesia	38,586	-	-	-	-	-	-

(in millions of Korean won)		For the six-month period ended June 30, 2024						
				Cash distribution	Financing loan transactions		Financing borrowing transactions[6]	
Classification	**Name**	**Dividend income**	**Dividend paid**	**(reduction) and others**	**Loans**	**Collections**	**Borrowings**	**Repayments**
	LG Electronics Vietnam Hai Phong Co., Ltd	79,748	-	-	-	-	-	-
	LG Electronics Canada, Inc.	48,664	-	-	-	-	-	-
	LG Electronics Overseas Trading FZE	-	-	6,558	-	-	-	-
	Cybellum Technologies Ltd.	-	-	10,973	-	-	-	-
	Subtotal	1,020,561	-	28,077	-	-	-	644,560
Associates	LG Display Co., Ltd.[1]	-	-	436,031	-	-	-	-
	Ericsson-LG Co., Ltd.	17,500	-	-	-	-	-	-
	Mirae Asset-LG Electronics New Growth Fund I	2,984	-	8,529	-	-	-	-
	NOVA Prime Fund I, LP	-	-	4,181	-	-	-	-
	Subtotal	20,484	-	448,741	-	-	-	-
Joint ventures	LG-LHT Aircraft Solutions GmbH[5]	-	-	5,330	-	-	-	-
	LG-LHT Passenger Solutions GmbH[5]	-	-	5,330	-	-	-	-
	Subtotal	-	-	10,660	-	-	-	-
Other related parties	D&O Corp.	-	-	-	-	-	99	633
	Subtotal	-	-	-	-	-	99	633
Total		1,041,045	44,076	487,478	-	-	99	659,903

[1] The Company has collected the loan of ₩1,000,000 million from LG Display Co., Ltd for the six-month period ended June 30, 2025.

[2] The entity has changed its name from Ericsson-LG Co., Ltd. to Ericsson Korea Partners Co., Ltd. on March 1, 2025.

[3] The entity was reclassified from an associate to a subsidiary due to the acquisition of a controlling interest through the exercise of a call option for the six-month period ended June 30, 2025.

[4] The entity was newly classified as an associate due to an equity investment for the six-month period ended June 30, 2025, and the transactions for the current period include only the amounts incurred after the date on which the counterparty was identified as a related party.

[5] The entity was disposed of for the year ended December 31, 2024.

[6] Financing borrowing transactions include repayment of the principal amount of lease liabilities.

(b) The compensations paid or payable to key management personnel for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
Salaries and other short-term benefits	10,465	11,674
Retirement benefits	1,270	1,120
Other long-term benefits	1	1
Total	11,736	12,795

Key management refers to the directors who have material control and responsibilities on the Company's business plans, operations and control.

(c) The payment guarantees for the financial support of the related parties as of June 30, 2025 are presented in Note 26.

(d) There is no collateral provided by the Company for the financial support of the related parties as of June 30, 2025.

(e) The Company has not recognized any bad debt expense or allowance for receivables from the related parties as of June 30, 2025.

28. Risk Management

28.1 Financial Risk Management

The Company's Financial Risk Management ("FRM") policy supports each business division to achieve excellent performance solidly and continuously against market risk, credit risk and liquidity risk. In addition, FRM helps the Company to enhance cost competitiveness through cost-efficient financing by improving financial structure and efficiency of cash management.

While cooperating with other divisions, the Finance Division of the Company mainly implements FRM. This involves setting up risk management policies and recognizing, evaluating and hedging risks from a global point of view.

The Company mitigates adverse effects from financial risk by monitoring the risk periodically and updating the FRM policy each year.

The carrying amount and profit or loss of each category of financial instruments and details of borrowings related to financial risk management are presented in Note 4 and Note 11, respectively.

(a) Market risk

i) Foreign exchange risk

Due to its multinational business operations, the Company is exposed to foreign exchange risk on various currencies. The Company is mainly exposed to foreign exchange risk on the US Dollar and Euro.

The purpose of foreign exchange risk management is to provide the foundation of a stable business operation by minimizing the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

The Company's foreign exchange risk management is implemented under its own foreign exchange policy which regulates the measurement and the management of foreign exchange risk. The Company can minimize the exposure to foreign exchange risk by preferentially making equal amounts of foreign exchange assets and liabilities from general operating activities by using this policy. Accordingly, the Company continuously considers efficient foreign exchange risk hedges against its remaining exposure with derivative financial instruments and scrutinizes changes in foreign exchange exposure and the results of hedging activities on a monthly basis. Speculative foreign exchange trading is prohibited in principle.

As of June 30, 2025 and December 31, 2024, if the foreign exchange rate of the Korean won fluctuated for monetary assets and liabilities denominated in major foreign currency other than functional currency by 10% while holding other variables constant, the impact on profit (loss) before income tax would be as follows:

	June 30, 2025		December 31, 2024	
(in millions of Korean won)	**10% increase**	**10% decrease**	**10% increase**	**10% decrease**
USD/KRW	4,847	(4,847)	(35,564)	35,564
EUR/KRW	2,038	(2,038)	18,136	(18,136)

ii) Interest rate risk

The Company is exposed to interest rate risk arising from changes in interest-bearing liabilities or assets. The risk mainly arises from borrowings and deposits held by financial institutions with variable interest rates linked to market interest rate changes in the future. The purpose of interest rate risk management lies in improving corporate value by minimizing uncertainty caused by fluctuations in interest rates and minimizing net interest expense.

The Company minimizes its borrowings from others and optimizes its deposits. The Company periodically monitors both domestic and foreign interest rate trends to establish countermeasures against changes in interest rates.

If interest rates fluctuate by 1%p with all other variables held constant, the effects on income and expenses related to borrowings and deposits held by financial institutions with variable interest rates for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month period ended June 30, 2025		For the six-month period ended June 30, 2024	
(in millions of Korean won)	**1%p increase**	**1%p decrease**	**1%p increase**	**1%p decrease**
Interest income	5,730	(5,730)	11,334	(11,334)
Interest expense	1,730	(1,730)	208	(208)

iii) Details of derivative contracts are as follows:

Derivatives for hedging purposes

The Company entered into the cross-currency swap and interest rate swap contracts to hedge cash flow risks related to the floating interest rates and foreign exchange rates.

Details of hedging instruments are as follows:

	Contractor	**Contracted amount** *(in millions)*	**Contracted currency rate**	**Interest rate (paid) (%)**	**Starting date**	**Expiration date**	**Carrying amount** *(in millions of Korean won)*	
							Assets	**Liabilities**
Cross-currency swap	Korea Development Bank and others	USD 1,635	1,067.9 ~ 1,377.9	1.88 ~ 4.56	May 17, 2018 ~ Apr. 24, 2024	Dec. 8, 2025 ~ Jul. 28, 2031	119,674	19,232
	Citi Bank	EUR 95	1,312.5	3.84	Jul. 15, 2022	Jan. 14, 2028	23,262	-
	Citi Bank and others	JPY 22,000	8.7 ~ 10.0	4.06 ~ 4.38	Apr. 4, 2023 ~ Nov. 24, 2023	Apr. 4, 2029 ~ May 24, 2029	3,431	13,612
Interest rate swap	Woori Bank and others	KRW 1,166,821	-	2.75 ~ 4.87	Apr. 30, 2014 ~ Mar. 29, 2024	Jan. 15, 2027 ~ Nov. 16, 2032	1,705	18,088

The interest rates receivable under the above derivative contracts are equal to the annual interest rates on the related borrowings (See Note 11).

Details of hedged items are as follows:

(in millions of Korean won)	**Hedged items**	**Carrying amount**	**Changes in fair value (net of tax)**
Cross-currency swap	Borrowings	2,563,159	159,906
Interest rate swap	Borrowings	898,750	4,206

The results of hedge accounting are as follows:

(in millions of Korean won)	Changes in fair value of derivatives (net of tax)	Line items in profit or loss	Reclassified to profit or loss (net of tax)	Other comprehensive loss (net of tax)	Accumulated other comprehensive income (loss)
Cross-currency swap	(159,906)	Interest expense and exchange differences	148,079	(11,827)	(17,096)
Interest rate swap	(4,206)	Interest expense	(260)	(4,466)	(12,375)

Derivatives for trading purposes

- Stock purchase agreement

According to the put options granted to Cybellum Technologies Ltd.'s shareholders and employees to whom stock options were granted the Company recognized ₩27,848 million of derivative liabilities and no gain or loss on derivative transactions was recognized for the six-month period ended June 30, 2025. As of December 31, 2024, the Company also recognized a derivative financial asset of ₩4,359 million upon acquiring a call option to purchase Series C-1 shares of Bear Robotics, Inc. Additionally, valuation loss on derivatives of ₩4,359 million under the contract was recognized for the six-month period ended June 30, 2025. The entire derivative was exercised for the period to obtain control.

- Currency swap agreement

The Company entered into a currency swap agreement for its short-term borrowings in foreign currencies and, as it did not apply hedge accounting, the Company recognized a realized loss on derivative of ₩26,460 million. The Company repaid short-term borrowings in foreign currencies, and the related currency swap agreement was terminated for the six-month period ended June 30, 2025.

iv) Price risk

The Company is exposed to price risk through equity securities owned by the Company classified as financial assets at fair value through other comprehensive income.

The listed securities owned by the Company are traded in the open market, and related to KOSDAQ, NASDAQ and NYSE Index.

The effect of price index's fluctuation related to the listed securities on the equity (before income tax effect) is set out in the table below. The analysis is based on a 30% increase/decrease in the price index under the assumption that other variations are held constant and the listed securities owned by the Company have historically been correlated with the relevant index.

	June 30, 2025		December 31, 2024	
(in millions of Korean won)	**30% increase**	**30% decrease**	**30% increase**	**30% decrease**
KOSDAQ	12,570	(12,570)	12,461	(12,461)
NASDAQ	46	(46)	62	(62)
NYSE	800	(800)	1,482	(1,482)

The valuation of the financial assets at fair value through other comprehensive income related to the market risk above is presented in Note 6.

(b) Credit risk

The Company operates a consistent Global Credit / TR (trade receivables) policy to manage credit risk exposure.

In regard to trade receivables, the Company operates an integrated receivable insurance program with the Korea Trade Insurance Corporation (K-SURE) and Seoul Guarantee Insurance (Coface reinsurance company). To minimize receivable credit risk, the Company applies the credit rating of the counterparty rated by insurers, when determining the insurance coverage. In addition, the Company performs stringent credit risk management based on credit valuation criteria for receivables without insurance coverage or collateral.

As of June 30, 2025, trade receivable balance of the Company, excluding the trade receivables from the subsidiaries, is ₩4,129,582 million (December 31, 2024: ₩3,468,413 million) and its risk is managed appropriately within insurer's credit limit of ₩2,987,965 million (December 31, 2024: ₩2,952,869 million). Therefore, the Company determined that credit risk exposed to the Company is limited.

As of June 30, 2025, the carrying amount of financial assets is stated net of impairment loss to reflect Company's maximum exposure to the credit risk.

(c) Liquidity risk

The Company forecasts its cash flow and liquidity status and sets action plans on a regular base to manage liquidity risk proactively. The Company systematically works with experts in four regional treasury centers to carry out fund and liquidity management that can react proactively to the changing global financial environment.

The Company also maintains adequate amounts of deposits.

In addition, the Company is able to source funds any time in domestic and international financial markets because it has received good investment credit grades of AA Stable from Korea Investors Service, Korea Ratings and NICE Information Service, BBB from Standard & Poors, and Baa2 from Moody's as of June 30, 2025.

i) Cash flow information on maturity of financial liabilities as of June 30, 2025 and December 31, 2024 is as follows:

	June 30, 2025				
(in millions of Korean won)	**Total**	**Within 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**
Trade payables	6,343,383	6,343,383	-	-	-
Borrowings	10,395,765	1,548,788	1,952,755	4,626,025	2,268,197
Lease liabilities	118,213	61,073	34,549	19,682	2,909
Other payables	1,712,341	1,700,351	130	11,660	200
Other financial liabilities	27,848	-	22,885	4,963	-
Total	18,597,550	9,653,595	2,010,319	4,662,330	2,271,306

	December 31, 2024				
(in millions of Korean won)	**Total**	**Within 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**
Trade payables	6,787,335	6,787,335	-	-	-
Borrowings	10,681,079	1,204,138	1,398,849	5,077,065	3,001,027
Lease liabilities	134,104	74,037	30,782	25,455	3,830
Other payables	2,504,159	2,492,269	-	11,690	200
Other financial liabilities	27,848	-	22,885	4,963	-
Total	20,134,525	10,557,779	1,452,516	5,119,173	3,005,057

The above cash flows are calculated at nominal value based on the earliest maturity dates and include cash flows of principal and interests. Derivatives for cash flow hedges from changes in interest rate and exchange rate are reflected in the cash flows of related borrowings.

ii) The maturity analysis of financial guarantee contracts provided by the Company to its subsidiaries as of June 30, 2025 is as follows:

(in millions of Korean won)	**Total**	**Within 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**
Financial guarantee contracts	4,468,893	4,468,893	-	-	-

The financial guarantee contracts provided to subsidiaries are allocated to earliest period in which the Company can be required to make the payments, at the maximum amount of guarantees.

28.2 Capital risk management

The purpose of the Company’s capital risk management is to maximize shareholders’ value through a sound capital structure. The Company monitors financial ratios, such as liability to equity ratio, and net borrowing ratio each month and implements required action plan to improve the capital structure.

Details of liability to equity ratio and net borrowing ratio as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won, except for ratios)	**June 30, 2025**	**December 31, 2024**
Liability(A)	21,675,398	23,421,431
Equity(B)	12,041,017	11,477,051
Cash and cash equivalents(C)	1,145,365	1,204,080
Borrowings and lease liabilities(D)	9,155,034	9,490,914
Liability to equity ratio(A/B)	180.0%	204.1%
Net borrowings ratio((D-C)/B)	66.5%	72.2%

28.3 Fair value estimation

(a) The carrying amounts and fair values of the Company's financial assets and liabilities as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025			
	Current		**Non-current**	
(in millions of Korean won)	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Assets at fair value				
Financial assets at fair value through profit or loss				
Other financial assets and others	-	-	99,965	99,965
Financial assets at fair value through other comprehensive income				
Trade receivables	221,275	[1]	-	-
Other financial assets	-	-	75,303	75,303
Derivatives for hedging purposes				
Other financial assets	2,973	2,973	145,099	145,099
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	1,145,365	[1]	-	-
Deposits held by financial institutions	-	[1]	120,375	[1]
Trade receivables	5,375,718	[1]	100,924	100,924
Other receivables	401,088	[1]	157,604	139,560
Other assets				
Trade payables	401,358	[1]	1,975,627	1,975,627
Total	7,547,777		2,674,897	

	June 30, 2025			
	Current		**Non-current**	
(in millions of Korean won)	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	-	-	27,848	27,848
Derivatives for hedging purposes				
Other financial liabilities	-	-	50,932	50,932
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	6,343,383	[1]	-	-
Borrowings	1,263,045	[1]	7,779,016	8,648,197
Other payables	1,700,351	[1]	11,990	11,083
Other liabilities				
Lease liabilities	59,964	[2]	53,009	[2]
Other financial liabilities	7,636	[3]	7,204	[3]
Total	9,374,379		7,929,999	

(in millions of Korean won)	December 31, 2024 Current Carrying amount	Current Fair value	Non-current Carrying amount	Non-current Fair value
Assets at fair value				
Financial assets at fair value through profit or loss				
Other financial assets	4,359	4,359	104,868	104,868
Financial assets at fair value through other comprehensive income				
Trade receivables	220,898	[1]	-	-
Other financial assets	-	-	68,728	[1]
Derivatives for hedging purposes				
Other financial assets	58,311	58,311	319,014	319,014
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	1,204,080	[1]	-	-
Deposits held by financial institutions	-	[1]	120,631	[1]
Trade receivables	5,783,313	[1]	131,258	131,258
Other receivables	1,339,202	[1]	410,669	416,231
Other assets				
Trade receivables	271,314	[1]	1,432,465	1,432,465
Total	8,881,477		2,587,633	

(in millions of Korean won)	December 31, 2024 Current Carrying amount	Current Fair value	Non-current Carrying amount	Non-current Fair value
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	-	-	27,848	27,848
Derivatives for hedging purposes				
Other financial liabilities	-	-	28,380	28,380
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	6,787,335	[1]	-	-
Borrowings	901,800	[1]	8,460,942	8,822,622
Other payables	2,492,269	[1]	11,890	10,700
Other liabilities				
Lease liabilities	72,610	[2]	55,562	[2]
Other financial liabilities	7,682	[3]	6,930	[3]
Total	10,261,696		8,591,552	

[1] Excluded from disclosures such as fair value hierarchy and measurement method as the carrying amount is the reasonable approximate of fair value.

[2] Lease liabilities were excluded from the fair value disclosures in accordance with KIFRS 1107 *Financial Instruments: Disclosures*.

[3] Measured at the higher of the amount of the loss allowance determined in accordance with KIFRS 1109 *Financial Instruments* and the amount initially recognized less cumulative amount of income recognized in accordance with KIFRS 1115 *Revenue from Contracts with Customers,* and excluded from disclosure as there is no significant difference between the carrying amount and its fair value.

(b) Fair value measurements of assets and liabilities

i) Fair value hierarchy and measurement method

The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value measurement is to estimate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. When measuring fair value using valuation techniques, the Company maximizes the use of market information and minimizes the use of unobservable inputs.

Financial instruments measured at fair value are categorized within the fair value hierarchy, and the defined levels are as follows:

- Level 1: Financial instruments measured at the quoted price in an active market for identical assets or liabilities are included in Level 1. Assets or liabilities categorized within Level 1 are financial instruments such as marketable equity securities traded.

- Level 2: When financial instruments are measured by using a discounted cash flow, if all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2. Assets or liabilities categorized within Level 2 are financial instruments such as derivative financial instruments.

- Level 3: When financial instruments are measured by using a discounted cash flow, if one or more of the significant inputs are unobservable in the market, the instrument is included in Level 3. The assets or liabilities categorized within Level 3 are unmarketable equity securities and debt securities.

The fair value of financial instruments traded in active markets is based on quoted market prices as of June 30, 2025. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, an entity within the same industry, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price for financial assets held by the Company is the closing price as of June 30, 2025. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily listed equity securities classified as financial assets at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses various valuation techniques that the Company develops or figures that external valuation agencies provide, and makes judgements based on current market conditions. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3. Financial instrument included Level 3 uses other method including discounting cash flow method.

ii) Financial instruments measured at fair value

The fair value hierarchy classifications of financial assets and financial liabilities that are measured at fair value as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025			
(in millions of Korean won)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Other financial assets and others				
Financial assets at fair value through other comprehensive income	32,438	-	42,865	75,303
Financial assets at fair value through profit or loss	-	-	99,965	99,965
Derivatives for hedging purposes	-	148,072	-	148,072
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	27,848	-	27,848
Derivatives for hedging purposes	-	50,932	-	50,932

	December 31, 2024			
(in millions of Korean won)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Other financial assets and others				
Financial assets at fair value through other comprehensive income	32,912	-	35,816	68,728
Financial assets at fair value through profit or loss	-	4,359	104,868	109,227
Derivatives for hedging purposes	-	377,325	-	377,325
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	27,848	-	27,848
Derivatives for hedging purposes	-	28,380	-	28,380

The above fair value amounts are recurring fair value measurements.

- Valuation techniques and inputs for fair value measurements categorized within Level 2

The valuation techniques and inputs for fair value measurements categorized within Level 2 as of June 30, 2025 and December 31, 2024 are as follows:

	Fair value			
(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**	**Valuation techniques**	**Inputs**
Assets				
Other financial assets				
Financial assets at fair value through profit or loss	-	4,359	Binomial model	Share price and volatility
Derivatives for hedging purposes	148,072	377,325	Discounted cash flow	Discount rate and exchange rate

	Fair value			
(in millions of Korean won)	**June 30, 2025**	**December 31, 2024**	**Valuation techniques**	**Inputs**
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	27,848	27,848	Binomial model	Share price and volatility
Derivatives for hedging purposes	50,932	28,380	Discounted cash flow	Discount rate and exchange rate

- Valuation techniques and inputs of fair value measurements categorized within Level 3

As of June 30, 2025 and December 31, 2024, financial instruments measured at fair value categorized within Level 3 comprise unmarketable equity securities and debt securities and are measured using discounted cash flow considering discount rate and others as inputs.

iii) Financial instruments not measured at fair value but for which the fair value is disclosed

Details of financial instruments not measured at fair value but for which the fair value is disclosed as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025			
(in millions of Korean won)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Non-current trade receivables	-	-	2,076,551	2,076,551
Non-current other receivables	-	-	139,560	139,560
Liabilities				
Non-current borrowings	-	-	8,648,197	8,648,197
Non-current other payables	-	-	11,083	11,083

	December 31, 2024			
(in millions of Korean won)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Non-current trade receivables	-	-	1,563,723	1,563,723
Non-current other receivables	-	-	416,231	416,231
Liabilities				
Non-current borrowings	-	-	8,822,622	8,822,622
Non-current other payables	-	-	10,700	10,700

- Valuation techniques and inputs for fair value measurements categorized within Level 2

As of June 30, 2025 and December 31, 2024, there are no financial instruments that are not measured at fair value but for which the fair value is disclosed and categorized within Level 2.

- Disclosure in relation to fair value measurements categorized within Level 3

Details of valuation techniques, inputs and unobservable inputs of financial instruments that are not measured at fair value but for which the fair value is disclosed and categorized within Level 3 as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025		December 31, 2024					
(in millions of Korean won)	Carrying amount	Fair value	Carrying amount	Fair value	Valuation techniques	Inputs	Significant but unobservable inputs	Range of significant but unobservable inputs
Assets								
Non-current trade receivables	2,076,551	2,076,551	1,563,723	1,563,723	Discounted cash flow	Discount rate	Discount rate	5.1%~5.2%
Non-current other receivables	157,604	139,560	410,669	416,231	Discounted cash flow	Discount rate and exchange rate	Discount rate	3.6%~4.5%
Liabilities								
Non-current borrowings	7,779,016	8,648,197	8,460,942	8,822,622	Discounted cash flow	Discount rate and exchange rate	Discount rate	2.6%~4.6%
Non-current other payables	11,990	11,083	11,890	10,700	Discounted cash flow	Discount rate	Discount rate	2.8%~4.0%

29. Assets and liabilities classified as held for sale

(a) Details of assets classified as held for sale as of June 30, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	June 30, 2025[1]	December 31, 2024
Assets held for sale		
Land	9,237	-
Buildings	32,866	-
Structures	23	-
Total	42,126	-

[1] The sale is in progress as of June 30, 2025 and expected to be completed by 2026.

(b) Assets held for sale were measured at the lower of their carrying amount and fair value less costs to sell before the reclassification, and there is no related impairment loss recognized.

30. Discontinued Operations

In 2024, the Company discontinued the operations of the battery pack business in order to focus on the Company's core business through firmwide resource efficiency and to secure financial resources for preparing new business for future growth by improving its financial structure.

(a) Details of profits and losses from discontinued operations for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
Net sales	-	-
Operating profit (loss)	(3,204)	(2,152)
Profit (Loss) before income tax	(3,635)	(21,935)
Income tax expense (benefit)	(943)	(5,587)
Profit (Loss) for the period, net of tax	(2,692)	(16,348)

(b) Cash flows from discontinued operations for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(in millions of Korean won)	**For the six-month period ended June 30, 2025**	**For the six-month period ended June 30, 2024**
Net cash flows from operating activities	(95,315)	48,765
Net cash flows from investing activities	11	98
Net cash flows from financing activities	95,304	(48,863)

31. Events after the reporting period

(a) The Company declared an interim dividend of ₩90,033 million at the Board of Directors' meeting on July 24, 2025, with the following details:

	Ordinary shares	**Preferred shares**
Dividends per share *(in Korean won)*	500	500
Interim dividend *(in millions of Korean won)*	81,442	8,591
Dividend base date	August 8, 2025	

(b) On July 24, 2025, the Board of Directors resolved to retire 761,427 shares of its common stock, which it held as treasury shares (₩44,651 million), as part of the Company's shareholder return policy to enhance corporate value. The shares were retired on July 31, 2025.